MWRA EMPLOYEES' RETIREMENT BOARD MEETING

AGENDA

Thursday, March 31, 2022 10:00 a.m.
MWRA, 2 Griffin Way
Via Remote Participation

Item 1 10:00 a.m. Meeting called to order

OLD BUSINESS

Item 2 Standing Committee Reports

i. By-Laws Committee: Member Kevin McKenna

ii. Human Resources Committee: Member Thomas J. Durkin, Member Frank Zecha

iii. Special Committee, Stipend: Chair James M. Fleming, Member Kevin McKenna

iv. Job Review Committee: Member James M. Fleming; Member Thomas J. Durkin

Item 3 Approval of Richard Dalton's buyback of prior Town of Winthrop employment (1/1/1980 – 8/31/1980), 8 months creditable service – VOTE

Item 4 CY2022 Budget Amendments

NEW BUSINESS

Item 5 Approval of February 23, 2022 Minutes – VOTE

Item 6 Approval of Warrants – VOTE
- a) Warrant 3-2022
- b) Warrant 3-2022A – Payroll

Item 7 Approval of Monthly Transfers 3-2022 – VOTE

Item 8 Acknowledgement of retirement applications under G.L. c 32 §5 – VOTE
- a) Erik Jewett DOR 2/5/2022
- b) Teresa Houston DOR 2/25/2022
- c) Nadine Smoske DOR 3/5/2022
- d) Sharon Tamagna DOR 3/12/2022

Item 9 Real Estate Finalists' Presentations
- 10:30 a.m. a) TA Realty (& Due Diligence)
  - i. Core Property Fund
  - ii. Fund XIII
- 11:00 a.m. b) Invesco (& Due Diligence)
  - i. Partnership Fund IV & VI
  - ii. Mortgage Recovery Fund I & II
  - iii. Real Estate U.S. Fund VI
- 11:30 a.m. c) TerraCap Partners V
- 11:50 a.m. d) Alidade Capital Fund V

Item 10	NEPC	
	a)	Flash Report as of 2/28/2022
	b)	Rebalance Recommendation – VOTE
	c)	Real Estate Finalists Book
	d)	CarVal Sale

Item 11	Legal John Burke Section 7 PERAC Remand

..FOR YOUR INFORMATION and REVIEW ....

Item 99-1	PERAC MEMO #9/2022 – Extension of Open Meeting Law Waivers
Item 99-2	Cybersecurity and Privacy Awareness and Internal Control Retirement Boards
Item 99-3	PTG Cybersecurity
Item 99-4	PERAC Pension News
Item 99-5	Pensions & Investments Idaho Prudent Investor Bill
Item 99-6	HarbourVest Staff Promotions
Item 99-7	Baillie Gifford International Growth Webinar

The Board reserves the right to consider items on the agenda out of order. The listing of items is those reasonably anticipated by the Chair to be discussed received at least forty-eight (48) hours prior to the meeting. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by law. Items identified for discussion in Executive Session may be conducted in open session, in addition to, or in lieu of discussion in Executive Session.

Date of next scheduled Retirement Board meeting is Thursday, April 28, 2022, 10:00 a.m., Chelsea

MWRA EMPLOYEES' RETIREMENT BOARD MEETING
FEBRUARY 23, 2022

A meeting of the MWRA Employees' Retirement Board was conducted remotely on Wednesday, February 23, 2022. Remote access was provided to the public via Zoom, with call-in information provided on the official Meeting Notice posted to mwraretirement.com and the MA Secretary of State's website. Participating in the remote meeting were Board members James Fleming, Thomas Durkin, Kevin McKenna, Andrew Pappastergion, and Frank Zecha, and staff members Carolyn Russo, Julie McManus, and Danielle DiRuzza. Representatives from NEPC, Sebastian Grzejka and Kiley Fisher, as well as members of the public attended. Mr. Fleming called the meeting to order at 10:01 a.m.

1) Call the meeting to order-roll call of members: Mr. Fleming, Mr. Durkin, Mr. McKenna, Mr. Pappastergion, and Mr. Zecha present via remote access.

2) Standing Committee Reports
    i. By-Laws Committee: No report
    ii.Human Resources Committee: Per Mr. Zecha's request at the January meeting, staff pay adjustments scheduled for discussion

Mr. Zecha stated that the Retirement Coordinator's pay has historically been tied to Unit 6 in regard to pay increases, even though the position is non-union. Whereas the contract settlements for MWRA's unions have been delayed and we are now approaching year three of the contracts if they are settled retroactively to 7/1/2020, Mr. Zecha finds no reason to continue to withhold the Retirement Coordinator's increases, since she has not had a raise since 7/1/20219. Mr. Zecha asked Mr. Durkin what raises are anticipated for Unit 6, and Mr. Durkin responded 2.5% for FY21, and 2% for FY2022. Mr. McKenna made a motion seconded by Mr. Zecha to give the Retirement Coordinator a 2.5% raise effective 7/1/2021, and a 2% raise effective 7/1/2021 and pay her at the new rate as well as the retro effective immediately. Under discussion, Mr. McKenna questioned Mr. Durkin whether each percentage will in its entirety be effective 7/1 of the respective fiscal years, and asked whether the Board should address FY23 since we are already seven months into FY2022. Mr. Durkin confirmed that the full amounts will be effective 7/1, and stated that the Board will revisit if the contracts are settled for additional amounts, and to address FY2023.

On a motion by Mr. McKenna and seconded by Mr. Zecha
VOTED:
to award the Retirement Coordinator a 2.5% raise retroactively to 7/1/2020, and a 2% raise retroactively 7/1/2021, to adjust her pay rate and remit to her any retroactive salary due effective immediately, and to address the matters of a 7/1/2022 increase and any adjustments rendered necessary if Unit 6 settles for greater percentage increases, at a later

date. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

In regard to the Executive Director, Mr. Zecha noted that the question on the agenda is whether to increase the Retirement System's Executive Director's salary to $145,000. Mr. Zecha stated that the Executive Directors' pay rates are going up rapidly due to the fact that qualified directors are in short supply, and somewhere between 6 and 12 more will be retiring in the coming months. Mr. Zecha deemed the current Executive Director an "Allstar" the System does not want to lose, one of only five in the state capable of handling the amount and complexity of the accounting involved, and with the knowledge and experience she has. Mr. Zecha made a motion that the Executive Director's pay be increased to $145,000 effective 1/1/2022. Mr. Pappastergion seconded the motion. Under discussion Mr. Durkin stated the Board should take some pause to consider that it is a greater increase than the 2% other non-union managers will be getting, and that he thought the matter had been addressed by a prior salary survey. Mr. Zecha stated that he will be receiving another pay increase because the salaries of qualified directors are taking off, that he is already making more than the MWRAERS Executive Director, and that he is no longer even in the top quartile in the state. He stated that he would not want the MWRAERS's Executive Director's job due to the volume of the accounting work required. He continued that he appreciates the time and effort the Board members invest in the System, but reiterated that there is no farm system for Retirement Systems and there will be several high-profile Executive Director openings in the coming months. He has never heard a complaint about the System's Staff, and noted that the Executive Director and the Retirement Coordinator had saved the System a good deal of money by assuming the responsibilities of the third position for nearly two and a half years, with no complaints. He is happy now to have the third position filled, and hopes that the Member Services Coordinator will be able to step up and expand her knowledge. Mr. Pappastergion responded to Mr. Durkin's concerns by stating that he sees no issue with the increase, that he views the Retirement System's Executive Director's position as comparable to Senior Management for the Authority, and noted that Senior Managers for the Authority are treated differently from other non-union managers. Mr. Durkin responded that it is only right, but not necessarily fair, to pay the Executive Director a fair market salary, and stated that he can support the motion. Mr. Fleming stated that he supports the increase for the Executive Director. Mr. McKenna asked whether this would require an amendment to the Retirement System's budget, and the Executive Director responded that it will. He asked whether the much lower than expected amount expended for the fiduciary policy would cover the increase. The Executive Director stated that it would, and that she will present the appropriate budget amendment to the Board for approval at the March meeting.

On a motion by Mr. Zecha and seconded by Mr. Pappastergion:

VOTED
to increase the salary of the Retirement System's Executive Director to $145,000 effective 1/1/2022. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

iii. Special Committee, Stipend: No report
iv. Job Review Committee: No report

3) 91A Termination Hearing – the Retirement Coordinator stated that PERAC had, earlier this morning, informed the Board that the retiree is now in full compliance with required reporting for 2020, so the Board does not need to proceed with the termination hearing.

4) Approval of Minutes – VOTE

a) January 27, 2022 Minutes
b) January 27, 2022 Executive Session Minutes

On a motion made by Mr. Pappastergion and seconded by Mr. McKenna:
VOTED
to approve the regular session minutes of the January 27, 2022 meeting as submitted by the Executive Director. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

On a motion made by Mr. Pappastergion and seconded by Mr. McKenna:
VOTED
to approve the Executive Session minutes of the January 27, 2022 meeting as submitted by the Executive Director. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

5) Approval of Warrants – VOTE

a) Warrant 02-2022

On a motion made by Mr. McKenna and seconded by Mr. Durkin:
VOTED
to approve Warrant 02-2022. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

b) Warrant 02-2022A – Payroll

The Executive Director noted that in addition to the payroll, she wishes to pay the Fiduciary Policy premium in the amount of $13,851, the WiFi bill in the amount of $80.02, and cancel and reissue other checks which are outstanding over 180 days, and which will have a net zero impact on the warrant. Mr. Durkin asked whether the payroll is consistent. The Executive Director reported that she believes it is other than adding new retirees, plus an approximately $30,000 retroactive payment to a disability retiree which was recently approved by PERAC. She asked the Retirement Coordinator to confirm that understanding, and the Retirement Coordinator did so. The warrant will be forwarded to the Board members upon its completion.

On a motion made by Mr. Pappastergion and seconded by Mr. Durkin:
VOTED
to approve Warrant 02-2022A. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

6) Approval of Monthly Transfers 2-2022 – VOTE

On a motion by Mr. Pappastergion and seconded by Mr. Zecha:
VOTED
to approve the monthly transfers as presented and as recommended by NEPC. 5 -0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

7) Acknowledgement of retirement applications under G.L. c 32 §5 – VOTE

a)	Doreen Thornton	DOR 1/10/2022
b)	Thomas Surette	DOR 1/15/2022
c)	Zhanfei Gao	DOR 1/22/2022
d)	Michael F. Flynn	DOR 1/29/2022
e)	Thomas Brown	DOR 2/1/2022

Mr. McKenna asked about a retiree who had deferred and asked why the member did not begin collecting benefits sooner. The Executive Director stated that sometimes the person left the MWRA 15 years ago and just forgets. In the process of providing OPEB data to the Authority for the Valuation, she discovered that two of the former employees who had left and deferred retirement were now over age 65 and notified them that they were losing money by not collecting their benefits. One will be on the agenda for next month because when a deferred retirement application is received, it does not take effect for fifteen days.

On an omnibus motion by Mr. Pappastergion and seconded by Mr. Durkin:

VOTED
to acknowledge the s. 5 retirements as detailed above. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

8) Approval of Richard Dalton's buyback of prior Town of Winthrop employment (1/1/1980 – 8/31/1980), 8 months creditable service – VOTE

The Executive Director reported that Mr. Dalton had been employed over a period of several years by the Town of Winthrop, but that they had disposed of payroll records and his salary could only be verified for the time requested. Mr. Dalton has a W-2 and researched and verified through Town Clerk's records the salary rates over the period of his employment. Mr. Fleming asked why Winthrop had denied the service. The Retirement Coordinator responded that the Winthrop Retirement Board said Mr. Dalton was not erroneously excluded from membership, so MWRAERS is accepting liability. Mr. Durkin asked then why are we accepting it, if Winthrop denied it? Mr. Zecha made a motion to table the request. Mr. Pappastergion seconded, and asked if there are any time constraints on the buyback, and the Executive Director responded only if Mr. Dalton were to retire in the meantime.

On a motion by Mr. Zecha and seconded by Mr. Pappastergion:
VOTED
to table the request for purchase of prior service made by Richard Dalton. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

9) FY 2023 COLA – VOTE

On a motion by Mr. Pappastergion and seconded by Mr. McKenna:
VOTED
to approve a 3% COLA for retirees calculated on a $15,000 base to become effective July 1, 2022. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

10) Manager Due Diligence Presentations

The following managers underwent an annual investment manager review pursuant to 840 CMR 16.07. The managers presented performance and investment reports detailing the manager's activities, which the Board reviewed.

Loomis Sayles
PA Capital
Ascent

Garcia Hamilton

Mr. Joseph Beauparlant joined the meeting on behalf of Loomis Sayles, and thanked the Board for its long relationship with the firm. Mr. Grzejka cautioned Mr. Beauparlant that there are members of the public and/or media on the call, and to avoid discussion of any materials which may be considered proprietary. Loomis Sayles currently has $363bn AUM, with roughly $256bn in Fixed Income and $107bn in Equities. Loomis is developing Private Credit as a new focus area. There have been no significant changes to the firm. Dan Fuss is still acting as an adviser and runs a weekly meeting, but has reduced his role. The remainder of the team has between 20 and 30 years' experience working under Mr. Fuss' guidance. Mr. Beauparlant directed the Board to the performance report on page 11 of the presentation. The Fixed Income FDT is still beating the benchmark over the 1, 2 and since-inception periods. Recent performance has been negative, but continues to beat the bench. Mr. Fleming asked that Loomis Sayles submit to the Board for review at the next meeting a since-inception number going back to 1999, including the change in the investment vehicle. Mr. Beauparlant agreed to submit the information to the Board. Mr. McKenna stated the information had been previously provided as a footnote. Mr. Beauparlant directed the Board to page 13, describing the multi-sector strategy's return attribution. The full discretion trust has the ability to pivot as needed to move into and out of different areas in order to diversify, increase returns, and to better protect from rising interest rates. Mr. Zecha asked about Loomis Sayles' peer rankings. Mr. Beauparlant stated that he does not have them, but will send them to the Board. Page 14 describes the sector weightings, with FDT overweight in High Yield and Securitized Credit, and under in US Treasury and Investment Grade Credit. FDT's average duration is much lower than the benchmark's, reducing interest rate risk. Even though FDT's investments are of a lower grade than the benchmark's, Loomis Sayles relies on fundamentals and thorough research to lower risk. The High Yield Exposure remains in the BA-BAA space. Mr. Grzejka asked what would happen to the portfolio if conditions in Ukraine deteriorate. Mr. Beauparlant responded that the ball is already rolling to raise rates, but the Fed will likely use additional restraint to slow the pace of the increases.

In regard to the Small Cap Equity portfolio, Mr. Beauparlant directed the Board to page 23. There have been no changes to the portfolio management team. The System's account has grown since 1997 from $2.5 initial investment to $26.1m as of 12/31, returning 8.18% return above the bench since inception. The top contributors to performance are very diversified across various sectors. Loomis Sayles expects a downturn in performance in 2022, and significant volatility. The stock market may still end the year positive, if inflations ticks downward, and supply chain issues ease. Mr. Fleming asked Mr. Beauparlant whether he expects Growth or Value to outperform over the next year. Mr. Beauparlant predicted that Value will outperform Growth in the Large Cap space, but that growth may still perform well in the Small Cap space. Mr. Beauparlant signed off the call at 11:10 a.m.

Mr. Zecha recognized the representative from Invesco who was on the call. Cory Snow confirmed that he works with Jay Pisero and was in attendance to observe the Real Estate RFP discussion.

At 11:12 a.m., Julia Seelye and Bryan Pendleton joined the call on behalf of PA Capital. Mr. Grzejka cautioned the presenters that there are members of the public and/or media on the call, and to avoid discussion of any materials which may be considered proprietary. Ms. Seelye reported that PA now has $8bn AUM, and is now fully owned by New York Life. New York Life is in the process of completing mergers with Madison Capital and GoldPoint as well, so PA will be able to offer broad mid-market products. PA's management team will remain in place. Mr. Pendleton reported that the PA CoInvestment Fund provides low to mid-market exposure, with a focus on established businesses, with 30 underlying companies and diverse vintage years. Returns were reported on p. 13 of the presentation, with and IRR of 26% and a 2X Multiple on Invested Capital. Mr. Pendleton expects that returns will cover future capital calls. Page 14 shows the development of returns over time. Q4 saw a full exit from an IT/Cloud computing investment, and PA expects two more realizations to be completed in the near term. Ms. Seeyle and Mr. Pendleton thanked the Board and signed off the call at 11:24 a.m.

Mr. Walter Dick and Mr. Tom Scanlon joined the call on behalf of Ascent. Mr. Grzejka cautioned the presenters that there are members of the public and/or media on the call, and to avoid discussion of any materials which may be considered proprietary. Mr. Dick thanked Mr. Grzejka and stated that he would be happy to provide any member of the Board a more detailed update upon request. The System committed $8m across the funds, with $8.5m invested, $5.4m distributed through December, and $5.0m remaining value. Several of the companies were eligible for PPP funds and all have already been repaid or forgiven. Companies implemented staff reductions and furloughs. Events in Ukraine may still affect the portfolio, but some of the companies actually benefitted from Covid-related work transitions. Fund IV has a net IRR of -4.9%, and Ascent's focus is on optimizing outcomes for the remaining assets in V and VI. VI consists of nine companies, one of which has been fully realized. Three of the remaining eight have fund driver potential. Mr. McKenna asked if Gr8/People rebranded, and Mr. Scanlon stated that it did not. Mr. Dick noted Connectbase was formerly Connected to Fiber. Mr. Scanlon reported that Cloudbee acquired CoChip which will be reflected when Q4 numbers are released. Mr. Dick reported that VI is in growth mode and expects calls will be forthcoming. The Ascent team thanked the Board and signed off the call at 11:40 a.m.

At 11:41 a.m. Stephanie Roberts, Jeff Detwiler and Mark Delaney joined the call on behalf of Garcia Hamilton. Mr. Grzejka cautioned the presenters that there are members of the public and/or media on the call, and to avoid discussion of any materials which may be considered proprietary. The firm currently has $18.7bn AUM, with $200m in new investments forthcoming, but not yet funded. Significant fund outflows have resulted from the consolidation statewide of Police and Fire Finds across IL. The fund is now 88% Women and Minority owned. Mr. Detwiler reported that the System did not get off to a great start with its investment in the fund in 2019. The firm had positioned for rising interest rates, and rates crashed. Because the fund does not purchase lower quality, it underperformed. In 2020, rates fell further during the pandemic as trade tensions with China escalated. In 2021, Garcia Hamilton pared back on credit, but maintained shorter relative durations. Mr. Zecha asked for peer rankings. Mr. Detwiler estimated that they were in the bottom 20% but will send the one and three-year rankings when numbers come out at the end of Q1. He recognized the firm's underperformance in 2019 and 2020, but noted that many in their peer group assume additional risk. Mr. Delaney directed the Board to page 10 of the presentation, which shows the most massive stimulus since WWII representing 29.5% of GDP resulted in an artificial suppression of rates. The Covid stimulus was paid out in a year and a half, while stimulus money from WWII was distributed over a period of six years. This resulted in goods, gas and food inflation. Wage inflation has been another side effect, because employers can't find workers. Garcia Hamilton expects the Fed will tighten 8-10 times over the cycle, and may implement quantitative tightening measures as well. Credit spreads will likely widen, especially in low-quality sectors, which should help the System's portfolio. Page 21 shows that the portfolio has much lower average duration, and is underweight in mortgages relative to the benchmark. Mr. Gilbert Garcia informed the Board that he had joined the meeting and had been listening in from his car. Mr. McKenna asked if the graphic shows current positioning or whether it was from 2019 and 2020. Mr. Garcia state the third column shows average duration relative to the benchmark as of December 31, 2021. Mr. Garcia reiterated that in 2019 the economy was strong, in 2020 concerns about China caused a rally in treasuries, and in 2021 lower quality prevailed. However, he believes the portfolio to be well-positioned for 2022 to benefit from lower durations in a rising-rates and rising inflation environment. Mr. McKenna noted that Garcia Hamilton was hired to maintain a certain strategy, and questioned whether their shifts in strategy has them chasing returns by duplication of investments the System already has elsewhere in the portfolio. Mr. Garcia stated that there is no excuse for the poor performance, and that he knows the firm needs to perform better. Mr. Zecha stated that he hopes they will close the gap in the peer ranking when the Q1 numbers come out. Mr. Garcia noted that he has put himself on watch, and hopes that the numbers will flip. He thanked the Board Members for their patience, and the representatives from Garcia Hamilton signed off at 12:10 p.m.

The Board determined each manager continues to operate in a manner represented when retained and outlined in the agreement between the Board and the manager.

At 12:11 p.m., the Chair called a ten-minute recess. The Board was back in session at 12:25 p.m.

11) NEPC

a) Asset Allocation Review & Outlook
b) Flash Report as of 1/31/2022
c) Q4 Performance Report
d) Real Estate Search Book
e) Polen Investment Objectives, Guidelines & Restrictions

Mr. Durkin questioned whether the managers are really adding value over investing in an index fund. Mr. Grzejka responded that Polen, Coho, and Garcia have encountered headwinds, and if the Board does not see added value, the Board should reconsider the manager's place in the portfolio. The Fed infused too much liquidity into the markets, and will be raising rates, which is expected to restore fundamentals back to their prior level of importance. Some sectors are more conducive to benefitting from active management. Mr. Durkin noted that the large Cap markets move and respond to news so efficiently that the System may benefit from investing in an index fund. Mr. Grzejka stated that Coho has been in the top third over the five-year period, and noted that the managers have different roles, different processes, and were paired together intentionally based on that. Mr. McKenna commented that Baillie Gifford's losses have been drastic, about 11% in the month of January, and that they are not likely to be able to smooth that over the 1-5 year periods. Mr. Grzejka reminded the Board that Baillie Gifford is an international focused growth manager, and that the performance downturn was not unexpected, but losses were compounded by higher than expected inflation, rising rates, and a generalized market pullback in January. The pairings were implemented deliberately so that funds within any asset class will behave differently under various market conditions. Mr. McKenna commented that when the fund was smaller, MWRAERS had William Blair as an all-asset manager, and asked whether having all of the individual accounts to gain exposure still makes sense or whether the System should buy each subcategory directly. Mr. Grzejka responded that PIMCO and Wellington had no EM exposure, and less Real Estate exposure. The System now has stand-alone allocations in EM, and could do the same in High Yield, but Loomis Sayles has been very successful and Mr. Grzejka would not want MWRAERS to get into that many line items unnecessarily. Mr. McKenna asked then whether in Mr. Grzejka's view the weightings are correct, and Mr. Grzejka stated that we want to be overweight in quality, and that Fixed Income still has a role in the portfolio even in a reduced-return environment. If there is progression toward war, energy will benefit, but there's no way to predict the trickle-down effect. Mr. Grzejka distinguished between a long-term strategy vs. short-term implementation, and reminded the Board of the need to reassess whether from a risk/return perspective an investment meets the System's goals, does it add more risk than is warranted, and what is the impact on liquidity. The virus is shifting from pandemic to endemic world-wide, consumers are ready to spend, and companies are well-positioned. Growth is still anticipated, but is expected to be slower than it was last year. In its completion of the Asset Allocation review, NEPC is recommending the following changes to the long-term policy targets:

Private Equity	+2%
Core Bonds	+2%
US TIPS	-4%
Multi-sector Credit	-2%
Real Estate	+2%

Mr. Durkin asked whether the Board should delay a vote to provide Segal and CLA an opportunity to give feedback. Mr. Grzejka commented that all have numbers which are close. Mr. McKenna asked whether the projections should be tighter and not based on 10-year or 30-year projections, and Mr. Grzejka said that they are long-term assumptions and that shorter term indicates an attempt to time the market rather than a conviction in a strategy. Mr. Durkin made a motion seconded by Mr. Pappastergion to accept NEPC's recommended modifications to the long-term Asset Allocation. Through the Chairman, the Executive Director stated that she and Mr. Grzejka have kept Segal informed and involved throughout the process, and that Segal Actuary Lisa VanDermark, who is working on the Valuation, has had NEPC's recommendations since February 15th, which provided Segal the opportunity to challenge any of NEPC's numbers. It is the Executive Director's understanding that Segal-Marco independently reached similar conclusions in regard to the Asset Allocation and long-term return expectations. The Chair thanked the Executive Director and stated that he is more confident taking the vote knowing that.

On a motion by Mr. Durkin and seconded by Mr. Pappastergion:
VOTED
to adopt the Asset Allocation recommendations presented by NEPC as "Sample Mix 1" as detailed below. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

The new Asset Allocation is as follows:

US Large Cap	24%
US Small Cap	7%
Non US Equity	12%
Emerging Market	7%
Private Equity	12%
Core Bonds	12%
USTIPS	0%
Multi-sector Credit	8%
Real Estate	12%
Hedge Funds	6%
Total	100%

Mr. Grzejka stated that he will update the IPS (Investment Policy Statement) now that the new allocation has been approved.

Mr. Grzejka presented the research on the remaining firms in the Real Estate search, for the Board to review and select finalists. NEPC ranked the firms on a 1-2-3 basis with firms rated as a 1 representing “best ideas.” Right now the Multi-family and Industrial sectors are in favor, and the Board should look at those managers that are benefitting from outward migration. Terracap and TA are managers within this space, are already vendors, and have side letters in place. Similarly, Invesco is an existing manager, with an approved side letter. Alidade received the 1 rating and is focused on R&D Flex. Mr. McKenna asked Mr. Grzejka to explain what Sculptor does, and whether the other firms are all credit. Mr. Grzejka said no, the other firms make money through equity, while Sculptor does it from the debt side. Mr. McKenna asked whether that presents more risk, and Mr. Grzejka stated that Sculptor’s is actually the most differentiated strategy. Mr. Grzejka recommended that the Board consider bringing in Alidade, TA, Terracap, and Sculptor. Mr. Durkin asked whether IMR is different, and Mr. Grzejka confirmed Invesco RE US Fund IV ‘s strategy is different from IMR funds’ strategy. Mr. Durkin indicated that he would like to include Invesco, and questioned including TA since the fund already has $25m invested with the firm. Mr. Grzejka indicated that the Invesco fund proposed is a broad-based diversified fund which transforms properties through re-tenanting/development.

On a motion made by Mr. McKenna and seconded by Mr. Durkin:
VOTED
to invite Alidade, Invesco, TA, and Terracap to attend the March meeting to make finalist presentations in the Real Estate search. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

Mr. Grzejka presented Polen’s proposed changes to the Board’s Investment Objectives, Guidelines and Restrictions provided to NEPC by the Executive Director. The change requested is to raise Polen’s prior 15-25 holdings to 20-30 holdings.

On a motion made by Mr. Durkin and seconded by Mr. Zecha:
VOTED
to approve changing the Investment Objectives for the Polen focused Growth Strategy to reflect holdings of 20-30 securities. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes.

Mr. Zecha reminded NEPC that given the current turbulent environment that the Board is available for interim meetings should it become necessary.

In regard to the Group 2 analysis sent to the Executive Director by PERAC, Mr. McKenna stated that he had not seen the list of employees from which PERAC derived their cost estimates and that he would try to obtain one from the union. Mr. Fleming suggested that the Executive Director obtain it from PERAC.

Mr. McKenna raised the issue of Option D having been the topic of conversation at a recent union meeting and requested that the Executive Director post option D information to the Pipeline. The Executive Director reported that because subsequent to the union meeting the office had received multiple inquiries, an explanation of Option D was posted on the Retirement System's web site, mwraretirement.com. Mr. McKenna asked that one be posted to the pipeline to "get more hits."

On a motion by Mr. Durkin and seconded by Mr. Zecha:
VOTED
to adjourn the February 23, 2022 meeting of the MWRA Employees' Retirement Board. 5-0, roll call with Mr. Durkin voting yes, Mr. McKenna voting yes, Mr. Pappastergion voting yes, Mr. Zecha voting yes, and Mr. Fleming voting yes. The meeting was adjourned at 1:31 p.m.

The following communications were distributed to the Board for their review:

PERAC MEMO #8/2022 – Actuarial Data
Analysis of H-257/S-1668
The Patriot Ledger article regarding Quincy Retirement Board
Email regarding Ares Management acquisition of rental home company Front Yard Residential

The Board reserves the right to consider items on the agenda out of order. The listing of items is those reasonably anticipated by the Chair to be discussed received at least forty-eight (48) hours prior to the meeting. Not all items listed may in fact be discussed and other items not listed may also be brought up for discussion to the extent permitted by law. Items identified for discussion in Executive Session may be conducted in open session, in addition to, or in lieu of discussion in Executive Session.

Date of next scheduled Retirement Board meeting is Thursday, March 31, 2022, 10:00 a.m. Chelsea

James M. Fleming, Elected member

Thomas Durkin, Appointed Member

Kevin McKenna, Elected Member

Andrew Pappastergion, Ex-Officio Member

Frank Zecha, Fifth Member

NEPC, LLC

Firm: TA Realty

Strategy/Product: TA Realty

Client: TA Realty

<u>NEPC Manager Due Diligence Questionnaire - Update</u>

Instructions

In support of our upcoming meeting we ask that you please complete this due diligence questionnaire. Please provide your responses in the form of brief descriptions, lists or tables added directly to this Word document.

Thank you for taking the time to complete this questionnaire. Please note that all materials submitted in relation to MWRA Retirement System may be subject to disclosure consistent with Massachusetts Public Record laws.

Firm/Organization

1. Have there been any changes in ownership or management in the past year?

In January 2015, the Founder of TA Realty LLC ("TA Realty" or "the Firm") sold a majority of his interest in the Firm to Mitsubishi Estate Co., Ltd ("MEC"), a global property owner, developer and investment manager. MEC's interests are held by its subsidiary MEC Global Partners America Inc. (formerly, Rockefeller Group TA Inc.). Following this transaction, MEC owned 70% of the Firm and TA Realty's Founder and 15 Partners owned 30% of the Firm. Michael Ruane, who founded TA Realty, initially retained approximately 20% of the non-MEC equity.

As part of the continued succession of the Firm's leadership, Michael Ruane transitioned to a Senior Advisor to the Firm on July 1, 2020. As such, he no longer has any day-to-day involvement or oversight of the Firm nor does he serve on any of its committees but rather serves as a resource, if needed. Partners Mike Haggerty and Jim Raisides were named Managing Partners and members of the Board of Managers. Mike Haggerty, Jim Raisides and Managing Partner Jim Buckingham now lead the company as leaders of the Management and Investment Committees and members of the Board of Managers.

In December 2021, approximately 10.5% of the Firm's equity that was formerly owned by the Founder, was recycled to TA Realty Partners. The current ownership of 30% of the Firm is comprised of the Founder and 22 Partners. The final tranche of the Founder's equity (approximately 10.5%) is currently in the process of repurchase and is targeted to be completed this year. This equity will be "recycled" to TA Realty Partners so that 30% of the Firm ownership remains with TA Realty Partners.

The 30% of non-MEC equity is held by key employees on a long-term basis and will be subject to repurchase upon termination of employment with the expectation that the repurchased equity will be transferred, sold, or otherwise "recycled" to other key employees.

2. List firm AUM, net flows and accounts gained/lost for the past 5 years.

Firm AUM:

	Gross Firm AUM (including uncalled capital)	Gains	Liquidations
2021	$15,581.1	Additional closings for CPF, first closing for TAL and addition of one new separate account	Final liquidation of one separate account, another separate account transferred its final asset
2020	$11,245.2	Additional closings for CPF and final closing for Fund XIII, additional allocation from one separate account	
2019	$10,623.3	Additional closings for CPF and Fund XII, one new separate account	Final liquidation of Fund VIII
2018	$10,880.2	Initial closings of CPF and Fund XII; one new separate account	Final liquidation of Fund XI as well as one separate account and two advisory/management accounts
2017	$9,143.6	Final closing of Fund XI	Final liquidation of Fund VII

3. Have there been any new or discontinued products in the past year?

In 2021 the Firm added one new separate account, with a data center development strategy, and launched its first open-end core-plus logistics fund. TA Realty Logistics Fund (TAL) is a sector specific commingled fund with a core-plus strategy.

In 2021 one separate account transferred its final asset from the Firm and another liquidated its final asset.

4. Are any products capacity constrained?

No. TA Realty's growth is primarily constrained by two factors: the ability to access good deals and the ability to attract high quality talent. While the market determines liquidity for certain product types, TA Realty believes that the relationships we have developed over 40 years gives us an advantage in accessing high quality deal flow at all parts of the cycle. Additionally, our Firm culture, competitive compensation package, including base salary, performance-based bonus, opportunity to participate in fund carried interest and a top-tier benefits package have helped us attract and retain top talent. We are highly attentive to our role as a fiduciary and ensure that both of these factors are in equilibrium before pursuing additional investor capital to our existing product lines or pursuing new ones.

5. Describe any current or pending regulatory, compliance or litigation issues and the expected business impact.

From time to time, TA Realty LLC and its officers may be party to certain legal proceedings regarding business matters, however, no such litigations or proceedings involve TA Realty's investment management services or fiduciary duties/matters. Any such proceedings relate to "ordinary course" matters for real property owners (e.g., slip and fall claims, zoning disputes, etc.).

In 2021, a former employee filed an action in state superior court alleging wrongful termination. However, her employment was terminated in 2020 for cause and we therefore continue to vigorously defend against this claim. This case is still pending and we have applicable insurance coverages in place to cover the various costs associated with this matter.

6. Describe your diversity, equity and inclusion efforts with regard to the firm and its employees.

DE&I is a priority for the Firm, including Senior Management, an area of focus for the Firm's Director, Human Resources and Vice President, Head of ESG+R. TA Realty is proud to have policies and programs that support our diversity, equity and inclusion efforts. The Firm is continually seeking to demonstrate a pattern of continuous improvement around the diversity of our organization.

Over the course of the last 12-18 months, we have launched the following:

- New workforce metrics:
    - Evaluated teams on a range of diversity metrics to ensure future hires continue to diversify the overall team composition
    - Developed succession plans considering all facets of diversity
    - Created a Partnership Committee to establish consistent criteria and evaluation for Partner promotions
    - Launched a diversity, equity and inclusion survey in November 2020 to help us continue to develop focus areas and key metrics for improvement
    - Introduction of standard set of competencies as part of the YE 2021 review process, to create standard metrics against which to evaluate employees and measure success, as well as provide opportunities to calibrate across the firm.
    - Created the GROW Committee to establish consistent criteria and evaluation for all non-partner promotions.

- New recruiting processes:
  - Use of a gender decoder tool for all job descriptions
  - Extensive research on diverse networks and organizations with diverse talent pools; requiring recruiters to provide us with a diverse slate of candidates for any given search
  - Structured interviews in teams of two to allow for better calibration and reduce unconscious "similarity" biases
  - Competency-based evaluative criteria to be introduced as part of 2022's interviewing process to help create more structured and analytical approach to assessing candidates
  - Additional diversification of our school pipeline for MBA summer interns to align with schools that are also members of The Consortium (an organization committed to elevating minority students)
  - Promoting our MBA internship to the Toigo Foundation (an organization focused on fostering inclusion and building diverse organizations) as well as considering other options of where we might post to reach a broader audience, like REAP (an organization focused on minorities in Real Estate)
  - Top level sponsor of CREW for 2022. CREW is the region's leading professional organization promoting the advancement of women within the commercial real estate industry
  - Continued support of the PREA Foundation (an organization committed to providing educational opportunities to college students from underrepresented backgrounds)
  - Hosted first Evening for Women in Real Estate event in November 2021 for women interested in learning more about potential careers in Real Estate, which we hope to expand upon and host more events of this nature in 2022 to help reach a more diverse subset of prospective future employees
- Enhanced policies for:
  - Equal Employment Opportunity
  - Diversity, Equity & Inclusion
  - Anti-Discrimination
  - Social Impact
  - Service Day
  -

- New training/development opportunities:
  - Unconscious Bias trainings conducted in 2020 and 2021 and to be continued with refresher courses in 2022
  - Various opportunities for company mentoring to be launched in 2022

- New programs:
  - Women's Employee Resource Group
  - Restructured charitable giving to a social impact initiative with established criteria that serves dis-advantaged individuals, addresses systemic issues and high Charity Navigator ratings
  - Launched new review competencies and introduced a committee and calibration process into the YE review process to help establish a more systematic and fair review process to help mitigate bias in the promotions process.
  - Just launched a formalized 3-year analyst program (TAAP) to target undergraduate and early career-level analysts to support our Acquisitions, Asset Management, Portfolio Management, and Valuations and Dispositions teams. Our focus in doing this is to be able to recruit more diverse candidates by targeting a larger pool of less experienced talent and then developing and growing them in their RE career with the Firm and beyond.
  - Also launched a rotational management training program (ASPIRE) to help with retention within the Firm, and allow existing employees the opportunity to pursue paths into other aspects of the real estate business and continue to grow their career with TA Realty.

We are in the process of updating and have received recommended updates from a third-party consultant for our Firm DE&I policy. These are being reviewed for our ability to take immediate action on them, and as such, will be incorporated in a revision of the written DEI policy. This exercise is part of a larger internal review of the Employee Handbook and Firm policies (including Family Leave) in the employee handbook (last revised in May 2021) that we intend to complete by end of Q2 in 2022.

Portfolio Management Team

1. Have there been any changes in the portfolio management team in the past year?

Value-add Fund Series (Fund X)

James Raisides, Managing Partner of the Firm, and Kendrick Leckband, a Partner and senior real estate professional with the Firm, serve as the Portfolio Managers of the Fund. The team brings an average of over 25 years of combined real estate experience to the management process of value-add funds as well as highly complementary skill sets, including transactional, asset management and research capabilities.

James P. Raisides, Managing Partner. Jim Raisides is a Managing Partner of TA Realty and leads the Firm's portfolio management team. He is responsible for strategic management of the Firm and oversees the achievement of the goals and objectives for the Firm's investment vehicles. Over his nearly 30 years of industry experience, Jim has served in a variety of roles that encompass portfolio management, dispositions, capital raising and asset management. He has been with TA Realty since 1996 and a member of the Firm's Investment Committee since 2004. Jim also serves on the Firm's Management Committee and Acquisitions Committee and sits on the Board of Managers. Prior to joining the Firm, he was an Associate at Whittier Partners, a Boston-based management and leasing company. Previously, Jim was a Review Appraiser at the Bank of Boston. He graduated from the University of Connecticut with a B.A. in Economics.

L. Kendrick Leckband, Partner. Kendrick Leckband is a member of TA Realty's portfolio management team and is responsible for overseeing the achievement of the goals and objectives for certain of the firm's investment vehicles through active management and monitoring of portfolio assets, acquisition and disposition activity, leverage levels, and distributions. During her tenure at TA Realty, she has served as a Portfolio Manager for multiple TA Realty value-add funds as well as core separate accounts. Additionally, she has worked within the asset management group where she was responsible for overseeing the implementation of business plans developed at acquisition, including management, marketing, repositioning, development and/or leasing of assets across all firm strategies. Kendrick has almost 20 years of industry experience and has been with TA Realty since 2007. Prior to joining the Firm, she was a Market Representative at ProLogis, responsible for the leasing and operations of industrial assets in Los Angeles, Orange County and Inland Empire. Previously, Kendrick was a Property Manager with Lincoln Property Company Commercial, Inc. in Dallas, TX. She graduated with a B.S. from the University of Texas, Austin and received an M.B.A. from Vanderbilt University.

CPF

Three of the Firm's senior investment professionals, Sean Ruhmann, Nicole Dutra Grinnell and Jacob Maliel, served as the Portfolio Management Team for CPF since the fund's launch on March 27, 2018. In June 2021, Nicole Dutra Grinnell transitioned off of the CPF PM Team and became the Portfolio Manager for the Firm's core plus industrial open-end fund that launched in July 2021. Cristina McElhinney, who joined the Firm in 2016 and is currently a member of the asset management group, joined the CPF PM Team as an Assistant Portfolio Manager. In

September 2021 CPF also added David Dignan as a dedicated Portfolio Analyst to the PM Team. In addition to the Portfolio Management Team, CPF is supported by a large group of highly experienced professionals who focus on the acquisition, asset management, disposition, financing and valuation of real property.

2. **Are there any expected changes to the team in the future (planned additions or departures)?**

There are currently no changes to the team planned.

Process

1. **Have there been significant changes in any of the areas below in the past year?**
   - **Identification of investment ideas**
   - **Process for exploring and vetting ideas**
   - **Portfolio trading practices including buy/sell rules**
   - **Approach to portfolio monitoring and risk management**

No.

Philosophy

1. **Describe recent changes in investment philosophy, if any.**

N/A.

Portfolio

1. **If not included in your meeting presentation, provide portfolio holdings, sector exposure, geographic exposure and common characteristics (yield, duration, market cap, P/E, etc.).**

Fund X

Diversification and characteristics of current value-add funds is included in presentation material.

CPF

Please see **Attachment 4 – CPF Annual Meeting Presentation.**

2. **List strategy AUM, net flows and accounts gained/lost for the past 5 years.**

Value-Add Fund AUM:

	Gross Firm AUM (including uncalled capital)	Gains	Liquidations
2021	$3,788.3		
2020	$3,662.4	Final closing for Fund XII	
2019	$3,631.7	Additional closings for Fund XII	Final liquidation of Fund VIII
2018	$3,920.2	Initial closing for Fund XII	Final liquidation of Fund XI
2017	$3,824.3	Final closing of Fund XI	Final liquidation of Fund VII

Post year-end, Fund X sold its final remaining asset. Value-add fund cash flows have been updated through 12/31/2021 in **Attachment 1.**

CPF

	Gross Firm AUM (including uncalled capital)	Gains
2021	$7,039.8	Additional closings for CPF.
2020	$4,185.8	Additional closings for CPF.
2019	$3,465.3	Additional closings for CPF.
2018	$3,091.4	Initial closing of CPF.

As of year-end, CPF had not had any full redemptions. Post year-end, CPF has had one full redemption request of $10 M by a Japanese Corporate Pension Plan. This redemption was driven by asset allocation decisions. Please see **Attachment 5 – CPF Cash Flows_MWRA.**

3. **Describe investor concentration for the strategy and note the percent of AUM attributable to the top five investors.**

Value-Add Funds:

Please see detail below for Funds X, XI and XII as of 12/31/2021:

Investor Type	% NAV
Corporate Pension Plan	8%
Public Pension Fund	43%
Endowment	4%
Foundation	2%
Taft-Hartley	6%
Corporate	15%
Family Office	4%
Trust	1%
High-Net-Worth Individual	0%
Fund of Funds	1%
GP/Parent Company	17%
Total	100%

The top 5 investors included above comprise 30% by NAV.

CPF:

Investor Type	% NAV
Corporate Pension Plan	6%
Public Pension Fund	24%
Endowment	1%
Foundation	0%
Taft-Hartley	6%
Corporate	25%
Family Office	1%
Trust	0%
High-Net-Worth Individual	0%
Fund of Funds	6%
GP/Parent Company	31%
Total	100%

The top 5 investors included above comprise 28% by NAV.

Performance / Market Outlook

1. **If not included in your meeting presentation, provide trailing returns as of the most recent quarter-end and calendar year returns for the past 10 years, both relative to benchmark.**

   Value-Add Funds:

   Please see 12/31/2021 returns provided in presentation materials for all prior value-add funds in the series as well as highlights for Fund X (MWRA's previous value-add fund investment). Per the LPA, the Fund does not have a specific benchmark.

   Fund X detailed returns are also provided in the **Attachment 2 – Fund X Annual Report.**

   CPF:

   CPF detailed returns are provided of **Attachment 5 – CPF Annual Report.**

2. **Briefly discuss recent performance trends and identify environments in which the strategy is likely to be in or out of favor.**

   The commercial real estate market overall exceeded expectations in 2021. The multifamily and industrial markets outperformed historical trends while improving foot traffic heightened demand for segments of the retail sector. The office market experienced a weaker recovery. Overall, the economic backdrop has supported a broad recovery for property fundamentals, but the disparity between sectors and geographies persists.

   Industrial

   2021 was a historic year for the U.S. industrial market with record-high rents amid extremely tight space conditions. Demand outpaced supply by a wide margin, almost 50%, with 502 million square feet ("MSF") absorbed in 2021. The historic level of demand pushed asking rents to $9.80 per square foot, 8.7% higher than a year ago. Occupiers from a diverse array of industries leased an unprecedented 1,000 MSF in 2021. Leasing volume was up 40% - 80% as compared to levels seen prior to the pandemic in many of the largest U.S. markets. Due to a pause in construction activity during the first few months of the pandemic, construction deliveries fell 6.3% year-over-year, adding just 285 MSF in 2021. As a result, the vacancy rate fell over 100 basis points ("bps") to 4.2% from one year ago, the lowest vacancy rate on record. Every major market posted single-digit vacancy rates in the fourth quarter with Los Angeles and the Inland Empire reaching near full capacity at 1.6% and 1.7%, respectively.

   Despite materials shortages and labor constraints, new construction broke ground at a vigorous pace in 2021. A record 510 MSF is under construction. However, the availability of new logistics space is expected to remain extremely tight across U.S. markets. Prime markets with large consumption bases and/or near integral ports of entry where industrial-zoned land has become scarce will continue to experience the sharpest imbalances of supply and demand.

Looking forward, accelerated rent growth is expected to continue. Robust demand from e-commerce growth, the need for increased levels of "safety stock" to combat supply chain disruptions and rising transportation costs will combine with elevated levels of consumer spending to drive demand for modern warehouse and industrial assets over the long run.

Multifamily

Impacts from the pandemic weakened the U.S. multifamily sector in the first half of 2020, but unprecedented demand for U.S. multifamily properties in 2021 led to a historic improvement in fundamentals. In 2021, demand reached 705,000 units — far above the highest levels on record and more than double the pre-pandemic average of 327,000. Vacancy rates fell 200 bps from one year ago to a record-low of 4.6% and the multifamily market experienced record-setting annual rent growth of 11.3% — a two-decade high. The Sun Belt markets are fueling the growth with markets such as Orlando, Phoenix, Austin, and Raleigh reporting annual rent growth of 20% or higher. Across urban and suburban regions, asking rents have recovered to or surpassed pre-pandemic levels in nearly every major market.

Pandemic-related challenges slowed multifamily deliveries to 378,000 units, down 17% from the record high set one year ago. Meanwhile, rising construction costs of 15% or more in many fast-growing markets slowed construction starts to a near ten-year low. At year-end, the number of new multifamily units underway, about 684,000 units, was the lowest level in three years. As the pace of deliveries slows, above-average rent growth is likely to persist over the next several quarters.

2022 will be another strong year for multifamily performance. Although the tight market conditions that characterized 2021 are expected to ease slowly, major U.S. markets should see rent growth well above long-term averages amidst historically tight housing supply, strong demographic tailwinds, and the broader economic recovery. In the near-term, job growth and higher wages will support household formation, but the long-term shortage of housing in the U.S. will help fuel a multi-year runway for growth.

Office

The spread of COVID-19 variants slowed the pace of office market recovery toward year-end, but market fundamentals for the office market improved modestly in the second half of 2021, nonetheless. After nearly 140 MSF of negative absorption following the onset of the pandemic, demand turned positive in both the third and fourth quarters and the office market regained nearly 20 MSF of occupancy losses. With improved demand, asking rents reported a slight uptick on a year-over-year basis after falling for five consecutive quarters following the onset of the pandemic. The vacancy rate plateaued at 12.1% in the latter half of 2021 but remains over 200 bps above prepandemic levels. Office fundamentals will benefit as construction activity continues to slow. There is 140.5 MSF underway, down 15% from this cycle's peak of 162 MSF seen in mid-2020.

Despite delays of return-to-office plans by several major companies, leasing velocity picked up across most major markets and sublease space stabilized. Leasing by technology companies in Sun Belt markets such as Atlanta, Austin, Miami, and Raleigh led activity, with many of these markets approaching pre-pandemic levels of leasing volume. The anticipated revival in downtown activity in gateway cities in the second half of 2022 should stimulate a broader recovery. A flight to quality remains a significant driver of tenant demand, leading to a bifurcation between high-end and lower-quality asset performance.

The national office market took a first step toward recovery in 2021, but uncertainty still looms over the sector. The supply/demand balance in the office sector will remain favorable for occupiers in the near-term. The pace of recovery is expected to gain momentum in 2022 but rent growth is expected to remain tepid for the next couple of years as tenants continue to reassess their physical footprints.

Retail

The retail sector exceeded expectations in 2021, bouncing back quicker than anticipated as many retailers reported strong sales. A resurgence in tenant demand in the latter half of the year drove retail rents up 3.1% year-over-year, the strongest growth in over a decade, and the vacancy rate fell to 4.6%, on par with pre-pandemic levels. Markets capturing an out-sized portion of population and employment growth such as Atlanta, Tampa, Phoenix, and Dallas reported the most significant rent growth, in some areas growing by 7% or more over the year.

Solid demand growth coupled with muted levels of new supply helped balance fundamentals after the decline seen early in 2020. Less than 48 MSF of new retail space was delivered in 2021, the lowest annual total recorded in over 15 years. With new supply underway at just 0.5% of inventory, development activity is extremely limited and nearly 75% of construction underway is pre-leased.

A strong retail sales environment combined with limited availability for in-demand retail assets will accelerate rent growth in the coming year. While the retail recovery gained momentum in 2021, a significant bifurcation in performance by subtype will continue as retailers reorientate footprints toward more efficient formats. Malls and larger spaces in secondary locations will continue to be challenged while grocery-anchored neighborhood centers expect to see the strongest performance

Source: CoStar, Fourth Quarter 2021, Property Market Fundamentals Statistics

3. Describe your market outlook and how strategy positioning is impacted by your views.

U.S. commercial real estate is set for an active 2022. Monetary policy is expected to tighten to keep longer term inflation pressures in check, but healthy underlying fundamentals, especially in the multifamily and industrial markets, should more than mitigate the potential impact of slightly higher interest rates in 2022 and will continue to drive investment towards those property sectors. The strengthening office and retail sectors should draw interest as well. Cap rates should hold steady or possibly tighten in the industrial, multifamily and more favored segments of the office and retail sectors. The trends shaping the outlook for many types of real estate are shifting rapidly but looking long-term, the momentum remains favorable in a post-pandemic economic cycle.

Fund X:

Sold its final investment in March 2022.

CPF:

CPF's portfolio weightings, and specifically the Fund's overweights to industrial and multifamily, continue to be a significant driver of CPF's outperformance. CPF's industrial portfolio (40.5% of GAV vs. 27.7% for the ODCE), which consists of high-quality industrial and warehouse assets in mainly gateway distribution markets, produced a total unlevered gross return of 9.26% for the quarter. The Fund's industrial portfolio, which includes 34 investments, $2.45 billion of gross asset value and 15.7 million square feet of space, ended the year with 94% occupancy (this includes 19% occupancy at the Fund's 1,017,750 square foot Northlink AB investment which is currently in lease-up). The year-over-year, same-store, net operating income (NOI) growth for the portfolio was 9.9% with in-place rents 15.3% below current market rents.

CPF's multifamily portfolio (41.6% of GAV vs. 28.1% for the ODCE), which is comprised of both infill and quality suburban locations with strong demographics and high barriers to entry, produced a total unlevered gross return of 8.06% for the quarter. The Fund's multifamily portfolio, which includes 22 investments, $2.52 billion of gross asset value and 5,585 units, ended the year with 96% occupancy. The year-over-year, same-store, NOI growth for the portfolio was 7.3%.

CPF's office portfolio (12.2% of GAV vs. 26.5% for the ODCE) produced a total unlevered gross return of 0.58% for the quarter. The Fund's office portfolio, which includes four investments, $737 million of gross asset value and 947 thousand square feet of space, ended the year with 77% occupancy. The year-over-year, same-store, NOI growth for the portfolio was negative 31%. The current vacancy in CPF's office portfolio was main contributor to the negative year-over-year NOI growth, the office portfolio's 0.68% income return, and also to CPF's lower overall fund-level income return. Our team remains focused on the restabilization of the office portfolio within CPF. CPF's retail portfolio (5.7% of GAV vs. 11.6% for the ODCE), which is focused on grocery-anchored retail centers, produced a total unlevered gross return of 0.94% for the quarter.

The Fund's retail portfolio, which includes five investments, $344 million of gross asset value and 742 thousand square feet of space, ended the year with 96% occupancy. The year-over-year, same-store, NOI growth for the portfolio was 15.4%.

We continue to believe that CPF's portfolio and strategy, and capitalization and liquidity position the Fund very well. Our focus for CPF remains the same as from past quarters: continue active asset management to maximize cash flow, target new acquisitions that will drive future performance, opportunistically lock in long-term fixed rate debt, and actively evaluate asset, portfolio and market risks.

4. **Could you please include a slide in your presentation that sows the MWRA's account history, initial contribution, cumulative subsequent contributions, cumulative subsequent distributions, gain/loss and current value.**

Fund X

Please see **Attachment 3 – MWRA Cash Flows 12312021.**

CPF

Please see **Attachment 5 – CPF Cash Flows_MWRA.**

Notes:

The information contained in these materials is confidential information regarding TA Realty LLC and the closed-end real estate funds (the "Funds") that it has sponsored. These materials have been prepared solely for informational purposes. The investment vehicles and securities described herein have not been approved by any securities regulatory authority of any state or by the U.S. Securities and Exchange Commission, nor has any such authority or commission passed on the accuracy or adequacy of this document. Any representation to the contrary is unlawful. These materials do not constitute an offer or the solicitation of an offer to invest nor do they constitute an offer to sell securities or the solicitation of an offer to purchase securities. Any offer to invest and all offers and sales of interests in the Funds in the U.S. will be made exclusively by means of a confidential private placement memorandum ("PPM"). Interests in certain TA Realty LLC investment products are offered through TA Realty LLC's affiliate, MEC Global Partners LLC, One Federal Street, 17th Floor, Boston, MA 02110; member FINRA/SIPC. The information contained herein is qualified in its entirety by reference to the PPM. These materials are confidential and may not be reproduced or distributed by the recipient. An investment in the Funds involves significant risks. Please see the PPM for a full discussion of risks.

These presentation materials may contain forward-looking statements within the meaning of the United States federal securities laws. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. For example, forward-looking statements may predict future economic performance, describe plans and objectives of management for future operations and make projections of revenue, investment returns or other financial items. A prospective investor can generally identify forward-looking statements as statements containing the words "will," "believe," "expect," "anticipate," "intend," "contemplate," "estimate," "project," "assume" or other similar expressions. Such forward-looking statements are inherently uncertain, because the matters they describe are subject to known (and unknown) risks, uncertainties and other unpredictable factors, many of which are beyond TA Realty's control. No representations or warranties are made as to the accuracy of such forward-looking statements. To ensure compliance with requirements imposed by the IRS, we inform you that any US federal tax advice contained in this presentation is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

The information and opinions presented or contained in this document are provided as of the date of this presentation. It should be understood that subsequent developments may affect the information contained in this presentation materially, which neither TA Realty nor its directors, officers, employees, agents, affiliates, advisors or representatives are under an obligation to update, revise or affirm. An investment in the Funds is speculative, involves a high degree of risk and, by its terms, will have restrictions on liquidity. There is no guarantee that the Funds' investment strategies will be successful. An investor could lose all or a substantial portion of its investment in the Funds. No representation is being made that the Funds will or are likely to achieve performance results similar to those shown for the prior Funds. Past and projected performance information regarding the prior Funds described herein is provided for illustrative purposes only and may not be indicative of future investment results for the active Funds. There can be no assurance that the active Funds will achieve comparable results, meet their targeted or projected returns, be able to implement their investment strategies, or be able to avoid losses.

The real estate markets are cyclical in nature. Property values are affected by, among other things, the availability of capital, occupancy rates, rental rates and interest and inflation rates. As a result, determining real estate values involves many assumptions. Amounts ultimately realized from each property may vary significantly from the fair value presented and the difference could be material.

Assets are valued quarterly by the General Partner and appraised annually on a two-year rotating cycle by an independent member of the Appraisal Institute. Additional information, including Funds' valuation policies, capitalization policies regarding capital expenditures, tenant improvements, leasing commissions and information relating to investment management fees is available upon request. The kinds of investment fees charged by TA Realty are disclosed in Part 2A of the Form ADV for TA Realty LLC, a copy of which is also available upon request.

As of the date of these materials, COVID-19 remains a global public health emergency that has presented unique, rapidly changing and hard to quantify risks for over a year. The effects of this public health emergency may materially and adversely impact the value and performance of the Funds' investments as well as the ability of the Funds to source, manage and divest investments and achieve its investment objectives, which could result in significant losses to the Funds.

An investment in the Fund is speculative, involves a high degree of risk and, by its terms, will have restrictions on liquidity. There is no guarantee that the Fund's investment strategy will be successful. An investor could lose all or a substantial portion of its investment in the Fund. The Fund has not yet identified any investments. No representation is being made that the Fund will or is likely to achieve performance results similar to those of the Prior Funds.

Past performance information regarding the Prior Funds described herein is provided for illustrative purposes only and may not be indicative of future investment results for the Active Prior Funds or the Fund. There can be no assurance that the Active Prior Funds or the Fund will achieve comparable results, meet targeted returns, be able to implement investment strategies or be able to avoid losses. Prospective investors are advised to read and consider the considerations set forth under Section V. "Risk Factors" of the PPM.

TA REALTY

Investor Statement

For the period of:	03/01/2012 - 12/31/2021
Investor:	MWRA Employees' Retirement System
Fund:	The Realty Associates Fund X UTP, L.P.
Total commitment:	$ 3,500,000.00
Total funded to date:	$ 3,500,000.00
Remaining commitment:	$ -

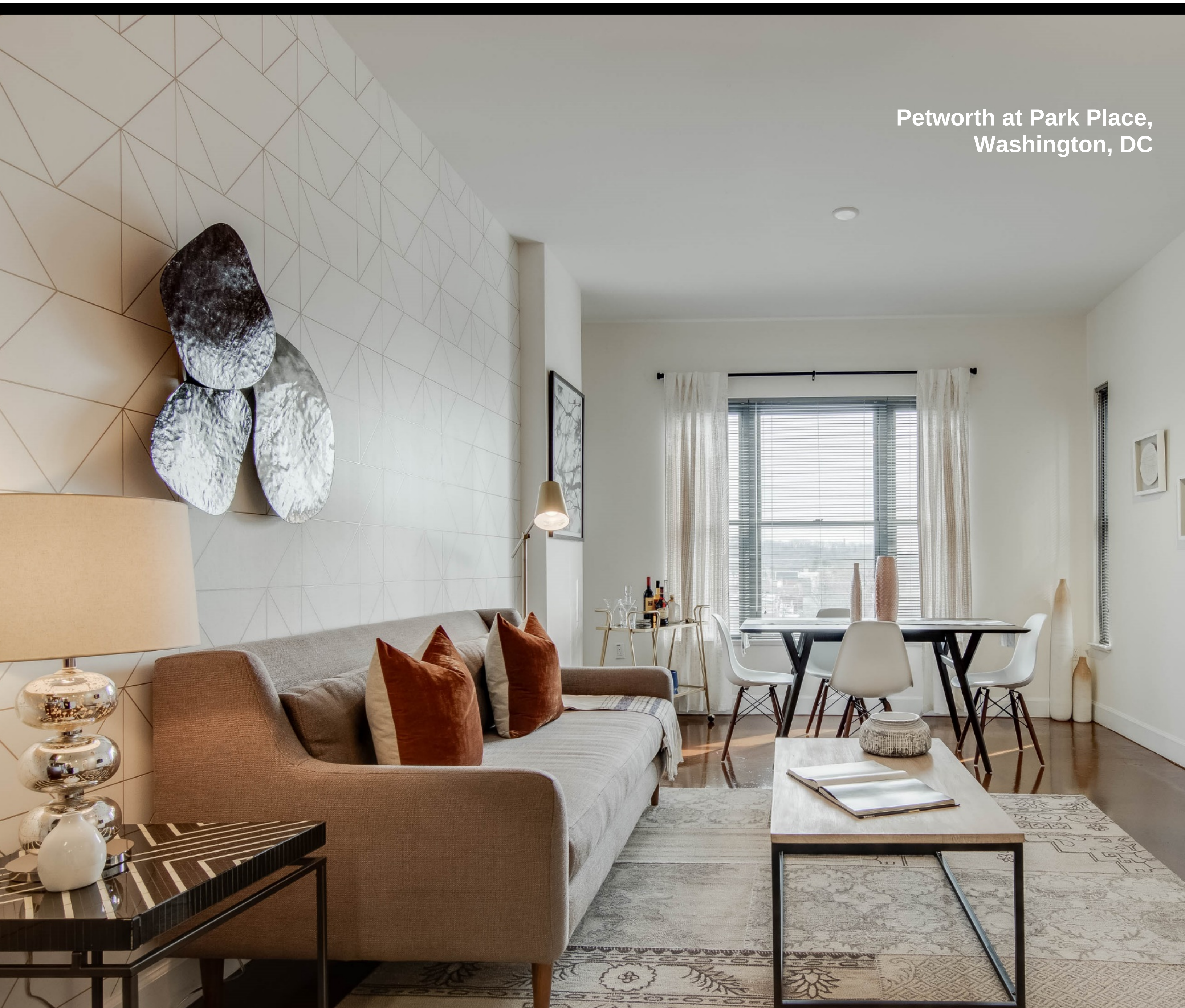
Beginning capital balance as of 03/01/2012:			**$ -**
Capital contributed during period:		3,500,000.00	
04/22/2013	$ 700,000.00		
08/19/2013	525,000.00		
10/15/2013	525,000.00		
04/07/2014	525,000.00		
07/30/2014	700,000.00		
01/14/2015	350,000.00		
05/15/2015	175,000.00		
	$ 3,500,000.00		
Cash distributed during period:		(5,577,112.00)	
12/18/2013	$ (55,023.00)		
05/28/2014	(34,719.00)		
08/28/2014	(35,778.00)		
11/24/2014	(98,447.00)		
02/26/2015	(51,305.00)		
05/28/2015	(48,954.00)		
06/30/2015	(69,363.00)		
08/26/2015	(113,698.00)		
11/24/2015	(134,082.00)		
02/24/2016	(60,304.00)		
05/26/2016	(133,713.00)		
06/29/2016	(177,001.00)		
08/24/2016	(343,654.00)		
09/28/2016	(76,081.00)		
10/20/2016	(111,884.00)		
11/28/2016	(107,410.00)		
12/21/2016	(44,753.00)		
02/28/2017	(67,132.00)		
05/24/2017	(21,474.00)		
06/28/2017	(111,884.00)		
07/27/2017	(190,208.00)		
08/24/2017	(92,712.00)		
09/28/2017	(134,263.00)		
10/26/2017	(156,642.00)		
11/28/2017	(193,896.00)		

02/26/2018	(167,787.00)		
05/24/2018	(145,024.00)		
08/29/2018	(55,840.00)		
10/03/2018	(234,960.00)		
11/28/2018	(44,674.00)		
01/15/2019	(123,076.00)		
02/26/2019	(123,287.00)		
05/28/2019	(198,019.00)		
06/27/2019	(73,222.00)		
07/24/2019	(356,495.00)		
08/28/2019	(59,381.00)		
09/12/2019	(747,601.00)		
11/20/2019	(35,909.00)		
01/30/2020	(161,321.00)		
03/23/2020	(21,510.00)		
08/26/2020	(8,372.00)		
11/18/2020	(8,962.00)		
05/26/2021	(46,493.00)		
08/16/2021	(85,950.00)		
09/02/2021	(59,457.00)		
10/04/2021	(48,396.00)		
12/29/2021	(106,996.00)		
	$ (5,577,112.00)		
Investment income from operations:		1,314,651.00	
Unrealized appreciation/depreciation:		10,265.00	
Realized gain/(loss):		1,433,146.00	
Management fees:		(328,157.00)	
Allocation of incentive fees:		(322,954.00)	
Ending capital balance as of 12/31/2021:			**$ 29,839.00**
Investor pro-rata ownership share of Fund			**0.18%**

THE REALTY ASSOCIATES FUND X UTP LIMITED PARTNERSHIP
AND
THE REALTY ASSOCIATES FUND X LIMITED PARTNERSHIP

Annual Report

December 31, 2021



To the Partners of The Realty Associates Fund X UTP Limited Partnership and
The Realty Associates Fund X Limited Partnership (collectively, the “Fund”):

We are pleased to provide you with this report for the year ended December 31, 2021.

The United States economy ended the year with a bang despite ongoing headwinds from new variants of COVID-19, supply chain constraints, rising consumer prices and labor shortages. The U.S. economy grew at a 6.9% annual rate in the fourth quarter of 2021 driven by strong consumer spending at the start of the quarter and a surge in inventories at the end of the quarter. Overall, for the year, the U.S. economy grew 5.7% which was a stark improvement after shutdowns and pandemic restrictions in 2020 had led the economy to shrink 3.4%. Growth in 2021 was the fastest on record since 1984, but economists warn that the growth outlook for 2022 could be more moderate.

The recovery in the commercial real estate markets broadened and gained momentum in the second half of the year. The U.S. industrial sector continued to thrive with record-high asking rents driven by historically low vacancy amid robust demand for space. A combination of outsized demand and an acute housing shortage led to record-high absorption and record-setting annual rent growth in the U.S. multifamily sector. These fundamentals, along with the capital markets’ insatiable appetite for both industrial and multifamily properties, drove robust appreciation in these two property types in 2021.

The Fund is in its final stage of liquidation with the last investment under agreement to be sold with a closing expected in March.

Performance

As of December 31, 2021, the gross since inception internal rate of return was 16.04% and the net since inception internal rate of return (after investment management fees and incentive fee allocations to the Sponsor General Partner) was 12.58% assuming a theoretical liquidation of the remaining investment in real estate at current fair value.

Composition and Valuation

As of December 31, 2021, the Fund had one remaining real estate holding, a 117,353 square foot office investment that was 71% occupied. In accordance with the Fund’s valuation policy, the investment is reported at fair value. As of December 31, 2021, the fair value of the Fund’s remaining real estate investment was established at $12.6 million, resulting in an unrealized loss of $1.0 million for the fourth quarter. During 2021, the Fund recognized a total net unrealized loss of $1.7 million.

Occupancy and Leasing

During the fourth quarter, the Fund completed new or renewal leases totaling 1,591 square feet (1% of the portfolio). During 2021, the Fund completed new or renewal leases totaling 38,654 square feet. Leases totaling 12,430 square feet (11% of the portfolio) are scheduled to expire over the next twelve months.

Financing

The Fund did not have any debt outstanding as of December 31, 2021. Total debt outstanding for the Fund as of December 31, 2020 was $57.7 million. The weighted-average cost of debt and the loan-to-value ratio for the Fund at December 31, 2020 were 2.40% and 21.4%, respectively.

During 2021, the Fund repaid in full and terminated its credit facility. This transaction is more fully described in the “Notes to Combined Financial Statements” contained in this report.

Investment Transactions

During the fourth quarter, the Fund sold two investments, for combined net sales proceeds of $59.5 million and a combined realized loss of $16.7 million, resulting in an unleveraged IRR of -1.00%. Additional details regarding the investments sold during the fourth quarter are included in the schedule of “Investments in Real Estate” contained in this report. During 2021, the Fund sold eight investments for combined net sales proceeds of $242.0 million and a combined net realized loss of $68.4 million. Since inception, the Fund has sold 107 investments for combined net sales proceeds of $3.7 billion and a combined net realized gain of $666.4 million. The since inception unleveraged IRR for all sold investments, which includes income derived during the holding period, is 10.63%.

Distributions

On December 29, 2021, the Fund made a $60.0 million distribution to investors characterized as 3.69% income and 96.31% return of capital. This distribution is a result of proceeds from investment sales as described above. Distributions declared for the year total $194.0 million and cumulative distributions declared since inception total $2.6 billion.

Economic Overview

The U.S. economy experienced a historically strong rebound in 2021. Real U.S. Gross Domestic Product ("GDP") grew at an annualized rate of 5.7%[1] in the fourth quarter, the strongest year of growth in nearly four decades and a quick recovery from the pandemic-induced recession in the spring of 2020. The increase came despite a surge in COVID-19 variant cases in the latter half of the year that undermined business activity due to pandemic-induced shortages of supplies and workers.

The economic growth last year was boosted by a 7.9% increase in consumer spending and a 9.5% jump in private investment. Consumer spending, which accounts for more than two-thirds of GDP, grew at a more moderate 3.3% for the final three months of 2021, led by a 4.7% increase in services spending as consumers begin to return to pre-pandemic spending patterns. Meanwhile, private investment, a gauge of business spending and inventory build, accelerated 32% in the fourth quarter. In fact, rising business inventories accounted for 71% of the fourth quarter growth — an indication of business confidence and an incremental improvement in supply chains.

2021 was also a strong year for the U.S. labor market with nonfarm employment growing by 4.5%[2], or 6.4 million jobs, over the year. After the historic job losses in March and April 2020, the nation is now just 3.6 million jobs shy of pre-pandemic levels. The unemployment rate ended the year at 3.9%, near historic lows. However, labor force participation remains below pre-pandemic levels and, with a near-record 11 million job openings, competition for workers drove average hourly wages 4.7% higher in 2021. While labor participation may take time to fully recover, the U.S. labor market is nearing a state of full employment.

The recovering labor market, multiple rounds of fiscal stimulus packages, as well as expanded unemployment benefits boosted household savings following the onset of the pandemic. U.S. households ended 2021 with $5 trillion[3] more funds in savings deposits and money market funds than before the pandemic. This accumulated wealth supported the record 16.9%[4] year-over-year increase in retail sales. While the increase in retail sales bodes well for the economy, households began to draw down some of the excess savings in 2021. The personal savings rate fell for the fourth consecutive month in November to 6.9%, its lowest rate since December 2017.

Inflation surged in the second half of the year as supply chain and labor issues coupled with robust consumer demand led to imbalances across the economic spectrum. The price index for personal-consumption expenditures rose at an annual rate of 6.5%[5] in the fourth quarter, accelerating from the third quarter's 5.3% growth rate and more than triple pre-pandemic levels. While some factors driving this trend may be transitory, several components will likely persist, and inflation is expected to trend above historical norms through much of 2022.

With the backdrop of rising inflation, rapid economic growth, and labor market gains, the Federal Reserve ("Fed") began to remove some of the extraordinary accommodations provided to stabilize the economy and lower long-term rates when the coronavirus pandemic hit the U.S. economy early in 2020. In November, the Fed began unwinding its $120 billion per month asset purchase program, a process that should conclude mid-2022. The central bank also signaled it would begin raising the federal funds rate as early as March and indicated the potential for additional rate hikes by year-end. These potential increases in the federal funds rate will likely move interest rates higher in 2022. However, the outlook for interest rates remains low as compared with historical levels.

Heading into 2022, the pandemic continues, but its impact on the economy has diminished. Although much of the fiscal stimulus has expired or begun to fade, the $5.3 trillion these programs provided proved to be a powerful accelerant for the recovery and, the effects will continue to linger for some time. Factors that held back economic growth in 2021 — labor shortages, supply disruptions, inflation and COVID-19 variants are expected to ease. The broader reopening, particularly in the service sector, will continue to drive the economy above trend growth in 2022 and beyond. Risks to the economic outlook remain but the outlook for property markets is positive amidst strong consumer fundamentals and corporate profitability. The U.S. economy begins 2022 with strong momentum that will continue to support improving fundamentals across real estate property types.

Real Estate Fundamentals[6]

The commercial real estate market overall exceeded expectations in 2021. The multifamily and industrial markets outperformed historical trends while improving foot traffic heightened demand for segments of the retail sector. The office market experienced a weaker recovery. Overall, the economic backdrop has supported a broad recovery for property fundamentals, but the disparity between sectors and geographies persists.

Industrial

2021 was a historic year for the U.S. industrial market with record-high rents amid extremely tight space conditions. Demand outpaced supply by a wide margin, almost 50%, with 502 million square feet (”MSF”) absorbed in 2021. The historic level of demand pushed asking rents to $9.80 per square foot, 8.7% higher than a year ago. Occupiers from a diverse array of industries leased an unprecedented 1,000 MSF in 2021. Leasing volume was up 40% - 80% as compared to levels seen prior to the pandemic in many of the largest U.S. markets. Due to a pause in construction activity during the first few months of the pandemic, construction deliveries fell 6.3% year-over-year, adding just 285 MSF in 2021. As a result, the vacancy rate fell over 100 basis points (“bps”) to 4.2% from one year ago, the lowest vacancy rate on record. Every major market posted single-digit vacancy rates in the fourth quarter with Los Angeles and the Inland Empire reaching near full capacity at 1.6% and 1.7%, respectively.

Despite materials shortages and labor constraints, new construction broke ground at a vigorous pace in 2021. A record 510 MSF is under construction. However, the availability of new logistics space is expected to remain extremely tight across U.S. markets. Prime markets with large consumption bases and/or near integral ports of entry where industrial-zoned land has become scarce will continue to experience the sharpest imbalances of supply and demand.

Looking forward, accelerated rent growth is expected to continue. Robust demand from e-commerce growth, the need for increased levels of “safety stock” to combat supply chain disruptions and rising transportation costs will combine with elevated levels of consumer spending to drive demand for modern warehouse and industrial assets over the long run.

Multifamily

Impacts from the pandemic weakened the U.S. multifamily sector in the first half of 2020, but unprecedented demand for U.S. multifamily properties in 2021 led to a historic improvement in fundamentals. In 2021, demand reached 705,000 units — far above the highest levels on record and more than double the pre-pandemic average of 327,000. Vacancy rates fell 200 bps from one year ago to a record-low of 4.6% and the multifamily market experienced record-setting annual rent growth of 11.3% — a two-decade high. The Sun Belt markets are fueling the growth with markets such as Orlando, Phoenix, Austin, and Raleigh reporting annual rent growth of 20% or higher. Across urban and suburban regions, asking rents have recovered to or surpassed pre-pandemic levels in nearly every major market.

Pandemic-related challenges slowed multifamily deliveries to 378,000 units, down 17% from the record high set one year ago. Meanwhile, rising construction costs of 15% or more in many fast-growing markets slowed construction starts to a near ten-year low. At year-end, the number of new multifamily units underway, about 684,000 units, was the lowest level in three years. As the pace of deliveries slows, above-average rent growth is likely to persist over the next several quarters.

2022 will be another strong year for multifamily performance. Although the tight market conditions that characterized 2021 are expected to ease slowly, major U.S. markets should see rent growth well above long-term averages amidst historically tight housing supply, strong demographic tailwinds, and the broader economic recovery. In the near-term, job growth and higher wages will support household formation, but the long-term shortage of housing in the U.S. will help fuel a multi-year runway for growth.

Office

The spread of COVID-19 variants slowed the pace of office market recovery toward year-end, but market fundamentals for the office market improved modestly in the second half of 2021, nonetheless. After nearly 140 MSF of negative absorption following the onset of the pandemic, demand turned positive in both the third and fourth quarters and the office market regained nearly 20 MSF of occupancy losses. With improved demand, asking rents reported a slight uptick on a year-over-year basis after falling for five consecutive quarters following the onset of the pandemic. The vacancy rate plateaued at 12.1% in the latter half of 2021 but remains over 200 bps above pre-pandemic levels. Office fundamentals will benefit as construction activity continues to slow. There is 140.5 MSF underway, down 15% from this cycle’s peak of 162 MSF seen in mid-2020.

Despite delays of return-to-office plans by several major companies, leasing velocity picked up across most major markets and sublease space stabilized. Leasing by technology companies in Sun Belt markets such as Atlanta, Austin, Miami, and Raleigh led activity, with many of these markets approaching pre-pandemic levels of leasing volume. The anticipated revival in downtown activity in gateway cities in the second half of 2022 should stimulate a broader recovery. A flight to quality remains a significant driver of tenant demand, leading to a bifurcation between high-end and lower-quality asset performance.

The national office market took a first step toward recovery in 2021, but uncertainty still looms over the sector. The supply/demand balance in the office sector will remain favorable for occupiers in the near-term. The pace of recovery is expected to gain momentum in 2022 but rent growth is expected to remain tepid for the next couple of years as tenants continue to reassess their physical footprints.

Retail

The retail sector exceeded expectations in 2021, bouncing back quicker than anticipated as many retailers reported strong sales. A resurgence in tenant demand in the latter half of the year drove retail rents up 3.1% year-over-year, the strongest growth in over a decade, and the vacancy rate fell to 4.6%, on par with pre-pandemic levels. Markets capturing an out-sized portion of population and employment growth such as Atlanta, Tampa, Phoenix, and Dallas reported the most significant rent growth, in some areas growing by 7% or more over the year.

Solid demand growth coupled with muted levels of new supply helped balance fundamentals after the decline seen early in 2020. Less than 48 MSF of new retail space was delivered in 2021, the lowest annual total recorded in over 15 years. With new supply underway at just 0.5% of inventory, development activity is extremely limited and nearly 75% of construction underway is pre-leased.

A strong retail sales environment combined with limited availability for in-demand retail assets will accelerate rent growth in the coming year. While the retail recovery gained momentum in 2021, a significant bifurcation in performance by subtype will continue as retailers reorientate footprints toward more efficient formats. Malls and larger spaces in secondary locations will continue to be challenged while grocery-anchored neighborhood centers expect to see the strongest performance.

Capital Markets[7]

The strengthening economy and improving fundamentals across all property sectors accelerated investment activity throughout 2021. The historic level of deal volume in the fourth quarter stood 80% higher than the previous fourth quarter record set 2019. With volume growing at a record pace, overall pricing grew 22.9% in 2021, surpassing previous records. Cap rates compressed across most property types in 2021, with only the Central Business District (“CBD”) office sector showing a slight uptick for the year. Even with the outstanding performance in 2021, pockets of weakness remain and there has been a notable shift in asset preference. Multifamily and industrial sectors have displaced the office sector as the top investment sectors. Real estate values appreciated rapidly in 2021, and that momentum is expected to carry into 2022.

2021 was a historic year for industrial sales, with a record pace of sales alongside record price growth. Sales volume of $67 billion in the fourth quarter of 2021 was 54% more than the record set in the previous quarter. Total sales volume in 2021 was $166 billion, surpassing the former record set in 2019 by 42%. Pricing surged 29.2% over the year, the strongest across all property types. Nearly every industrial market posted double-digit rates of growth in sales activity for 2021 with Los Angeles, Chicago, Inland Empire, Dallas, and Atlanta at the top. In line with industrial property prices hitting record highs, cap rates compressed to record lows. Warehouse cap rates hit 5.3%, 40 bps lower than a year earlier. The strength of the U.S. consumer, secular tailwinds, and an historic shortage of available industrial space signal that the industrial property sector is on track for another outstanding year.

The multifamily sector also reached record high sales activity in 2021. Annual volume topped $335 billion, 74% higher than the previous 2019 record, sending cap rates to all-time lows while prices surged 23.6% year-over-year. Activity was higher across multifamily subtypes and geographies, but the pandemic accelerated a rotation into the smaller markets which represented a record 81% share of the market in 2021 — up from a historic average of 60%. Garden-style apartments outperformed with cap rates falling 50 bps from a year ago, tightening the spread to the mid/high-rise market. Dallas, Atlanta, Phoenix, Houston, and Denver were the top five markets for investment in 2021. Strong rent growth and healthy occupancies, alongside demographic tailwinds and the rising costs of single-family homes, increased the focus on multifamily investment in 2021 and these trends will continue in 2022.

Office deal volume in 2021 improved relative to the lows of 2020, propelled by several trophy office sales in the fourth quarter. Volume was up 50% from a year earlier but remained well short of pre-pandemic levels as the increased demand for suburban and Sun Belt office assets failed to offset weak demand in the gateway cities for all but the highest quality towers. Suburban office buildings drew a greater percentage of investment than in the past and posted a 14.2% year-over-year gain in price versus the 3.3% pace of growth in CBD offices. In line with pricing, suburban cap rates were down 40 bps from a year earlier. Notably, a few markets set all-time volume records in 2021: Boston (a top life science market), San Jose, Austin, and Palm Beach. The adoption of working from home and occupiers' preference for high quality assets could put long-term pressure on Class B/C office assets. The future of the office is still uncertain, creating both opportunities and risk in the sector.

Retail investment activity also rebounded into 2021 with fourth quarter volume reaching $33 billion — the single-highest quarterly total on record for the sector. Annual volume reached $77 billion, the fourth highest on record. Pricing for the retail property sector posted a 21.5% year-over-year gain after falling 2.7% in 2020 but the relative outperformance of properties anchored by essential retailers masks pockets of weakness. Sales in this sector were 25% above previous levels. Shopping center sales, by contrast, are still struggling to return to normal. E-commerce and shifting consumer preferences continue to challenge traditional retail and gains in the sector were not spread evenly by geography or subtype.

Consistent with the property market performance and pricing activity, industrial and multifamily returns continued to outpace all other property types. U.S. real estate posted the highest appreciation since inception for the NCREIF Property Index ("NPI")[8] and its sixth consecutive quarter of positive total returns after a brief dip at the onset of the pandemic. The NPI total return for the fourth quarter of 2021 was 6.15%, which consisted of 1.03% from income and 5.12% of appreciation. The quarter continued the exceptionally strong performance of the industrial (primarily warehouse) sector. The industrial total return for the fourth quarter of 2021 was 13.34%, up from 10.92% in the previous quarter. Multifamily properties had the second-highest total return for the fourth quarter of 2021 of 6.82%, up slightly from 6.53% in previous quarter. Total returns for retail and office properties were 2.18% and 1.68%, respectively, for the fourth quarter of 2021. The strong performance in the fourth quarter of 2021 was also driven by record returns of non-gateway versus gateway cities. Due in large part to pandemic accelerated migration trends towards less dense urban areas, non-gateway cities allocations have increased relative to the gateway cities and reached a record 7.36% total return in the fourth quarter of 2021.

Outlook

U.S. commercial real estate is set for an active 2022. Monetary policy is expected to tighten to keep longer-term inflation pressures in check, but healthy underlying fundamentals, especially in the multifamily and industrial markets, should more than mitigate the potential impact of slightly higher interest rates in 2022 and will continue to drive investment towards those property sectors. The strengthening office and retail sectors should draw interest as well. Cap rates should hold steady or possibly tighten in the industrial, multifamily and more favored segments of the office and retail sectors. The trends shaping the outlook for many types of real estate are shifting rapidly but looking long-term, the momentum remains favorable in a post-pandemic economic cycle.

Throughout its nearly 40-year history, TA Realty has managed through many real estate cycles and turbulent periods. While the U.S. economy continued its recovery in 2021, the ripple effects of the global pandemic are still being felt through the introduction of new variants, ongoing supply chain constraints, labor shortages and consumer prices rising at their fastest pace in 40 years. Our asset managers have remained focused on driving appreciation at our assets through timely execution of value-added strategies while the dispositions team is nearing completion of the Fund's liquidation. We look forward to reporting our continued progress on the Fund in the months ahead.

As always, we welcome any comments and suggestions and value your continued support of TA Realty.

Very truly yours,

James O. Buckingham Managing Partner	Michael R. Haggerty Managing Partner	James P. Raisides Managing Partner	Scott W. Amling Partner	Marcus E. Berry Partner
Alan E. Brand Partner	Scott L. Dalrymple Partner	Christine M. Elmore Partner	Douglas M. Engelman Partner	Nathan L. Foss Partner
Christopher J. Good Partner	Nicole E. Grinnell Partner	Randell L. Harwood Partner	James P. Knowles Partner	Thomas E. Landry Partner
L. Kendrick Leckband Partner	J. Blair Lyne Partner	Jacob P. Maliel Partner	Nhat M. Nguyen Partner	John W. Powell Partner
Sean P. Ruhmann Partner	Thomas A. Shapiro Partner	Brooks D. Wales Partner	Gregory A. Waxman Partner	James F. Whalen Partner

Boston, Massachusetts
March 1, 2022

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1 Source: U.S. Bureau of Economic Analysis, Gross Domestic Product, Fourth Quarter 2021, Advance Estimate

2 Source: Bureau of Labor Statistics, Employment Situation, December 2021

3 Source: Federal Reserve Bank of St. Louis, Total Financial Assets, Billions, Data through December 31, 2021

4 Source: U.S. Department of Commerce, Advanced Monthly Sales, December 2021

5 Source: U.S. Bureau of Economic Analysis, Core Personal Consumption Expenditures, December 2021

6 Source: CoStar, Fourth Quarter 2021, Property Market Fundamentals Statistics

7 Source: Real Capital Analytics, Fourth Quarter 2021, for Capital Markets Statistics

8 Source: NCREIF, Fourth Quarter 2021

THE REALTY ASSOCIATES FUND X UTP LIMITED PARTNERSHIP
AND
THE REALTY ASSOCIATES FUND X LIMITED PARTNERSHIP
OPERATING RESULTS (unaudited)
March 5, 2012 (inception) to December 31, 2021

	For the Year Ended December 31,									For the Period March 5, 2012 (inception) to
	2021	2020	2019	2018	2017	2016	2015	2014	2013	December 31, 2012
Portfolio operating income (loss)	$ 4,604,417	$ 8,203,608	$ 30,942,636	$ 57,210,156	$ 74,454,158	$ 95,051,837	$ 97,544,191	$ 64,560,289	$ 19,285,595	$ (4,576,794)
Realized (loss) gain on sales of real estate — net	(68,375,868)	(4,052,052)	348,026,201	108,097,889	123,501,443	92,994,501	21,815,913	29,258,673	13,264,004	1,841,163
Reversal of previously recorded unrealized loss (gain) on sales — net	70,246,081	3,493,266	(348,222,609)	(95,774,544)	(111,539,171)	(88,180,501)	(13,065,697)	(22,292,256)	—	—
Unrealized (loss) gain on investments in real estate — net	(1,725,032)	(27,602,123)	131,822,332	53,146,330	111,962,146	45,748,345	161,515,107	103,910,707	14,008,849	—
Net income (loss)	$ 4,749,598	$ (19,957,301)	$ 162,568,560	$ 122,679,831	$ 198,378,576	$ 145,614,182	$ 267,809,514	$ 175,437,413	$ 46,558,448	$ (2,735,631)
DISTRIBUTIONS DECLARED — GROSS	$ 194,000,000	$ 22,000,000	$ 840,000,000	$ 325,000,000	$ 475,000,000	$ 477,000,000	$ 191,000,000	$ 100,000,000	$ 25,000,000	$ —

PERFORMANCE (unaudited)
April 1, 2013 to December 31, 2021

Fund Time-Weighted Returns

	Quarter	One Year	Three Year	Five Year	Seven Year	Since Inception[1]
Gross Returns:						
Income	1.91%	5.06%	5.82%	6.72%	7.13%	7.15%
Appreciation	(2.77)	(1.62)	(0.10)	3.35	4.46	5.28
Total	(0.86%)	3.44%	5.72%	10.07%	11.59%	12.43%
Net Returns[2]:						
Income	1.68%	4.04%	4.48%	5.05%	5.36%	5.37%
Appreciation	(2.56)	(2.10)	(0.80)	2.07	3.07	3.81
Total	(0.88%)	1.94%	3.68%	7.12%	8.43%	9.18%

Additional Fund Performance Metrics	
Since Inception Gross Internal Rate of Return (IRR)[1]	16.04%
Since Inception Net Internal Rate of Return (IRR)[1,2]	12.58%
Paid in Capital Multiple	1.00
Net Investment Multiple	1.61
Realization Multiple	1.60
Residual Multiple	0.01

1 Fund investment returns commenced April 1, 2013, the first full quarter after the initial capital call.

2 Net returns and IRRs are after investment management fees and incentive allocations to the Sponsor General Partner. Investment management fees are paid monthly out of the assets of the Fund and are expensed to the Fund in the period earned. Incentive fee allocations are booked quarterly when earned. The IRR is not inclusive of any future income, gains, or losses, and represents a theoretical liquidation of all properties at current fair values.

THE REALTY ASSOCIATES FUND X UTP LIMITED PARTNERSHIP
AND
THE REALTY ASSOCIATES FUND X LIMITED PARTNERSHIP
INVESTMENTS IN REAL ESTATE (unaudited)
As of December 31, 2021

Division / Investment Name	Type	Location	Acquisition Date[1]	Leasable Area	# Units	% Leased	Cost	Fair Value
Northeast								
111 Speen Street	Office	Framingham, MA	Apr-15	117,353		71%	$ 25,148,770	$ 12,600,000
Total				117,353	-	71%	$ 25,148,770	$ 12,600,000

[1] Each acquisition date represents an individual investment in the Fund.

Investments sold during the quarter ended 12/31/2021

Investment Name	Type	Location	Acquisition Date	Leasable Area	# Units	Net Sales Proceeds	Cost at Date of Sale	Realized Loss
Mason Creek Office Center II	Office	Katy, TX	May-14	127,955		$ 4,888,925	$ 12,348,363	$ (7,459,438)
Petworth at Park Place	Multifamily	Washington, DC	Oct-14		161	54,624,082	63,820,925	(9,196,843)
Total				127,955	161	$ 59,513,007	$ 76,169,288	$ (16,656,281)

Investments Sold Since Inception	Net Sales Proceeds	Cost at Date of Sale	Realized Gain/(Loss)
Industrial	$ 1,665,619,331	$ 1,161,927,778	$ 503,691,553
Office	1,312,540,112	1,279,378,174	33,161,938
Multifamily	654,119,006	521,985,624	132,133,382
Retail	57,750,925	76,977,443	(19,226,518)
Undeveloped Land	35,095,761	18,484,250	16,611,511
Total	$ 3,725,125,135	$ 3,058,753,269	$ 666,371,866

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Report of Independent Auditors

To the Partners of The Realty Associates Fund X UTP Limited Partnership and
The Realty Associates Fund X Limited Partnership

Opinion

We have audited the combined financial statements of The Realty Associates Fund X UTP Limited Partnership and The Realty Associates Fund X Limited Partnership (the Company), which comprise the combined balance sheets as of December 31, 2021 and 2020, and the related combined statements of operations, changes in partners' capital and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Ernst + Young LLP

March 1, 2022

THE REALTY ASSOCIATES FUND X UTP LIMITED PARTNERSHIP
AND
THE REALTY ASSOCIATES FUND X LIMITED PARTNERSHIP

COMBINED BALANCE SHEETS

	As of December 31,	
	2021	**2020**
ASSETS		
Investments in real estate at fair value (Cost $25,148,770 and $331,052,110 in 2021 and 2020, respectively)	$ 12,600,000	$ 249,982,291
Cash	4,164,424	16,536,259
Accounts receivable — net	601,842	1,969,463
Prepaid expenses and other assets	10,367	320,213
Deferred financing costs — net	—	315,320
	$ 17,376,633	$ 269,123,546
LIABILITIES AND PARTNERS' CAPITAL		
Liabilities:		
Revolving credit facility	$ —	$ 57,700,000
Accounts payable and accrued expenses	828,503	3,816,586
Accrued real estate taxes	—	149,145
Tenant security deposits	161,433	1,967,321
	989,936	63,633,052
Partners' capital	16,386,697	205,490,494
	$ 17,376,633	$ 269,123,546

See accompanying notes

THE REALTY ASSOCIATES FUND X UTP LIMITED PARTNERSHIP
AND
THE REALTY ASSOCIATES FUND X LIMITED PARTNERSHIP

COMBINED STATEMENTS OF OPERATIONS

	For the Year Ended December 31,	
	2021	**2020**
Operating revenue:		
Rent and tenant reimbursements	$ 17,046,905	$ 34,686,204
Operating expenses:		
Property operating expenses	(9,781,507)	(20,057,182)
Interest expense	(763,755)	(4,678,024)
Operating income	6,501,643	9,950,998
Other income (expenses):		
Other income	—	1,950,379
Interest income	—	37,449
Management fees	(1,287,655)	(2,690,611)
Reporting, administrative and other	(609,571)	(1,044,607)
Portfolio operating income	4,604,417	8,203,608
Net realized and unrealized gain (loss):		
Realized loss on sales of real estate — net	(68,375,868)	(4,052,052)
Reversal of previously recorded unrealized loss on sales — net	70,246,081	3,493,266
	1,870,213	(558,786)
Unrealized loss on investments in real estate — net	(1,725,032)	(27,602,123)
Net realized and unrealized gain (loss)	145,181	(28,160,909)
Net income (loss)	$ 4,749,598	$ (19,957,301)

See accompanying notes

THE REALTY ASSOCIATES FUND X UTP LIMITED PARTNERSHIP
AND
THE REALTY ASSOCIATES FUND X LIMITED PARTNERSHIP
COMBINED STATEMENTS OF CHANGES IN PARTNERS’ CAPITAL
For the Years Ended December 31, 2021 and 2020

	Limited Partners		General Partner	
	The Realty Associates Fund X UTP, L.P.	Other Limited Partners	Realty Associates Fund X, LLC	Partners' Capital
Balance, December 31, 2019	$ 186,333,510	$ 82,998,871	$ 67,943,308	$ 337,275,689
Net loss	(11,085,679)	(4,878,257)	(3,993,365)	(19,957,301)
Distributions	(61,657,171)	(27,591,881)	(22,578,842)	(111,827,894)
Balance, December 31, 2020	113,590,660	50,528,733	41,371,101	205,490,494
Net income	2,576,812	1,194,754	978,032	4,749,598
Distributions	(106,977,289)	(47,766,326)	(39,109,780)	(193,853,395)
Balance, December 31, 2021	$ 9,190,183	$ 3,957,161	$ 3,239,353	$ 16,386,697

See accompanying notes

THE REALTY ASSOCIATES FUND X UTP LIMITED PARTNERSHIP
AND
THE REALTY ASSOCIATES FUND X LIMITED PARTNERSHIP
COMBINED STATEMENTS OF CASH FLOWS

	For the Year Ended December 31, 2021	2020
Cash flows from operating activities:		
Net income (loss)	$ 4,749,598	$ (19,957,301)
Adjustments to reconcile net income (loss) to net cash flows provided by operating activities:		
Net realized and unrealized (gain) loss	(145,181)	28,160,909
Amortization of deferred financing costs	315,320	795,400
Changes in other assets and liabilities:		
Accounts receivable — net	1,367,621	6,211,910
Prepaid expenses and other assets	309,846	54,400
Accounts payable and accrued expenses	(2,311,574)	(2,594,918)
Accrued real estate taxes	(149,145)	(424,857)
Tenant security deposits	(1,805,888)	(998,406)
Net cash flow provided by operating activities	2,330,597	11,247,137
Cash flows from investing activities:		
Additions to real estate	(5,179,135)	(5,136,270)
Net proceeds from sales of real estate	242,030,098	310,945,317
Net cash flow provided by investing activities	236,850,963	305,809,047
Cash flows from financing activities:		
Distributions	(193,853,395)	(111,827,894)
Draws on revolving credit facility	—	102,000,000
Paydowns of revolving credit facility	(57,700,000)	(301,300,000)
Deferred financing costs paid	—	(529,785)
Net cash flow used in financing activities	(251,553,395)	(311,657,679)
Net change in cash	(12,371,835)	5,398,505
Cash — beginning of year	16,536,259	11,137,754
Cash — end of year	$ 4,164,424	$ 16,536,259
Non-cash investing activities:		
Change in accrued additions to real estate	$ (676,509)	$ (1,744,338)

See accompanying notes

1. *Basis of presentation*

The accompanying combined financial statements have been prepared in accordance with accounting principles generally accepted in the United States for entities that report investments in real estate at fair value. The financial statements of The Realty Associates Fund X UTP Limited Partnership (the “UTP”) and The Realty Associates Fund X Limited Partnership (the “Partnership”), (collectively, the “Fund”), have been combined for presentation purposes as these entities are under common management and hold undivided interests in real estate investments. The financial statements of the UTP include the accounts of its wholly owned subsidiaries, Realty Associates Fund X REIT, LLC (the “Corporation”) and Realty Associates Fund X REIT GP, LLC (the “REIT General Partner”).

2. *Organization*

The Fund was organized for the purpose of investing in a diversified portfolio of income-producing properties. The Fund extends seven years from October 7, 2014, the date the capital commitments were substantially invested, unless extended longer or terminated earlier, as provided for in the Amended & Restated Partnership Agreement (the “Agreement”) dated January 10, 2013. The Partnership is a limited partnership organized pursuant to the laws of the State of Delaware on March 5, 2012. On November 27, 2019, the Fund adopted a plan of liquidation and dissolution. The UTP is a limited partnership organized pursuant to the laws of the State of Delaware on March 5, 2012. On August 5, 2021, the Fund exercised the one-year extension of the Partnership as described in the Agreement, extending the maturity date to October 7, 2022. The Corporation is a limited liability company organized pursuant to the laws of the State of Delaware on March 5, 2012. The REIT General Partner is a limited liability company organized pursuant to the laws of the State of Delaware on March 5, 2012. The Fund has invested in a geographically diversified portfolio of real estate investments, principally office, industrial, multifamily and retail properties.

The Partnership, the UTP and Realty Associates Fund X, LLC (the “Sponsor General Partner”) have made capital contributions totaling $1,562,098,962 and have no further capital commitment to the Fund.

3. *Summary of significant accounting policies*

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (“GAAP”) requires management to make estimates and/or assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Valuation of investments in real estate

Investments in real estate are reported at fair value based on either independent appraisals performed during the year or the estimate of value as determined in good faith by TA Realty LLC (the “Manager”), pursuant to its management agreement with the Partnership, Sponsor General Partner and REIT General Partner. Valuations are performed on a quarterly basis using one or more of the following: (1) forecasts of future net cash flows during the holding period and anticipated net proceeds from the sale, discounted at prevailing market rates; (2) prevailing market capitalization rates applied to stabilized income and other observable market data; (3) recent sales of comparable investments; and (4) sale negotiations and bona fide purchase offers received from independent parties. Development properties may be valued at current cost if that cost is determined to be indicative of fair value by the Manager. The significant inputs into expected future net cash flows depend upon the type and geographic location of the real estate assets. Independent appraisals from qualified appraisers are required at least once every three years for each investment in real estate.

The Fund recognizes unrealized gains and losses on its investments in real estate based upon changes in the fair value of the underlying properties. Such gains or losses are considered to be realized only upon disposition.

The real estate markets are cyclical in nature. Property values are affected by, among other things, the availability of capital, occupancy rates, rental rates and interest and inflation rates. As a result, determining real estate values involves many assumptions. Amounts ultimately realized from each property may vary significantly from the fair value presented and the difference could be material.

Income taxes

The income and losses of the Partnership are passed through to the individual partners. The Corporation has elected to be taxed as a real estate investment trust ("REIT") under Sections 856-860 of the Internal Revenue Code. The Corporation intends to continue to qualify as a REIT and to distribute all of its taxable income to shareholders. The income and losses of the UTP are passed through to the individual partners. Accordingly, no provision has been made for income taxes in the combined financial statements.

The Partnership owns Southport Fund X TRS Corp. (the "TRS"), which has elected to be taxed as a taxable REIT subsidiary effective May 29, 2012. Taxes on income are a current tax expense. As of December 31, 2020, the Fund had sold the remaining land recognizing any previously unrealized gains. As a result, the deferred tax liability was reduced to zero. Furthermore, the TRS had a net operating loss that resulted in a deferred tax asset, which was reduced to zero due to a full valuation allowance.

The Fund has not taken any tax positions which would be classified as uncertain. Accordingly, no reserves have been recorded in the combined financial statements. The tax years 2018 to 2021 are open tax years for the Fund's federal jurisdiction and for the majority of its state jurisdictions.

Revenue recognition

Rental revenue, including tenant reimbursements, is recorded on the accrual basis of accounting based upon the terms of the underlying lease agreements.

During the COVID-19 pandemic, rent relief was granted to a number of tenants. The rent relief agreements included rent abatements, rent deferrals and lease modifications (i.e. rent is waived for a given period in exchange for an extension of the lease term or a modification of other lease terms). No revenue is recognized for those tenants who received abatements. Revenue is recognized for rent deferrals where the deferral period is one year or less from the payment's original due date and is recorded as accounts receivable as collections are probable. An allowance for doubtful accounts is recorded for estimated losses that may result from the inability of tenants to make required payments. That estimate is based on management's assessment of collectability for each tenant's account receivable. In cases where the tenant's rent deferral terms extend beyond one year, revenue is recognized when due and payable per the revised lease terms. Revenue from modified leases is recorded based on the terms of the revised lease agreements.

Cash and cash equivalents

The Fund considers all highly liquid instruments with original maturities of three months or less to be cash equivalents. As of December 31, 2021 and 2020, the Fund did not hold any cash equivalents.

Concentration of credit risk

Concentrations of credit risk may exist with respect to the Fund's investments and its other assets and liabilities. Credit risk includes the possibility that a loss may occur from the failure of counterparties or issuers to make payments according to the terms of a contract. The Fund's exposure to credit risk at any point in time is generally limited to amounts recorded as assets on the combined balance sheets.

The Fund invests its cash primarily in operating accounts with commercial banks. At times, cash balances at financial institutions may exceed federally insured amounts. The Fund believes it mitigates credit risk by depositing cash in or investing through major financial institutions. Since inception, the Fund has not experienced any losses on its invested cash. In addition, in the normal course of business, the Fund performs ongoing credit evaluations of its tenants. The Fund does not believe this represents a material risk of loss with respect to its financial position.

The Fund seeks to reduce its operating and leasing risks through geographic diversification of its properties, tenant diversification, avoidance of dependency on a single asset or asset class and the creditworthiness of its tenants. As of December 31, 2021 and 2020, the top five tenants of the Fund accounted for 88.1% and 19.3% of rental revenue, respectively. As of December 31, 2021 and 2020, the same five tenants accounted for 61.4% and 11.5% of total square feet, respectively.

The COVID-19 pandemic represents a market risk factor including uncertainty in the real estate markets. The Manager will continue to monitor market conditions as information is available and evaluate the potential impacts, if any, on the value of its investments in real estate and its operations.

Accounts receivable and allowance for doubtful accounts

Accounts receivable are comprised of amounts due from tenants and others related to rental payments, expense reimbursements, and other aspects of property operations.

The Fund maintains an allowance for doubtful accounts for estimated losses that may result from the inability of its tenants and others to make required payments. The estimate is based on a review of the current status of each accounts receivable balance. The Fund charges actual losses to this allowance when incurred.

Reporting, administrative and other expenses

Reporting, administrative and other expenses represent administrative costs of the Fund and are recorded as incurred.

Deferred financing costs – net

Deferred financing costs represent financing fees and expenses that have been capitalized in conjunction with certain financing arrangements. Costs related to the revolving credit facility are shown net of accumulated amortization on the combined balance sheets as a separate asset. Unamortized costs related to term loans and mortgages payable are reported as an offset to the associated debt liability on the combined balance sheets. There were no remaining term loans or mortgages payable as of December 31, 2021 or 2020.

Deferred financing costs relating to the revolving credit facility are amortized to interest expense over the terms of the loan. Accumulated amortization since inception was $20,698,886 and $20,383,566 as of December 31, 2021 and 2020, respectively. Amortization expense for the years ended December 31, 2021 and 2020 amounted to $315,320 and $795,400, respectively.

New accounting pronouncement

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. This standard amends the existing accounting standards for lease accounting, including requiring lessees to recognize most leases on their balance sheets and making targeted changes to lessor accounting. In July 2018, the FASB issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, which provides a practical expedient that permits lessors to combine non-lease (such as maintenance services) and associated lease components if certain criteria are met. The combined component would be accounted for as an operating lease in accordance with ASU 2016-02. The new leases standard requires a modified retrospective transition approach for all leases existing at, or entered into after, the date of initial application, with an option to use certain transition relief. In November 2019, the FASB issued ASU 2019-10, *Effective Dates*, which delayed the effective date of this standard for the Fund to January 1, 2021. In June 2020, the FASB issued ASU 2020-05, *Effective Dates for Certain Entities*, that further delayed the effective date of this standard for the Fund to January 1, 2022. The adoption of this guidance by the Fund on January 1, 2022 is not expected to have a material impact on the combined financial statements.

4. *Investments in real estate*

Investments in real estate consist of the following:

	As of December 31,			
	2021		2020	
	Fair Value	Cost	Fair Value	Cost
111 Speen Street	$ 12,600,000	$ 25,148,770	$ 17,500,000	$ 25,134,551
Petworth at Park Place	—	—	56,658,703	65,934,020
The Shoppes at Cross Keys	—	—	34,500,000	55,364,886
Landmark One	—	—	32,500,000	46,597,658
Valleybrooke Office Portfolio	—	—	32,074,880	46,484,590
Madison Place	—	—	24,500,000	34,376,235
Barton Creek Plaza I	—	—	24,468,708	19,400,330
Freeway Corporate Park	—	—	18,780,000	25,411,475
Mason Creek Office Center II	—	—	9,000,000	12,348,365
	$ 12,600,000	$ 25,148,770	$ 249,982,291	$ 331,052,110

Realized gain (loss) on sales of real estate

During the years ended December 31, 2021 and 2020, the following investments were sold:

Date	Property	Net Sales Proceeds	Realized Gain (Loss)
2021 sales of investments in real estate			
March 2021	Petworth at Park Place — Partial Sale	$ 1,636,750	$ (594,088)
April 2021	Barton Creek Plaza I	26,701,383	7,322,295
April 2021	The Shoppes at Cross Keys	35,409,596	(20,445,557)
May 2021	Freeway Corporate Park	19,742,659	(5,672,416)
July 2021	Valleybrooke Office Portfolio	38,036,479	(9,930,680)
August 2021	Landmark One	32,645,148	(14,726,699)
September 2021	Madison Place	28,345,076	(7,672,442)
December 2021	Mason Creek Office Center II	4,888,925	(7,459,438)
December 2021	Petworth at Park Place	54,624,082	(9,196,843)
		$ 242,030,098	$ (68,375,868)
2020 sales of investments in real estate			
January 2020	Promenade at Carillon	$ 63,475,964	$ 4,355,598
January 2020	Virginia Highlands	59,675,999	15,007,072
February 2020	The Atrium at Lakeside	47,709,045	8,126,003
March 2020	Commerce Executive VI	35,488,477	(6,644,763)
May 2020	Park Del Amo	35,943,740	(9,496,222)
August 2020	Mason Creek Office Center III	1,926,359	(3,193,984)
October 2020	Southport Land — Partial Sale	269,647	(721,395)
December 2020	Southport Land	4,726,103	832,840
December 2020	The Park at San Tan	61,729,983	(12,317,201)
		$ 310,945,317	$ (4,052,052)

Unrealized (loss) gain on investments in real estate

The following is a schedule of the amounts recorded as net unrealized (loss) gain on investments in real estate, and the reversal of previously recorded unrealized loss (gain) on sales of investments in real estate, by investment, for the years ended December 31, 2021 and 2020:

	Year Ended December 31,	
	2021	**2020**
Net unrealized gains (losses) on investments in real estate sold during 2021 and 2020		
Valleybrooke Office Portfolio	$ 3,612,343	$ (2,712,328)
Barton Creek Plaza I	2,252,535	(1,914,981)
Madison Place	958,511	(1,693,630)
Freeway Corporate Park	870,000	(5,374,416)
The Shoppes at Cross Keys	278,876	(2,499,318)
Promenade at Carillon	—	-
Virginia Highlands	—	-
The Atrium at Lakeside	—	-
Commerce Executive VI	—	-
Southport Land	—	(617,451)
Mason Creek Office Center III	—	(900,000)
The Park at San Tan	—	(2,440,768)
Park Del Amo	—	(6,553,044)
Petworth at Park Place	(361,692)	(604,963)
Landmark One	(921,386)	(1,525,452)
Mason Creek Office Center II	(3,500,000)	(900,000)
Net unrealized gain (loss) on investments in real estate held at December 31, 2021		
111 Speen Street	(4,914,219)	134,228
Total unrealized loss on investments in real estate — net	$ (1,725,032)	$ (27,602,123)
Reversal of previously recorded unrealized (gains) losses on investments in real estate sold during 2021 and 2020		
Barton Creek Plaza I	$ (7,320,913)	$ —
Petworth at Park Place — Partial Sale	520,009	—
Freeway Corporate Park	5,761,475	—
Mason Creek Office Center II	6,848,365	—
Madison Place	8,917,724	—
Petworth at Park Place	9,117,000	—
Valleybrooke Office Portfolio	10,797,367	—
Landmark One	15,019,044	—
The Shoppes at Cross Keys	20,586,010	—
Virginia Highlands	—	(14,938,400)
The Atrium at Lakeside	—	(8,068,083)
Promenade at Carillon	—	(4,010,748)
Southport Land	—	(269,718)
Southport Land — Partial Sale	—	(69,022)
Mason Creek Office Center III	—	3,220,342
Commerce Executive VI	—	6,983,239
Park Del Amo	—	9,411,126
The Park at San Tan	—	11,234,530
Total reversal of previously recorded unrealized loss on sales — net	$ 70,246,081	$ 3,493,266

Leases

Future minimum rental payments to be received on non-cancelable operating leases over the next five years and thereafter are as follows:

2022	$ 2,391,441
2023	2,214,423
2024	1,571,920
2025	491,912
2026	—
Thereafter	—
	$ 6,669,696

5. *Fair value measurements*

GAAP establishes a hierarchal framework which prioritizes and ranks the level of market price observability used in measuring assets and liabilities at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Observable inputs are inputs that market participants would use in pricing the asset or liability, developed based on market data obtained from sources independent of the Fund. Unobservable inputs reflect management's judgments or estimates about the assumptions market participants would use in pricing the asset or liability, developed based on the best information available. Assets and liabilities measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Prices determined using other significant observable inputs, including quoted prices for similar assets or liabilities; or,

Level 3: Prices determined using significant unobservable inputs and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value require management judgment or estimation. Investments in real estate are generally included in this category.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an asset's or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Management's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability.

The following table summarizes the valuation of the Fund's investments in real estate by fair value hierarchy level as of December 31, 2021 and 2020, respectively:

	Total	Level 1	Level 2	Level 3
2021				
Investments in real estate	$ 12,600,000	$ —	$ —	$ 12,600,000
2020				
Investments in real estate	$ 249,982,291	$ —	$ —	$ 249,982,291

The following tables provide quantitative information about the primary valuation technique and significant unobservable inputs used in the valuation of all of the Fund's Level 3 investments measured at fair value on a recurring basis as of December 31, 2021 and 2020, respectively:

	Fair Value as of December 31, 2021	Primary Valuation Technique	Unobservable Inputs	Ranges
Investments in Real Estate:				
Office	$ 12,600,000	Discounted cash flow (DCF) analysis	Discount rate	10.00%
			Exit capitalization rate	8.75%
			DCF term (years)	10
	$ 12,600,000			

	Fair Value as of December 31, 2020	Primary Valuation Technique	Unobservable Inputs	Ranges
Investments in Real Estate:				
Office	$ 158,823,588	Discounted cash flow (DCF) analysis	Discount rate	8.00% - 12.75%
			Exit capitalization rate	7.25% - 10.50%
			DCF term (years)	10
Multifamily	53,239,644	Discounted cash flow (DCF) analysis	Discount rate	6.00%
			Exit capitalization rate	5.25%
			DCF term (years)	10
Retail	37,919,059	Discounted cash flow (DCF) analysis	Discount rate	10.50% - 14.25%
			Exit capitalization rate	8.75% - 9.00%
			DCF term (years)	10
	$ 249,982,291			

6. *Indebtedness*

Revolving credit facility

On December 4, 2013, the Fund entered into a $500,000,000 unsecured Revolving Loan Facility ("Loan Facility") which has subsequently been amended, restated and extended. The Loan Facility required interest to be paid at a rate of LIBOR plus a spread between 135 and 175 basis points (based on the Fund's loan-to-value ratio) and had an initial maturity date of December 4, 2016, with two, one-year extension options.

On September 30, 2019, the Fund amended the Loan Facility to decrease the borrowing capacity to $400,000,000 which was further reduced to $200,000,000 during 2020. On August 5, 2020, another amendment to the Loan Facility was executed to update certain terms and conditions including the decrease in the borrowing capacity to $150,000,000. The spread over LIBOR was increased to between 165 and 200 basis points (based on the Fund's Net Asset Value and Debt Yield), with a LIBOR floor of 0.75%. On September 11, 2020, the Fund exercised the first extension option, extending the maturity date to October 6, 2021. On April 28, 2021, the Loan Facility was repaid in full and terminated without penalty. The balance of the Loan Facility as of December 31, 2020 was $57,700,000. LIBOR at December 31, 2020 was 0.14%. As of December 31, 2020, the spread over LIBOR was 165 basis points.

Average borrowings for the years ended December 31, 2021 and 2020 were $22,780,000 and $143,540,000, respectively, and the average cost of borrowings, based on all amounts classified as interest expense on the accompanying combined statements of operations, was 3.35% and 3.26% over the same periods, respectively. Interest paid on the Fund's debt amounted to $670,642 and $4,570,520 for the years ended December 31, 2021 and 2020, respectively.

Some of the Fund's debt was subject to financial and non-financial covenants. The Fund was in compliance with all required debt covenants as of December 31, 2020.

7. *Portfolio diversification*

The Fund had investments in real estate in the following regions (divisions) and property types in the United States of America as of December 31, 2021 and 2020:

	As of December 31,			
	2021		2020	
Division[1]	Fair Value	Division %	Fair Value	Division %
Northeast	$ 12,600,000	100%	$ 82,074,880	33%
Mideast	—	—	81,158,703	32
West North Central	—	—	34,500,000	14
Southwest	—	—	33,468,708	13
Pacific	—	—	18,780,000	8
	$ 12,600,000	100%	$ 249,982,291	100%

[1] Division designation promulgated by the National Council of Real Estate Investment Fiduciaries (NCREIF).

	As of December 31,			
	2021		2020	
Property Type	Fair Value	Property Type %	Fair Value	Property Type %
Office	$ 12,600,000	100%	$ 158,823,588	64%
Multifamily	—	—	53,239,644	21
Retail	—	—	37,919,059	15
	$ 12,600,000	100%	$ 249,982,291	100%

8. *The Partnership Agreement*

Allocation of income and loss

Net income and net losses, including gains and losses from the disposition of real estate, follow the allocation provisions in the Agreement and generally are allocated in accordance with the manner in which the partners are entitled to share in distributions under the Agreement as described in the distributions section below.

Under the terms of the Agreement, special allocations, if required, are made prior to allocations of income and loss as described above. Special allocations are intended to comply with certain requirements of Treasury Regulations and principally eliminate capital account deficiencies for tax purposes. No such allocations have been required.

Distributions

Distributable cash from operations and from the disposition of real estate, as defined in the Agreement, is distributed as follows: 1) first, to each Partner an amount equal to the greater of (A) its Capital Contributions minus all distributions to such Partner pursuant to the Agreement and (B) its CPI-U Adjusted Invested Capital; 2) second, 95% to the Limited Partners, as defined in the Agreement, as a class until a 1% real return is realized and 5% to the Sponsor General Partner; 3) third, 94% to the Limited Partners as a class until a 2% real return is realized and 6% to the Sponsor General Partner; 4) fourth, 92.5% to the Limited Partners as a class until a 3% real return is realized and 7.5% to the Sponsor General Partner; 5) fifth, 90.5% to the Limited Partners as a class until a 4% real return is realized and 9.5% to the Sponsor General Partner; 6) sixth, 88.5% to the Limited Partners as a class until a 5% real return is realized and 11.5% to the Sponsor General Partner; 7) seventh, 86.5% to the Limited Partners as a class until a 6% real return is realized and 13.5% to the Sponsor General Partner; 8) eighth, 84.5% to the Limited Partners as a class until a 7% real return is realized and 15.5% to the Sponsor General Partner; 9) ninth, 82.5% to the Limited Partners as a class until an 8% real return is realized and 17.5% to the Sponsor General Partner; and 10) tenth, 80% to the Limited Partners as a class and 20% to the Sponsor General Partner.

Distributions made pursuant to the terms of the Agreement to pay partners' allocated tax liabilities are reflected as reductions of that partner's capital account and are treated as advances against that partner's right to receive future distributions. For the years ended December 31, 2021 and 2020, such distributions totaled $11,780 and $145,769, respectively.

9. Related party transactions

Management fees

Pursuant to the terms of the Agreement, the Manager, TA Realty LLC, is entitled to receive a monthly management fee of $^1/_{12}$ of 0.50% of Capital Commitments of all Limited Partners, as defined in the agreement, from March 5, 2012 through March 4, 2013; for the period March 5, 2013 through March 4, 2014, $^1/_{12}$ of 0.80% of Capital Commitments; for the period March 5, 2014 through March 4, 2015, $^1/_{12}$ of 1.10% of Capital Commitments; for the period March 5, 2015 through March 4, 2016, $^1/_{12}$ of 1.20% of Aggregate Invested Equity as defined in the Agreement; for the period March 5, 2016 through March 4, 2017, $^1/_{12}$ of 1.25% of Aggregate Invested Equity; for the period March 5, 2017 through March 4, 2018, $^1/_{12}$ of 1.20% of Aggregate Invested Equity; for the period March 5, 2018 through March 4, 2019, $^1/_{12}$ of 1.00% of Aggregate Invested Equity and, for the period March 5, 2019 until complete liquidation of the Partnership, $^1/_{12}$ of 0.60% Aggregate Invested Equity.

For the years ended December 31, 2021 and 2020, fees incurred and paid under the Agreement were $1,287,655 and $2,690,611, respectively.

10. Financial highlights

Financial highlights for the years ended December 31, 2021 and 2020 are as follows:

	Year Ended December 31,	
Ratios to Average Partners' Capital[1]	**2021**	**2020**
Expenses[2]	1.50%	2.03%
Incentive allocation[3]	0.77%	(2.15)%
Net investment income[4]	3.65%	4.46%

The internal rate of return ("IRR") since inception of the Limited Partners, net of all fees and Sponsor General Partner allocations, was 12.58%, 12.66% and 13.00% through December 31, 2021, 2020 and 2019, respectively. The IRR is not inclusive of any future income, gains or losses, and represents a theoretical liquidation of all properties at current fair values.

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[1] Average partners' capital for the purpose of these calculations is measured using weighted average equity at the end of each quarter, net of incentive allocations to the Sponsor General Partner.

[2] Expenses for the purpose of these calculations include management fees and reporting, administrative and other expenses.

[3] Incentive allocation represents the amount of the Fund's net income allocated to the Sponsor General Partner in accordance with the distribution provisions of the Agreement. See Note 8.

[4] Net investment income for the purpose of these calculations is defined as portfolio operating income. The net investment income ratio does not reflect the effects of any incentive allocations to the Sponsor General Partner.

11. Subsequent events

Subsequent events have been evaluated through February 25, 2022, the date the combined financial statements were available to be issued. As of February 25, 2022, the Fund's remaining investment was under agreement to be sold with an anticipated closing in March 2022.

OTHER FINANCIAL INFORMATION

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Building a better working world

Report of Independent Auditors on Other Financial Information

To the Partners of The Realty Associates Fund X UTP Limited Partnership and
The Realty Associates Fund X Limited Partnership

We have audited the combined financial statements of The Realty Associates Fund X UTP Limited Partnership and The Realty Associates Fund X Limited Partnership (the Company) as of and for the year ended December 31, 2021, and have issued our report thereon dated March 1, 2022, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying Statement of Partners' Capital of The Realty Associates Fund X UTP Limited Partnership and The Realty Associates Fund X Limited Partnership and Statement of Partners' Capital of The Realty Associates Fund X UTP Limited Partnership are presented for the purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Ernst + Young LLP

March 1, 2022

THE REALTY ASSOCIATES FUND X UTP LIMITED PARTNERSHIP
AND
THE REALTY ASSOCIATES FUND X LIMITED PARTNERSHIP
STATEMENT OF PARTNERS' CAPITAL
For the Year Ended December 31, 2021

	Balance 12/31/2020	Net Income	Distributions[1]	Balance 12/31/2021
LIMITED PARTNERS:				
A. Heaton Robertson, III, 1999 Trust	$ 104,813	$ 2,485	$ (99,069)	$ 8,229
City of San Jose 1961 Police & Fire Department Retirement Plan	1,050,982	24,846	(993,535)	82,293
City of Tallahassee	788,235	18,635	(745,151)	61,719
Dexter Real Assets LLC	63,262	1,499	(59,795)	4,966
Dexter Real Assets TE LLC - PA Portfolio	460,803	10,924	(435,547)	36,180
DFH Investment LLLP	209,626	4,969	(198,137)	16,458
Hendrickson, Stephen J.	104,813	2,485	(99,069)	8,229
Illinois Municipal Retirement Fund, Board of Trustees of the	5,254,905	124,228	(4,967,675)	411,458
Manchester Employees' Contributory Retirement System	210,196	4,969	(198,707)	16,458
Maryland State Retirement and Pension System, Board of Trustees for the	10,509,813	248,454	(9,935,349)	822,918
Merit Partners II, L.P.	1,048,133	24,846	(990,687)	82,292
Montana Board of Investments	2,101,962	49,691	(1,987,070)	164,583
Municipal Employees Retirement Fund of the City of Hartford	630,588	14,908	(596,121)	49,375
PCW Fund, Inc.	104,813	2,485	(99,069)	8,229
Pitkin Capital Management, L.P.	104,813	2,485	(99,069)	8,229
Prospero, L.P.	209,626	4,969	(198,137)	16,458
Public Employees' Retirement System of Mississippi	5,254,905	124,228	(4,967,675)	411,458
RDM of Wyoming, LLC Series 2006-A	314,439	7,454	(297,205)	24,688
Real Assets Series of Harbor Light Alternative Investment, LLC	104,813	2,485	(99,069)	8,229
Rider University	105,098	2,485	(99,354)	8,229
Roeder Family Partnership II, L.P.	262,033	6,212	(247,672)	20,573
South Carolina Retirement Systems Group Trust	7,882,358	186,342	(7,451,512)	617,188
Teachers' Retirement System of the State of Kentucky	5,254,905	124,228	(4,967,675)	411,458
Texas Education Agency	7,882,358	186,342	(7,451,512)	617,188
Trust U/A dated 12/30/76 F/B/O Alice Kirby Horton	104,813	2,485	(99,069)	8,229
Trust U/A dated 12/30/76 F/B/O Jefferson W. Kirby	138,878	3,292	(131,266)	10,904
Trust U/A dated 12/30/76 F/B/O S. Dillard Kirby	161,937	3,838	(153,061)	12,714
Woodley Family Real Estate Group LLC	104,813	2,485	(99,069)	8,229
The Realty Associates Fund X UTP Limited Partnership	113,590,660	2,576,812	(106,977,289)	9,190,183
Subtotal	164,119,393	3,771,566	(154,743,615)	13,147,344
GENERAL PARTNER:				
Realty Associates Fund X, LLC	41,371,101	978,032	(39,109,780)	3,239,353
Total	$ 205,490,494	$ 4,749,598	$ (193,853,395)	$ 16,386,697

1 Distributions may include required withholding taxes paid by the Fund on behalf of certain investors; subsequent cash distributions paid by the Fund will be net of these deemed distributions for investors impacted by these withholding requirements.

THE REALTY ASSOCIATES FUND X UTP LIMITED PARTNERSHIP
STATEMENT OF PARTNERS' CAPITAL
For the Year Ended December 31, 2021

	Balance 12/31/2020	Net Income	Distributions	Balance 12/31/2021
UTP PARTNERS:				
Albert Stone 2005 Trust	$ 21,075	$ 478	$ (19,846)	$ 1,707
Allegheny College	421,443	9,560	(396,906)	34,097
Arkansas Public Employees Retirement System	3,160,829	71,704	(2,976,797)	255,736
Berry College	526,804	11,951	(496,133)	42,622
Bert Bell/Pete Rozelle NFL Player Retirement Plan Trust; Bank of New York Mellon, as Trustee For	2,107,215	47,802	(1,984,532)	170,485
BHHS Legacy Foundation	316,082	7,170	(297,680)	25,572
Boeing Company Employee Retirement Plans Master Trust; JPMorgan Chase Bank, N.A. as Trustee of the	5,268,039	119,506	(4,961,329)	426,216
Boston Retirement System	1,053,614	23,901	(992,266)	85,249
Campbell, Jr, Levin H.	10,539	239	(9,923)	855
Central College	263,400	5,975	(248,066)	21,309
Central Pension Fund of the International Union of Operating Engineers and Participating Employers	3,160,829	71,704	(2,976,797)	255,736
Cervurite Realty LLC	210,724	4,780	(198,454)	17,050
Charles Hayden Foundation	105,358	2,390	(99,227)	8,521
Chicago Historical Society	210,724	4,780	(198,454)	17,050
Colby College, The President and Trustees of	210,724	4,780	(198,454)	17,050
Columbia Theological Seminary, Inc.	263,400	5,975	(248,066)	21,309
Concordia Retirement Plan	1,580,414	35,852	(1,488,399)	127,867
Constance O Putnam Foundation	15,802	359	(14,885)	1,276
Danvers Contributory Retirement System	158,044	3,585	(148,840)	12,789
Deseret Healthcare Employee Benefits Trust, Deseret Mutual Benefit Administrators as trustee for the	105,358	2,390	(99,227)	8,521
Deseret Mutual Employee Pension Plan Trust, Deseret Mutual Benefit Administrators as trustee of	1,053,609	23,901	(992,266)	85,244
Deseret Mutual Retiree Medical and Life Plan Trust, Deseret Mutual Benefit Administrators as trustee for the	105,358	2,390	(99,227)	8,521
Dexter Real Assets TE LLC	526,804	11,951	(496,133)	42,622
Diana Engelhorn 2005 Trust	10,539	239	(9,923)	855
Donald Angier Trust Under Will	31,609	717	(29,767)	2,559
E.L. and Thelma Gaylord Foundation	105,358	2,390	(99,227)	8,521
Endicott College	105,360	2,390	(99,227)	8,523
Episcopal Diocese of Oklahoma, The	158,044	3,585	(148,840)	12,789
FA Eustis Appointment Trust	10,534	239	(9,923)	850
Follett, Brian R.	210,724	4,780	(198,454)	17,050
Francis V. Lloyd Jr. Trust #2 - Boardman	10,534	239	(9,923)	850
General Board of Higher Education & Ministry of the United Methodist Church	421,443	9,560	(396,906)	34,097
Golden LEAF (Long-Term Economic Advancement Foundation), Inc., The	737,522	16,731	(694,586)	59,667
Henry S. Reeder 94 Rev Trust	10,534	239	(9,923)	850
Highmark Inc. Defined Benefit Master Trust	790,205	17,926	(744,200)	63,931
Hudson East River Systems, LLC	2,001,858	45,412	(1,885,305)	161,965
International Union of Operating Engineers Local 98 Pension Fund	526,804	11,951	(496,133)	42,622
James S. McDonnell Charitable Trust B	263,400	5,975	(248,066)	21,309
James S. McDonnell Foundation	210,724	4,780	(198,454)	17,050
John R. Oishei Foundation, The	263,400	5,975	(248,066)	21,309
KeySpan Pension Master Trust, The Bank of New York Mellon as Trustee For	1,633,087	37,047	(1,538,013)	132,121
Kroger Co. Master Retirement Trust, The	1,053,609	23,901	(992,266)	85,244
Laffey-McHugh Foundation	210,724	4,780	(198,454)	17,050
Landmark Real Estate Partners VIII, L.P.	810,961	18,397	(763,745)	65,613
Lebanese American University	158,044	3,585	(148,840)	12,789
Lehigh University	526,804	11,951	(496,133)	42,622
Lloyd A. Fry Foundation	526,804	11,951	(496,133)	42,622
Lumina Foundation for Education, Inc.	1,053,609	23,901	(992,266)	85,244
Macalester College	632,167	14,341	(595,360)	51,148
Marguerite Casey Foundation	737,522	16,731	(694,586)	59,667
Marquette University	632,167	14,341	(595,360)	51,148
Martha S. Robes Dow Jones Trust	10,539	239	(9,923)	855
Massachusetts Housing Finance Agency Employees Retirement System	316,087	7,170	(297,680)	25,577
MCPHS University	263,400	5,975	(248,066)	21,309
Methodist Healthcare Pension Plan	316,082	7,170	(297,680)	25,572
Meyer Memorial Trust	316,082	7,170	(297,680)	25,572
Mink Island Enterprises LLC	210,724	4,780	(198,454)	17,050
Minnesota State Board of Investment	10,536,093	239,017	(9,922,656)	852,454
MWRA Employees' Retirement System	368,765	8,366	(347,292)	29,839
Nancy VA Hansen Trust	10,534	239	(9,923)	850

THE REALTY ASSOCIATES FUND X UTP LIMITED PARTNERSHIP
STATEMENT OF PARTNERS' CAPITAL
For the Year Ended December 31, 2021

	Balance 12/31/2020	Net Income	Distributions	Balance 12/31/2021
National Grid USA Service Company, Inc. Master Trust, The Bank of New York Mellon as Trustee For	$ 842,885	$ 19,121	$ (793,812)	$ 68,194
Nature Conservancy, The	1,580,375	35,852	(1,488,399)	127,828
NCL Investments II, L.P. - RE Series	31,929	724	(30,069)	2,584
New York-Presbyterian Hospital Master Trust	632,167	14,341	(595,360)	51,148
Niagara Mohawk Pension Plan Trust, The Bank of New York Mellon as Trustee For	684,843	15,536	(644,973)	55,406
Obici Healthcare Foundation	316,079	7,170	(297,680)	25,569
Oklahoma City Employee Retirement System	526,804	11,951	(496,133)	42,622
Oklahoma Medical Research Foundation	184,383	4,183	(173,646)	14,920
Oklahoma Police Pension and Retirement System	2,107,215	47,802	(1,984,532)	170,485
Olive K, LLC	526,804	11,951	(496,133)	42,622
Paravauc LLC	210,724	4,780	(198,454)	17,050
Partnership Schools	210,724	4,780	(198,454)	17,050
Paul R. Wood[1]	105,358	2,390	(99,227)	8,521
Pine Island Capital Corporation	210,724	4,780	(198,454)	17,050
PNC Financial Services Group, Inc. Pension Plan, The	4,214,429	95,605	(3,969,064)	340,970
Polk Bros. Foundation	526,804	11,951	(496,133)	42,622
Purdue Research Foundation	1,053,607	23,901	(992,266)	85,242
Raytheon Technologies Corporation Master Retirement Trust	2,107,215	47,802	(1,984,532)	170,485
Rosalind Franklin University of Medicine & Science	210,724	4,780	(198,454)	17,050
Rutgers, The State University of New Jersey Long Term Investment Pool	421,443	9,560	(396,906)	34,097
Samuel Roberts Noble Foundation, The	526,803	11,951	(496,133)	42,621
San Diego Foundation, The	526,804	11,951	(496,133)	42,622
Sedgwick Equity Partners, LLC	252,867	5,736	(238,143)	20,460
Shell Contributory Pension Fund; Shell Pensions Trust Limited, acting as Trustee For the	6,585,055	149,382	(6,201,663)	532,774
Stephen H. Anthony MA Mar Sh Tr	10,534	239	(9,923)	850
Stichting Shell Pensioenfonds	6,585,055	149,382	(6,201,663)	532,774
Strategic Partners Real Estate VI Investments, L.P. (Series A)	737,522	16,731	(694,586)	59,667
Summa Health	210,724	4,780	(198,454)	17,050
Summa Health System Hospitals Retirement Income Plan & Trust	368,764	8,365	(347,292)	29,837
Sysco Corporation Retirement Trust	2,107,215	47,802	(1,984,532)	170,485
Texas A&M Foundation	421,443	9,560	(396,906)	34,097
ThedaCare, Inc.	1,053,609	23,901	(992,266)	85,244
Thomas W. Haas Foundation	42,143	956	(39,691)	3,408
Triad Foundation, Inc.	263,400	5,975	(248,066)	21,309
UFCW Consolidated Pension Fund	1,053,609	23,901	(992,266)	85,244
UNITE Here Local 25 and Hotel Association of Washington, D.C. Pension Fund	263,400	5,975	(248,066)	21,309
United Methodist Church Domestic Private Real Estate Trust by its trustee UMC Benefit Board Inc., The	3,160,829	71,704	(2,976,797)	255,736
University of Connecticut Foundation, Inc., The	790,205	17,926	(744,200)	63,931
University of the Sciences in Philadelphia	368,764	8,365	(347,292)	29,837
Wagner Blakenhorn Family Revocable Trust of 2014, The	10,539	239	(9,923)	855
Westlake Health Foundation	263,400	5,975	(248,066)	21,309
The Realty Associates Fund X Feeder, LLC	24,234,047	549,751	(22,823,107)	1,960,691
Realty Associates Fund X, LLC	109	2	(100)	11
Total	$ 113,590,660	$ 2,576,812	$ (106,977,289)	$ 9,190,183

1 During the second quarter of 2021, Paul R. Wood and Corinne G. Wood, JTWROS changed its name to Paul R. Wood.

TA REALTY

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TA REALTY

TA Realty Fund XIII

Massachusetts Water Resources Authority

March 31, 2022

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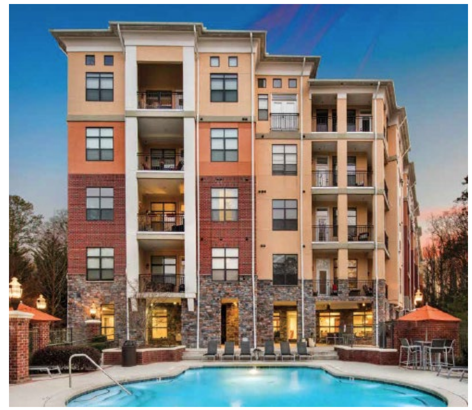
Appendix

- Investment Allocation Policy
- Fund X Portfolio Update
- Leadership and Biographies
- Important Information

I. *TA Realty Overview*

Private Real Estate Investing Since 1982

- **$36 billion** of real estate acquired, invested and/or managed since inception[1]
- More than **1,150** commercial and multifamily properties acquired over almost 40 years
- Partners average **27 years** of industry experience
- One of the largest buyers and sellers of **industrial** real estate in the U.S.[2]
- Dedicated **research** focused on adding value throughout the life of the investment
- Committed to establishing a culture that places **ESG+R**[3] at the forefront of our operational processes



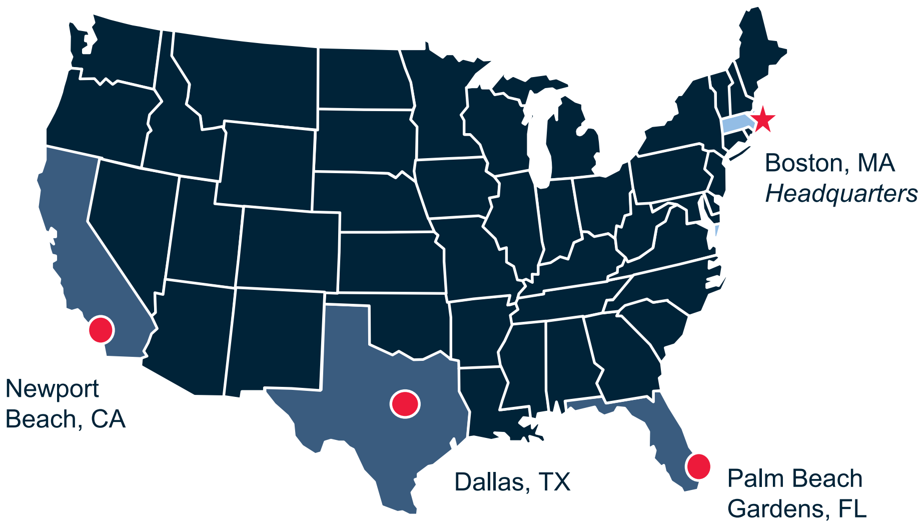
[1]As of 12/31/21
[2]Per Real Capital Analytics (RCA). In each case based on transactional value, as of 12/31/21
[3]Environmental, Social, Governance and Resiliency (ESG+R)

Established, Experienced and Stable Team

Our People

- Over 100 professionals across real estate disciplines and geographical regions[1]
- 25 partners, averaging 27 years of real estate experience and 17 years of tenure at TA Realty[1]
- Alignment with investors through significant co-investment, broad sharing of carried interest and significant Partner ownership of the Firm
- Successful management through multiple real estate market and broader economic cycles

Our Locations



[1]As of 12/31/21

Dedicated Strategies & Established Track Record

Our Strategies

Value-Add Fund Series (Closed-End)

- $3.8 billion in current gross AUM[1]
- 12 funds raised; all fully invested funds liquidated on time
- 18.58% gross since inception IRR in Active Funds[3]

Core Property Fund (Open-End)

- $7 billion in current gross AUM[1]
- Joined the NCREIF–ODCE index in 2Q20
- 13.69% gross since inception TWR vs. ODCE 8.98%[4]

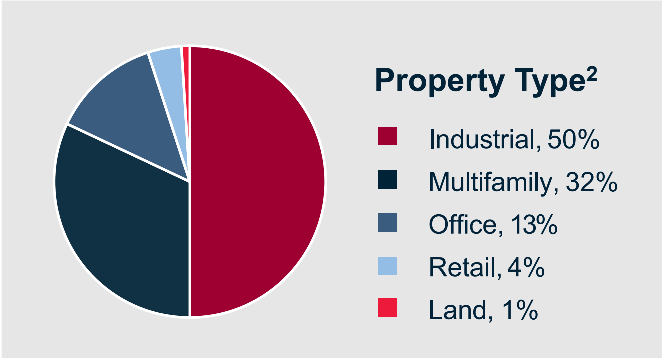
Logistics Fund (Open-End)

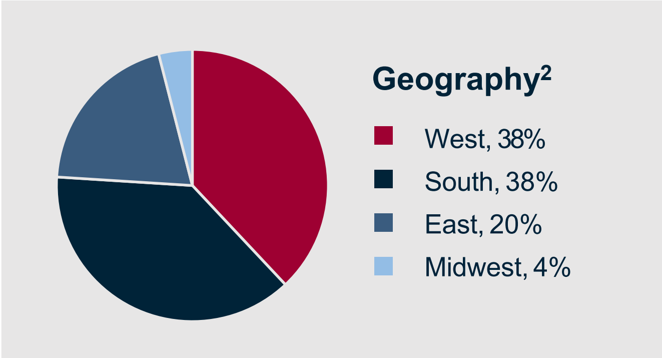
- $585 MM closed in initial investor equity fundraise[5]
- Firm track record includes approximately $22.1 billion in industrial acquisitions and sales, exceeding NPI-Ind by 179 basis points since 1990[6]

Separate Accounts

- $4 billion in current gross AUM[1]
- 10.80% gross since inception TWR across the accounts[7]

$15.6 Billion Current Gross AUM[1]





[1]As of 12/31/21, includes uncalled capital (preliminary).
[2]Based on property gross asset values as of 12/31/21
[3]Value-Add Fund Series Net since inception IRR is 14.87% in Active Funds as of 12/31/21, Active Funds include Funds X-XII.
[4]Core Property Fund Net since inception TWR is 12.98% vs. ODCE 8.00% as of 12/31/21. Since inception returns are calculated from the first full quarter of CPF performance in Q2 2018.
[5]As of 10/28/21
[6]Since Inception returns are calculated from the inception of the Realty Associates Fund II in 1990 through December 31, 2021, for both TA Realty Industrial Assets and NPI-IND.
[7]Separate Account Net since inception TWR Composite is 9.82% as of 12/31/21 (preliminary).Since Inception returns are calculated from the first quarter of first separate account which is Q2 1992.
Note: Please see the important information at the end of this presentation for more information regarding the IRRs, TWRs, ODCE Index, TA Realty Industrial Assets and NPI-Ind returns.

Representative Investor Summary

- Nearly 40 years of private real estate investing on behalf of over 500 domestic and international investors

Public Pension Funds	Corporate Pension Plans	Endowments
Kentucky Teachers' Retirement System	PNC Financial Services	MCPHS University
Minnesota State Board of Investment	National Grid	USF Foundation, Inc.
Arkansas Public Employees Retirement System	Wespath Benefits and Investments	Lebanese American University
City of Tallahassee	Raytheon Technologies Corporation	University of Connecticut Foundation
South Carolina Retirement System	Sysco Corporation Retirement Plan	University of the Sciences in Philadelphia

Taft-Hartley Plans	Trust/Family Offices	Foundations
United Association National Pension Fund	Merit Energy Company	San Diego Foundation
The Kroger Co.	HQ Trust	Purdue Research Foundation
AFTRA Retirement Fund	Ridama Capital LLC	Lumina Foundation for Education, Inc.
IUOE Local 132	Dexter Enterprises, Inc.	Triad Foundation
West Virginia Laborers Pension Trust Fund	Kirby Family Trusts	Golden LEAF Foundation

Each of the investors listed above has invested in one or more commingled real estate funds sponsored by TA Realty. This list represents some of the largest investors by aggregate commitment amount in Funds X-XII and CPF in each of the above categories as of 9/30/21. The inclusion of an investor in the above list does not constitute an endorsement by such investor of TA Realty or any private investment fund sponsored by TA Realty, nor does it imply that any such investor is an investor in Fund XII or CPF.

II. *Value Add Strategy and Portfolio Performance*

Consistent Investment Strategy

TA Realty has an established track record of creating diversified, value-added real estate funds that deliver attractive risk-adjusted returns

Focus in high-growth regions along the coasts and in the south	Almost 40-year history of relationships provides access to significant off-market deal flow
Property diversification: Industrial, Multifamily, Office, Grocery-anchored Retail	Hands-on asset management: Deep property level operating expertise through multiple cycles
Average deal size of approximately $35 MM: Takes advantage of inefficient market dynamics to provide higher yield.	Avoidance of joint venture structures: No extra fees and avoids potential misalignment
Prudent use of debt: 50% LTV constraint - 40-45% target	Proactive management of tenant and industry exposure to minimize concentration risk

Overview of Funds

- Combined leveraged gross IRR of 18.58% and net IRR of 14.87% in Active Funds[1]
- Combined leveraged gross multiple of 1.75x and net multiple of 1.58x in Active Funds[1]

As of December 31, 2021

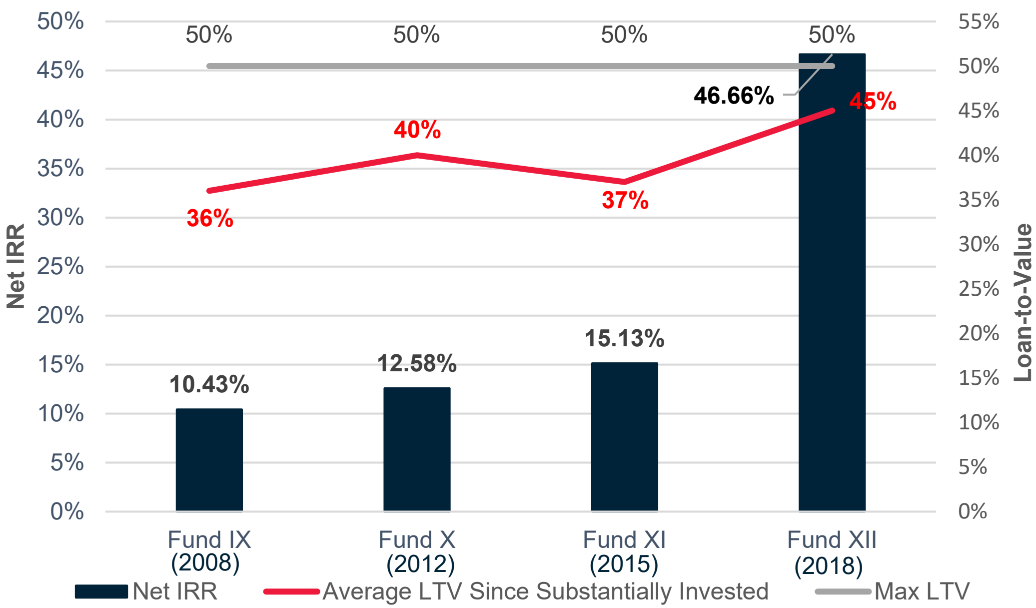
	Liquidated Funds									Active Funds		
	Fund I	Fund II	Fund III	Fund IV	Fund V	Fund VI	Fund VII	Fund VIII	Fund IX	Fund X	Fund XI	Fund XII
Year of Inception	1987	1990	1994	1996	1999	2002	2004	2006	2008	2012	2015	2018
Year of Full Liquidation	2001	2003	2006	2007	2011	2013	2016	2018	2018	-	-	-
Committed Capital (MM)	$163.5	$332.5	$487.5	$450.0	$562.6	$738.5	$917.0	$1,742.0	$1,492.6	$1,562.1	$879.2	$1,178.1
Average LTV Since Substantially Invested	0%	16%	29%	37%	42%	43%	46%	45%	36%	40%	37%	Target: 45%
	IRR									IRR		
Gross Return	3.23%	14.20%	13.43%	15.75%	12.36%	10.92%	2.09%	1.49%	13.24%	16.04%	18.98%	61.91%
Net Return	2.34%	12.04%	11.38%	13.42%	10.34%	8.55%	0.33%	-0.08%	10.43%	12.58%	15.13%	46.66%
Gross Multiple	1.27	2.39	2.34	2.43	2.00	1.67	1.15	1.13	1.77	1.81	1.96	1.53
Net Multiple	1.20	2.14	2.09	2.15	1.80	1.52	1.02	0.99	1.60	1.61	1.75	1.42

IRRs reflect an annualized internal rate of return, calculated based on daily cash flows using the XIRR function in Excel. Multiples reflect TVPI. Net performance is after all management fees and realized and unrealized incentive allocations (if applicable). Past performance is not indicative of future results and a risk of loss exists. Please see the important information at the end of this presentation for more information regarding performance.

[1] Active Funds include Funds X – XII

Prudent Use of Leverage

Value-Add Performance with Conservative Leverage[1]



- Track record of value-add performance with conservative leverage
- Maximum leverage is below the 60% threshold of most competitor value-add funds

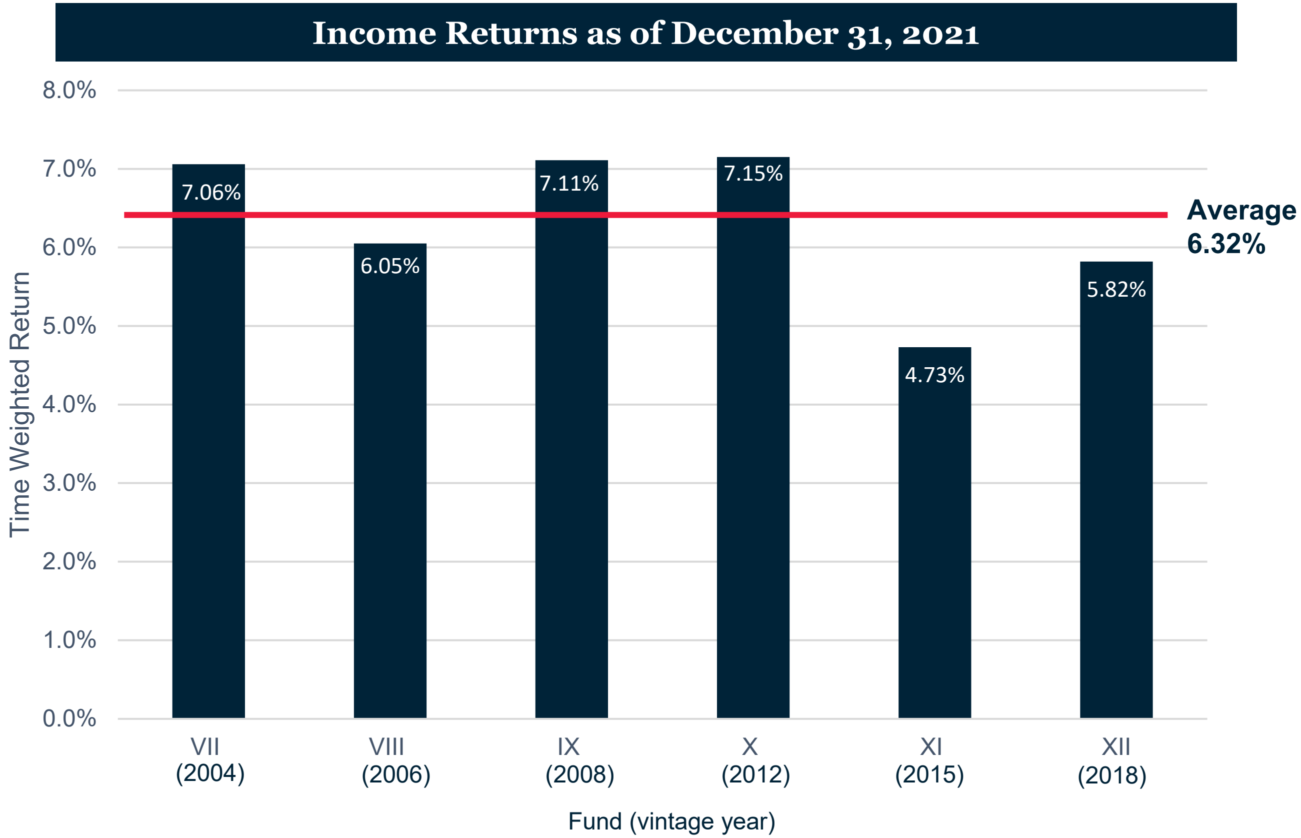
Advantages of TA Realty's leverage strategy in the closed-end value-add context:

- Appeals to widest pool of lenders driving competition
- Results in preferred pricing
- Avoids onerous covenants
- Minimizes fees and prepayment penalties – allows for harvesting of assets when value-add is complete
- Provides ability to increase leverage when appropriate and reduce when market dictates

[1] As of 12/31/21, Fund XII LTV target is 45% as the fund is not yet substantially invested.
IRRs reflect an annualized internal rate of return, calculated based on daily cash flows using the XIRR function in Excel.
Net performance is after all management fees and realized and unrealized incentive allocations (if applicable).
Past performance is not indicative of future results and a risk of loss exists. Please see the important information at the end of this presentation for more information regarding performance.

Income-Oriented Investment Strategy

- Significant income return and minimal exposure to ground-up development
- Funds VII – XII average just 8% of total equity invested in ground-up development

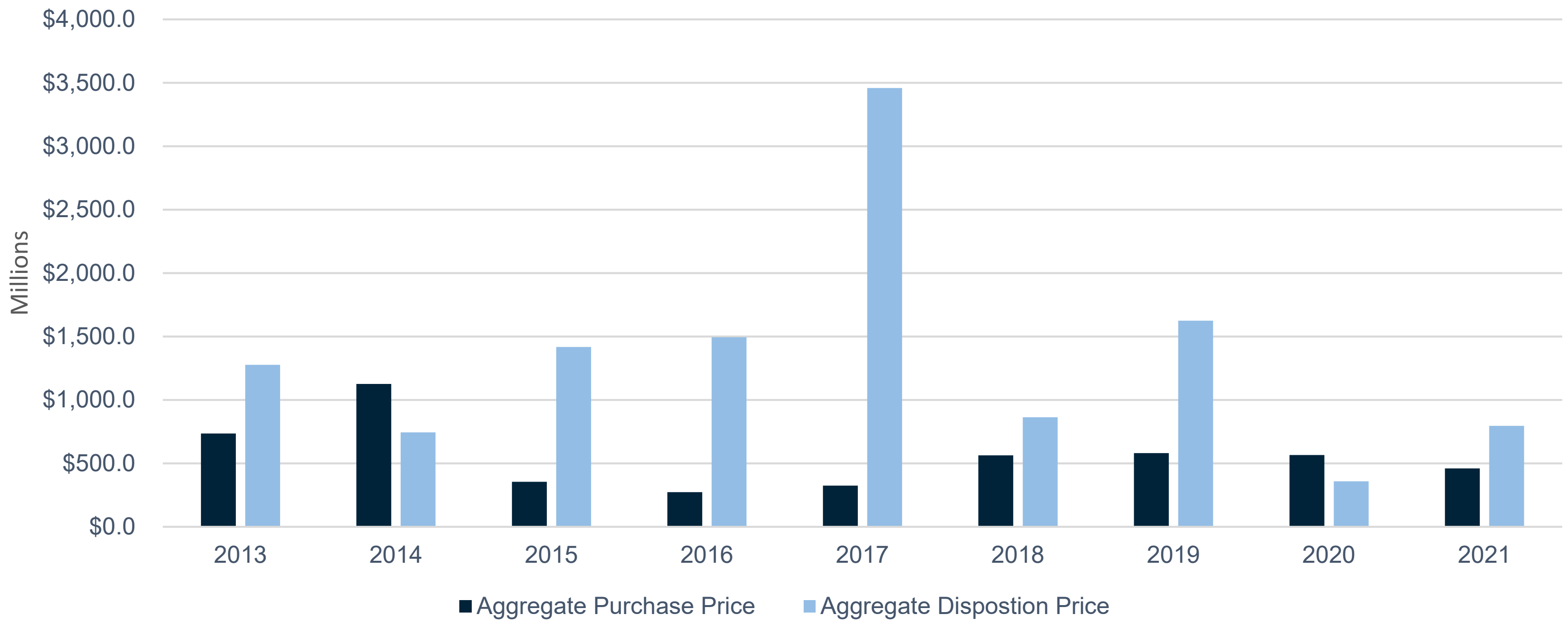


Performance results are time-weighted on a leveraged basis and net of all management fees and realized and unrealized incentive allocations (if applicable). Past performance is not indicative of future results and a risk of loss exists.
Please see the important information at the end of this presentation for more information regarding performance.

Disciplined Acquisition and Disposition Activity

- Net seller overall for past ten years with significant sales activity between 2015-2019
- Dedicated Dispositions Team to focus on maximizing proceeds at sale
- Realized sales have resulted in strong performance

Value-Add Fund Series Annual Transaction Volume



As of December 31, 2021 (Preliminary)

III. *TA XIII: Strategy Details and Representative Investments*

The following representative properties are case studies presented for illustrative purposes only and are intended to demonstrate the types of transactions that TA Realty may pursue on behalf of the Fund. Each transaction includes one or more elements of the strategies that TA Realty intends to employ on behalf of the Fund. There is no guarantee that similar investments will be available to the Fund or that TA Realty will be able to negotiate and/or execute potential investments on similar terms as outlined. As a result, these case studies are not necessarily an indication of any future portfolio composition or investment results. The deal examples are of a type that TA Realty finds are reasonable and believes would be suitable for the Fund on the assumption that the transactions were updated to include current market terms and pricing, as applicable. Past performance is no guarantee of future results. Investors should not rely upon the historical data referred to in any of the case studies in making any investment decision. It has not been audited or otherwise verified by any outside party and should not be construed as representative of the investment experience or returns that may be achieved in the future by TA Realty or the Fund.

Fund XIII Investment Strategy

Product Type

Industrial, Multifamily, Office, Grocery-anchored Retail

Geographic Focus

Primary and Strategic Secondary U.S. Markets

Leverage Target[1]

40-45% at Portfolio Level, with a 50% Maximum

Return Target[1]

Target Gross IRR of 12.5-15.0%

Fund Structure

Closed-End

- Diversification is a critical tenet of portfolio construction: property type, geographic markets, number of investments, tenancy, lease rollover and economic considerations
- Execute value-added strategies converting to cash flow as quickly as possible
- Agile execution platform enables ability to pivot to best market opportunities during acquisition period
- Portfolio level debt with prudent LTV levels within 40-45% range works to enhance – not drive – returns
- Fee structure promotes alignment between GP/LP interests

[1]Any target data or other forecasts contained herein are based upon highly subjective estimates and assumptions about circumstances and events that may not yet have taken place and may never occur or may change over time. The target investment returns are pre-tax and represent possible returns that may be achieved. Actual realized returns will depend on factors that are out of the Fund's and TA's control. No guarantee or assurance is made that the Fund will be able to achieve the target returns in the short term or the long term.

Fund XIII Team and Resources

- Portfolio Management Team with over 50 years of combined real estate investment experience
- Dedicated Fund XIII team supported by extensive firmwide resources
- Flat organizational structure with over 100 employees across professional disciplines

TA Realty Fund XIII Portfolio Management Team

Jim Raisides
Managing Partner,
Portfolio Manager

Kendrick Leckband
Partner,
Portfolio Manager

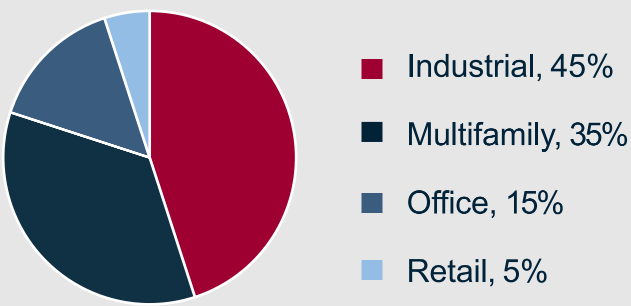
Firmwide Resources

- **Research**
- **ESG+R**
- **Valuations**
- **Tax**
- **Dispositions**
- **Investor Accounting**

Fund XIII Target Diversification

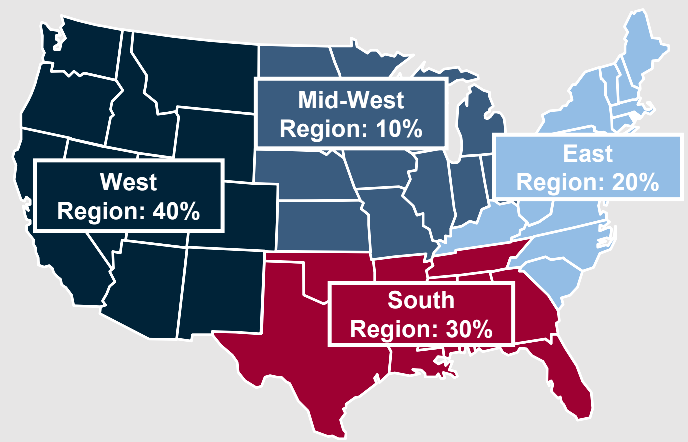
Property Type

- Focus on Industrial and Multifamily property types where growth is anticipated to remain strongest over mid-term
- TA Realty is the sixth largest buyer and seller of U.S. industrial property in the past decade per Real Capital Analytics[1]
- Currently, caution remains for the acquisition of office and retail assets



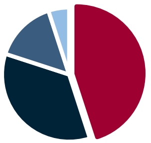
Geography

- Focus in high-growth regions along the coasts and in the south where GDP and population growth is expected to sustain demand and rental rate increases
- Emphasis on aggregation of regional portfolios of industrial and multifamily assets for operational efficiencies and potential portfolio dispositions

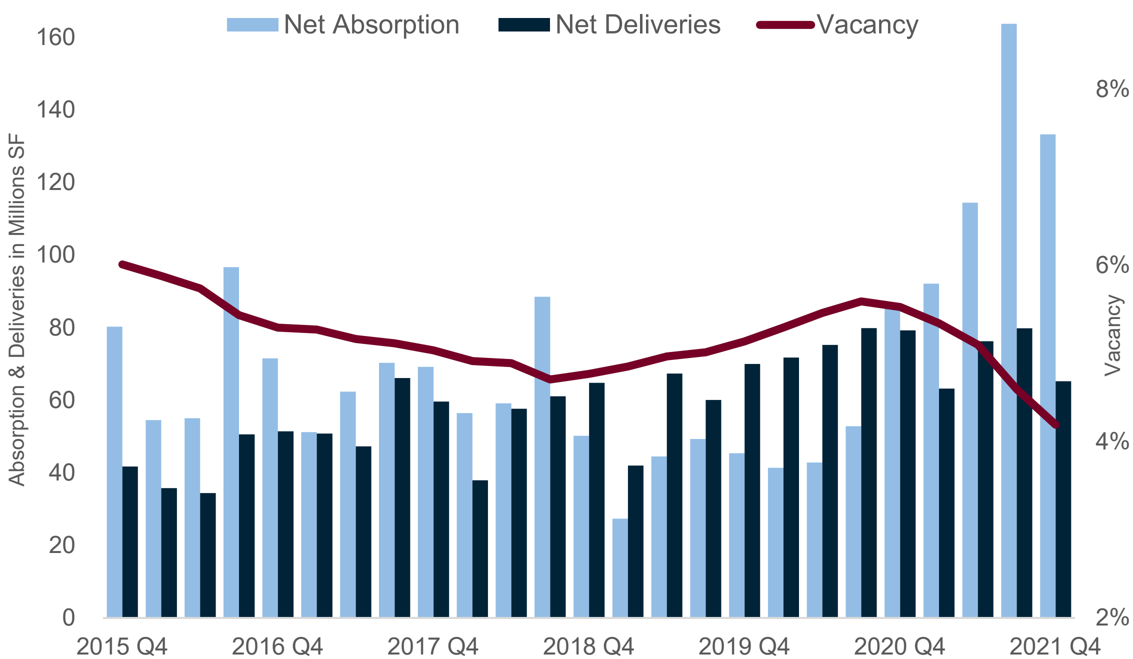


Target markets are subject to revision over time based on changing market dynamics
[1]Per Real Capital Analytics (RCA). In each case based on transactional value, as of 09/30/21

Property Type Overview - Industrial



Net Absorption, Net Deliveries & Vacancy



- The U.S. industrial market has experienced the strongest fundamentals on record as tenants continue to lease space at a historically robust pace
- Long-term, several dynamics are expected to support the industrial sector's strong performance. E-commerce sales growth, rebuilding depleted inventories, and the need to increase safety stock to counter supply chain disruptions are expected to continue to fuel strong demand
- Supply remains well below demand due to materials and labor shortages, as well as lack of available land sites for construction in high demand and in-fill markets

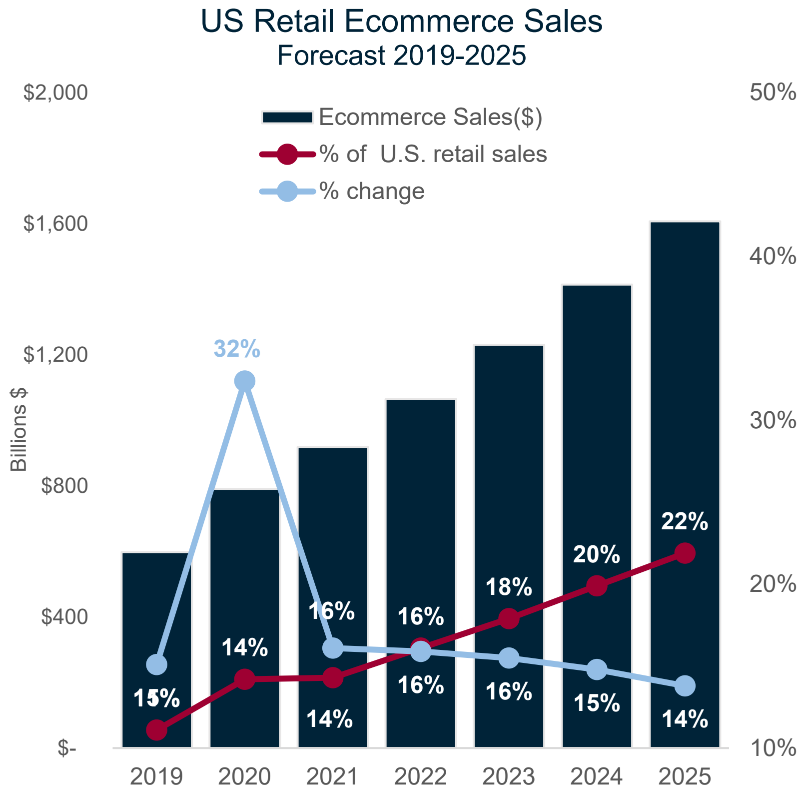
Primary Value-Add Strategies for Vintage

- **Acquire vacancy / near-term rollover risk**
- **Reposition through physical upgrades**
- **Develop new state-of-the-art buildings**
- **Aggregate local, regional and national portfolios**

Source: CoStar, as of Q4 2021

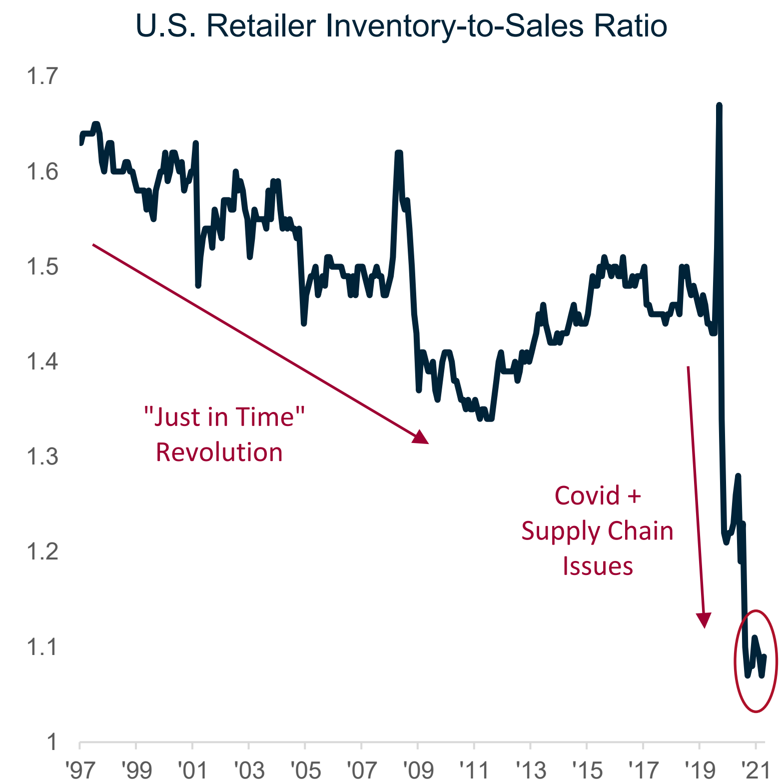
Strong Tailwinds Ahead for Industrial Demand

Ecommerce Adoption is Growing



$1 billion of additional ecommerce sales require an additional 1 MSF of logistics space*

Businesses are Rebuilding Inventories



A 5% increase in inventories requires an additional 400-500 MSF of warehouse space**

*CBRE Global Ecommerce Outlook June 2021, **CBRE: U.S. Industrial Market Flash, May 2021
Source: Emarketer, Ecommerce Forecast, October 2021, U.S. Department of Commerce, Total Retail: Inventories to Sales Ratio, Ratio, Monthly, Seasonally Adjusted, as of January 2022

TA Realty Industrial Investment Experience

TA Realty Experience

TA Realty is the 6th largest buyer and seller of industrial real property in the U.S. since 2011 [1,2]

Approximately $12B of industrial acquisition / sales volume[1]

$20.6 MM average deal size [3]

TA Realty Advantage

Deep relationships with local industrial players

Longstanding operating experience

Smaller deals vs. larger portfolio deals at premiums

U.S. Industrial Acquisition and Disposition Volume[1]

Rank	Company Name	Capital Type	Total Acquisition and Disposition Volume ($B)	Number of Properties
1	Blackstone	Equity Fund	$50.1	2,432
2	GLP (Nesta)	Investment Manager	$20.1	830
3	Prologis	Public REIT	$19.3	1,304
4	Exeter	Investment Manager	$18.8	1,182
5	BREIT	Private REIT	$12.2	715
6	**TA Realty**	**Investment Manager**	**$12.0**	**721**
7	Colony Capital (REIT)	Public REIT	$11.7	841
8	LBA Realty	Equity Fund	$11.3	569
9	TIAA	Pension Fund	$10.1	390
10	Hillwood	Dev/Own	$9.8	268

[1]Source: Real Capital Analytics, Inc. ("RCA"). Data from 7/1/11 to 09/30/21. Excludes entity level transactions as defined by RCA. Per RCA, entity-level transactions typically involve the sale of shares in a company owning the real estate as opposed to a direct purchase of property.
[2]In each case based on transactional value, as of 09/30/21.
[3]Based on TA Realty's industrial investments acquired and sold from 7/1/11 to 09/30/21.

Fund XII Early Industrial Wins: Acquired Vacancy

10425 S. Orange - Orlando, FL

ACQUISITON PRICE:

$10.2 MM

DATE CLOSED:

November 2020

HIGHLIGHT:

Leased 6 months ahead of proforma at rent 27% above pro forma; Stabilized NOI Yield of 8.9%

PREVAILING MARKET CAP RATE:

3.75%-4.00%

Peak Logistics Center – Tampa, FL

ACQUISITON PRICE:

$20.4 MM

DATE CLOSED:

January 2021

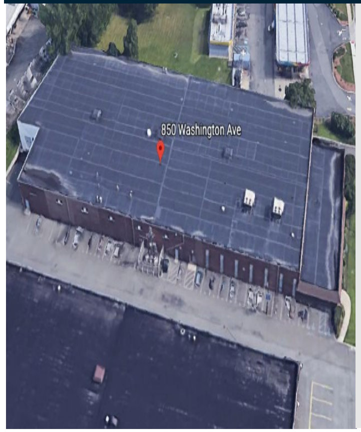
HIGHLIGHT:

1/3 of building leased 12 months ahead of proforma at rent 20% above proforma; Stabilized NOI Yield of 7.9% on lease

PREVAILING MARKET CAP RATE:

3.50%-3.75%

850 Washington Avenue – Northern New Jersey



ACQUISITON PRICE:

$7.7 MM

DATE CLOSED:

April 2021

HIGHLIGHT:

Leased 6 months ahead of proforma at rent 17% above pro forma; Stabilized NOI Yield of 6.3%

PREVAILING MARKET CAP RATE:

2.90%-3.25%

Clayton Commerce Center II – Atlanta, GA

ACQUISITON PRICE:

$21.9 MM

DATE CLOSED:

July 2021

HIGHLIGHT:

Leased 12 months ahead of proforma at rent 10% above pro forma; Stabilized NOI Yield of 6.3%

PREVAILING MARKET CAP RATE:

3.25%-3.50%

TA Realty's past performance does not necessarily indicate how investments managed by TA Realty will perform in the future. Investing in real estate involves various risks and the performance of the Fund can be adversely affected by a variety of factors that are outside the control of TA Realty. Please see the PPM for a discussion of such risks.

Case Study – Fund XI

Crossroads Logistics Park: Hillside

Boston, MA

DATE ACQUIRED:
February 2019

PROPERTY TYPE:
Industrial

CONSTRUCTION COST:
$76.7 MM

SIZE:
600,000 SF

OCCUPANCY AT ACQUISITION:
0%

VALUE ADD STRATEGY:
Development

Please see slide 13 for important information regarding case studies

Opportunity

- Off-market acquisition of entitled land to develop two state-of-the-art industrial warehouse buildings as part of a Boston Industrial Aggregation Strategy
- Located in Northborough, Massachusetts within the master planned Crossroads Logistics Park. Sites benefit from location near the interchange of Interstate 495 and the Massachusetts Turnpike making it a desirable location for regional and national tenants seeking to distribute goods throughout New England

Case Study – Fund XI

Crossroads Logistics Park: Hillside

Boston, MA

DATE SOLD:
October 2021

OCCUPANCY AT SALE:
100%

GROSS SALES PRICE:
$153.5 MM

REALIZED GAIN:
$75.3 MM

REALIZED GROSS UNLEVERAGED IRR:
45.6%

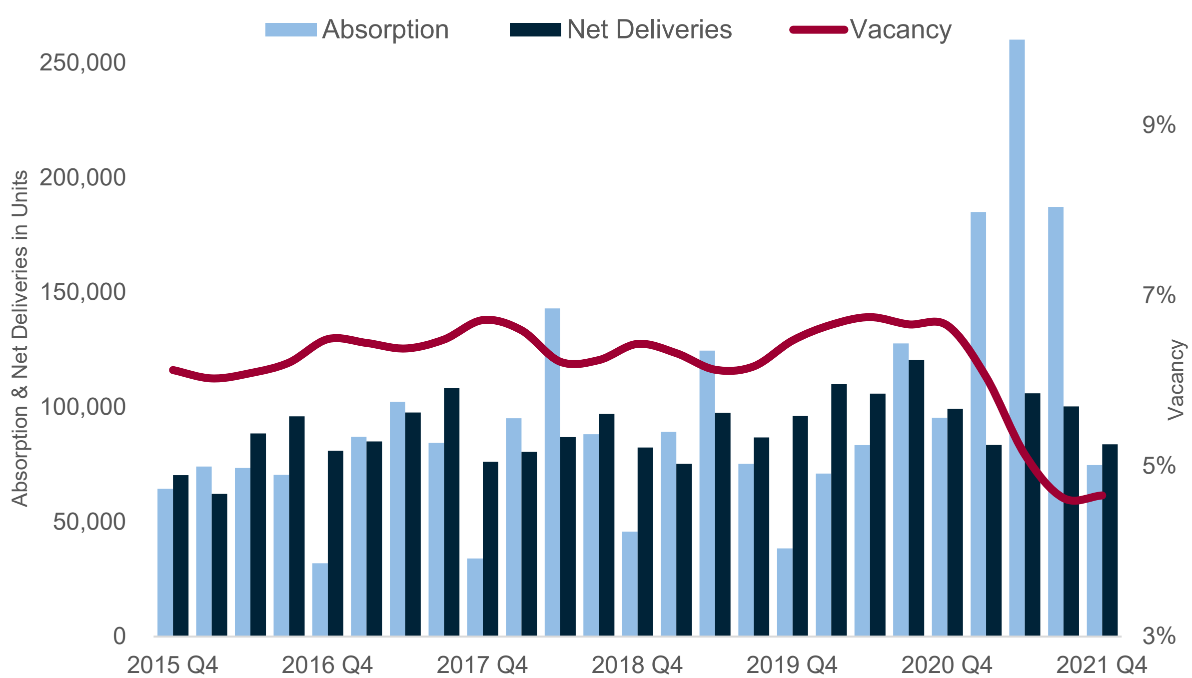
Please see slide 13 for important information regarding case studies

Execution

- The two buildings feature a rear-load configuration, 32’ ceiling heights, ESFR sprinklers, LED motion lights and ample dock-high loading
- Buildings were delivered on time and on budget in 2020
- Both buildings 100% leased to Amazon prior to completion of construction
- Sold through a competitive auction process to an institutional buyer for a gross sale price of $153.5MM, resulting in a realized gain of $75.3MM and a gross unleveraged IRR of 45.6%

Property Type Overview - Multifamily

Net Absorption, Net Deliveries & Vacancy



- The multifamily market has seen unprecedented levels of demand in recent quarters and the vacancy rate is at a historic low
- Tailwinds for the sector are exceptionally strong. The economic recovery and job growth are expected to prompt greater household formation, while demographics and a lack of inventory and affordable for-sale homes are expected to further drive rental demand and the sector's strong performance
- Supply pipeline tailing off as materials and labor shortages persist. Construction starts are at their lowest since 2012

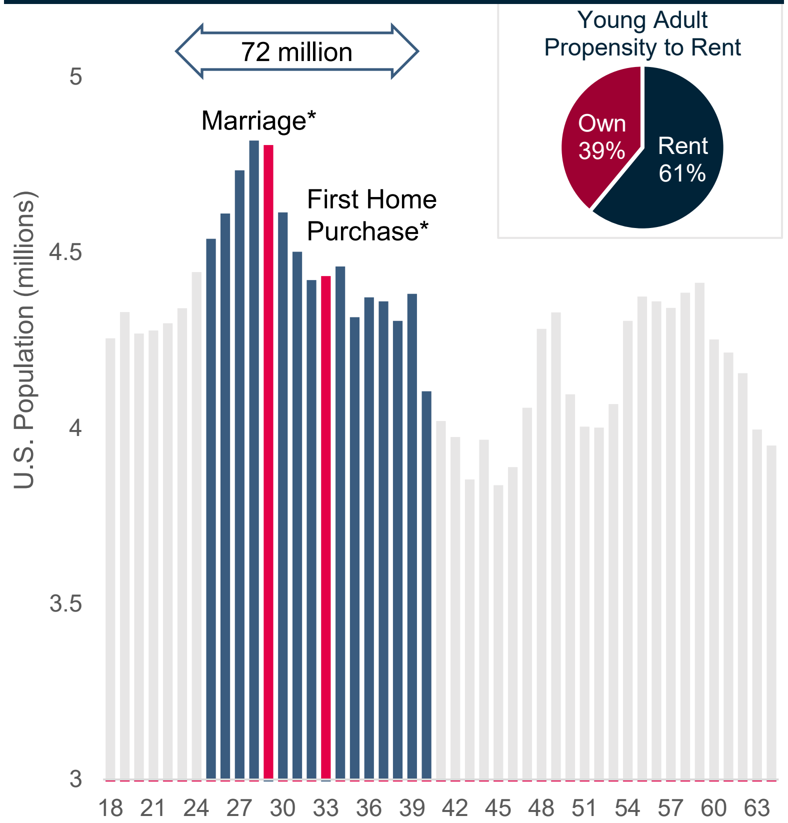
Primary Value-Add Strategies for Vintage

- **Reposition through physical upgrades**
- **Lease-up and mark to market of in-place leases**
- **Develop new modern communities**
- **Aggregate regional portfolios**

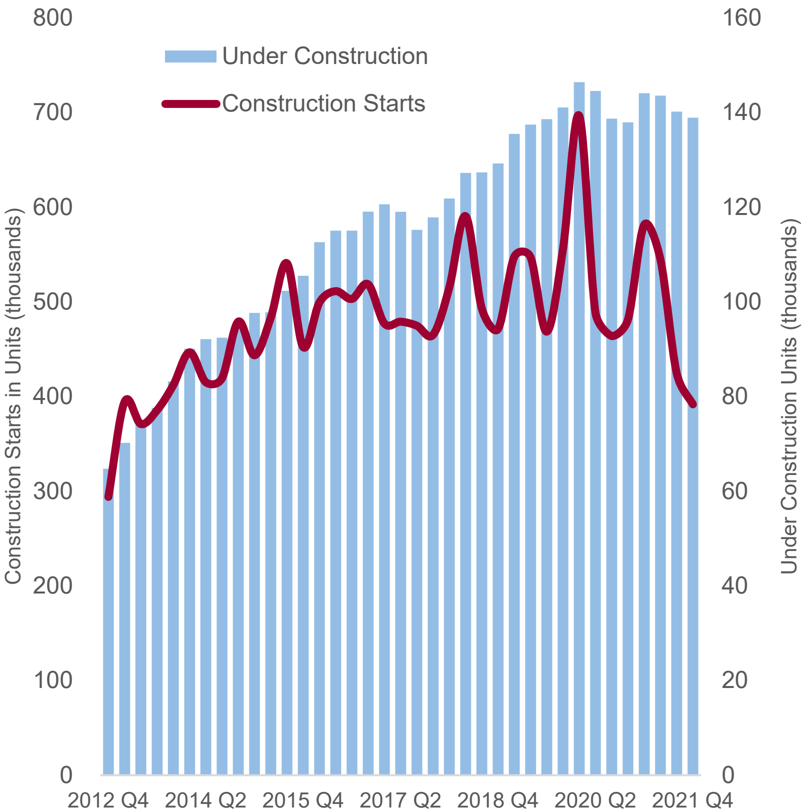
Source: CoStar, as of Q4 2021,

Aging Millennial Generation is Met With a Tightening Multifamily Market

U.S. Population by Age (millions)



Units Under Construction and Starts



*Median age as of 2020
Source: U.S. Census Bureau, Marcus & Millichap, Young Adult ages 25-34, CoStar, as of Q4 2021

Case Study – Fund XII

Bainbridge NoDa

Charlotte, NC

DATE ACQUIRED:
April 2021

PROPERTY TYPE:
Multifamily

ACQUISITION PRICE:
$74.2 MM

SIZE:
273 Units

OCCUPANCY AT ACQUISITION:
39%

VALUE ADD STRATEGY:
Lease-Up

Please see slide 13 for important information regarding case studies

Opportunity

- Stabilized gross unleveraged NOI yield of 4.86%
- Off market acquisition of a newly constructed, 4-story Class A+ apartment community in Charlotte's popular NoDa arts and entertainment district
- Building amenities include a sky lounge, a resort style saltwater pool, fire pits, grilling stations, a fitness center, game room and co-working space
- Unit features include 9' to 12' ceilings, custom cabinetry, quartz countertops, stainless steel appliances and numerous smart home features
- Location in the center of the NoDa market, proximate to numerous restaurants, bars, breweries, shops, a food hall and is a quarter mile walk from the 25th street LYNX (light rail) station
- High growth rental rate submarket with greater than 7% annualized rent growth projected for the next 4 quarters

Case Study – Fund XII

Bainbridge NoDa

Charlotte, NC

DATE ACQUIRED:

April 2021

PROPERTY TYPE:

Multifamily

FAIR VALUE[1]:

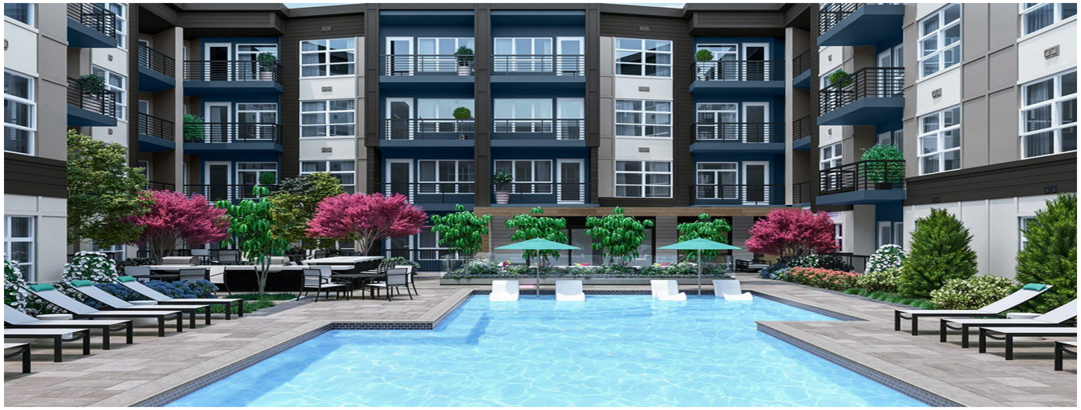
$94.5 MM

TOTAL UNREALIZED APPRECIATION[1]:

$ 20.1 MM

CURRENT OCCUPANCY[1]:

97%



Execution

- From early March when the property was awarded to the end of June 2021, 162 leases were executed, bringing the property to 96% leased 12 months ahead of underwritten stabilization
- Market rent has increased more than 25% since acquisition to $1,978 / month with rates leading the competitive set. The property is currently offering no concessions. This compares to proforma underwriting of $1,584 / month with two months free in concessions.
- Underwriting projects a stabilized gross unleveraged NOI yield of 4.86%, representing a premium of approximately 100bps compared to today's prevailing cap rate
- During Q1 2022, the 3,842 square foot, ground-floor retail space was leased to an upscale restaurant / brewery at $32 PSF. This compares to lease-up in Y3 of the proforma at $25 PSF.

[1]As of 12/31/21

Please see slide 13 for important information regarding case studies

Case Study – Fund XII

Indigo Springs

Mesa (Phoenix), AZ

DATE ACQUIRED:
October 2018

PROPERTY TYPE:
Multifamily

ACQUISITION PRICE:
$41.7 MM

SIZE:
240 Units

OCCUPANCY AT ACQUISTION:
96%

VALUE ADD STRATEGY:
Renovation

Opportunity

- Projected stabilized gross unleveraged NOI yield of 5.44%
- Off-market transaction
- Constructed in 1999. Two-story, low density product built to modern physical specifications: nine-foot ceilings, open-concept living areas, full-size washer/dryer in units. Common area amenities include two resort-style pools
- More than 12,000 large employer new job announcements in the East Valley at the time of acquisition including JP Morgan Chase, Intel, and Boeing
- Gilbert/Mesa submarket projected to produce 5,000 additional households per year from 2018-2022. This is anticipated to produce 1,800 new units of rental demand in Gilbert/Mesa submarket each year for the next five years

Source: CoStar, as of Q3 2021
Please see slide 13 for important information regarding case studies

Case Study – Fund XII

Indigo Springs

Mesa (Phoenix), AZ

DATE SOLD:
January 2021

OCCUPANCY AT SALE:
94%

GROSS SALES PRICE:
$56.4 MM

REALIZED GAIN:
$11.8 MM

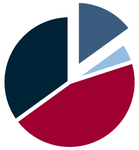
REALIZED GROSS UNLEVERAGED IRR:
16.3%

Execution

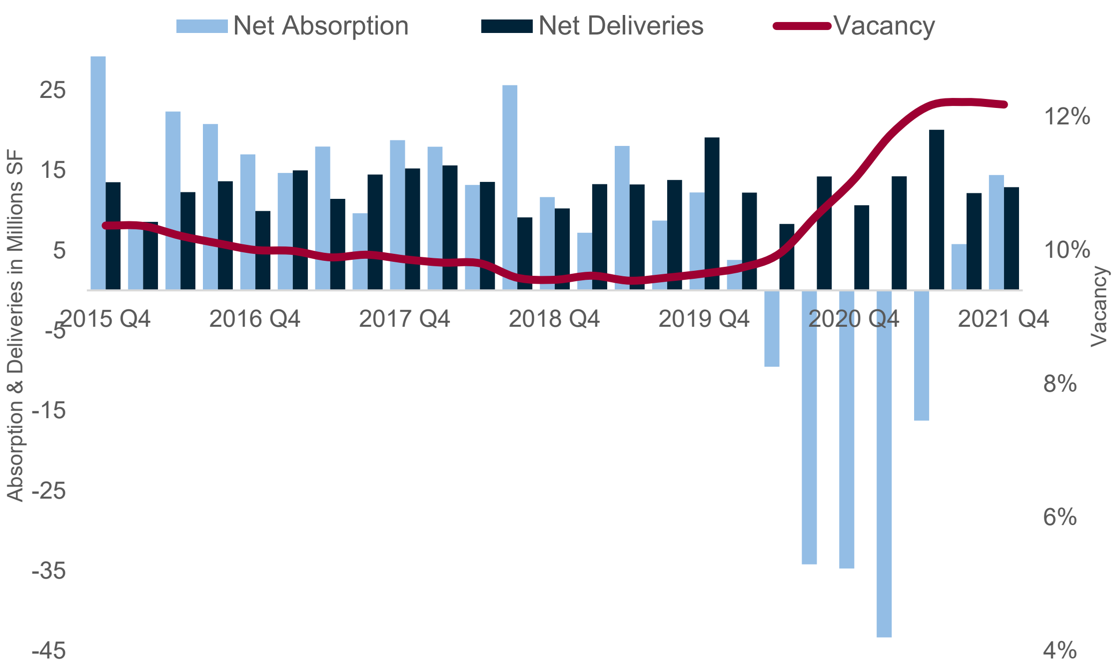
- Implemented value-add repositioning program for interior upgrades including updated kitchens, bathrooms, and flooring
- Exterior and amenity renovations, including painting, new asphalt, new pool furniture and pool deck upgrade as well as a gym refurbishment, were completed for approximately $500,000
- Completed 40% of unit renovations at an average cost of $12,000 per unit
- Grew NOI approximately 55% in just over two years of ownership
- Sold through a competitive auction process in January 2021 for a gross sale price of $56.4 MM, resulting in a gross unleveraged IRR of 16.3%

Please see slide 13 for important information regarding case studies

Property Type Overview - Office



Net Absorption, Net Deliveries & Vacancy



- The office market is showing signs of stabilizing, but new deliveries and sublease availability are expected to pressure fundamentals in the near term
- An accelerated rate of relocations to newer buildings and locations points to a growing divergence in performance across office assets and markets. Fast-growing Sun Belt markets and Tech Hubs with availability in high quality space are expected to outperform
- Employment gains in office-using sectors are expected to support future demand, but the balance between office and remote work will likely be a key determinant in the sector's recovery

Primary Value-Add Strategies for Vintage

- **Mark to market in-place leases**
- **Reposition through physical upgrades**
- **Limited vacancy/lease-up**

Source: CoStar, as of Q4 2021

Return to Office Steadily Improving but Remains Low

Daily Building Occupancy, Select Cities (March 2020 to January 2022)

Source: Kastle Systems, Weekly Occupancy Report, Data as of January 22, 2022

Case Study – Fund XI

Barton Creek Plaza II & III

Austin, TX

DATE ACQUIRED:
June 2016

PROPERTY TYPE:
Office

ACQUISITION PRICE:
$35.8 MM

SIZE:
129,560 SF

OCCUPANCY at ACQUISITION:
94%

VALUE ADD STRATEGY:
Near-Term Rollover

Please see slide 13 for important information regarding case studies

Opportunity

- Two, three-story buildings, constructed in 2000 featuring brick and masonry exteriors and ample surface parking
- Class A, infill location with significant barriers-to-entry due to stringent permitting process and high-density protected park in the Southwest Austin market
- Austin vacancy for the Southwest office market in Q4 2016 was 9.7%
- Excellent access to transportation (Loop 360 and Loop 1), five miles from downtown Austin, in amenity-rich location
- Well-leased with in-place rents approximately 15% below market; approximately 59% of net rentable area rolling in first three years

Case Study – Fund XI

Barton Creek Plaza II & III

Austin, TX

DATE SOLD:
April 2021

OCCUPANCY AT SALE:
87%

GROSS SALES PRICE:
$49.1 MM

REALIZED GAIN:
$7.8 MM

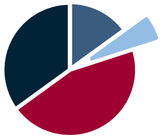
REALIZED GROSS UNLEVERAGED IRR:
10.6%

Execution

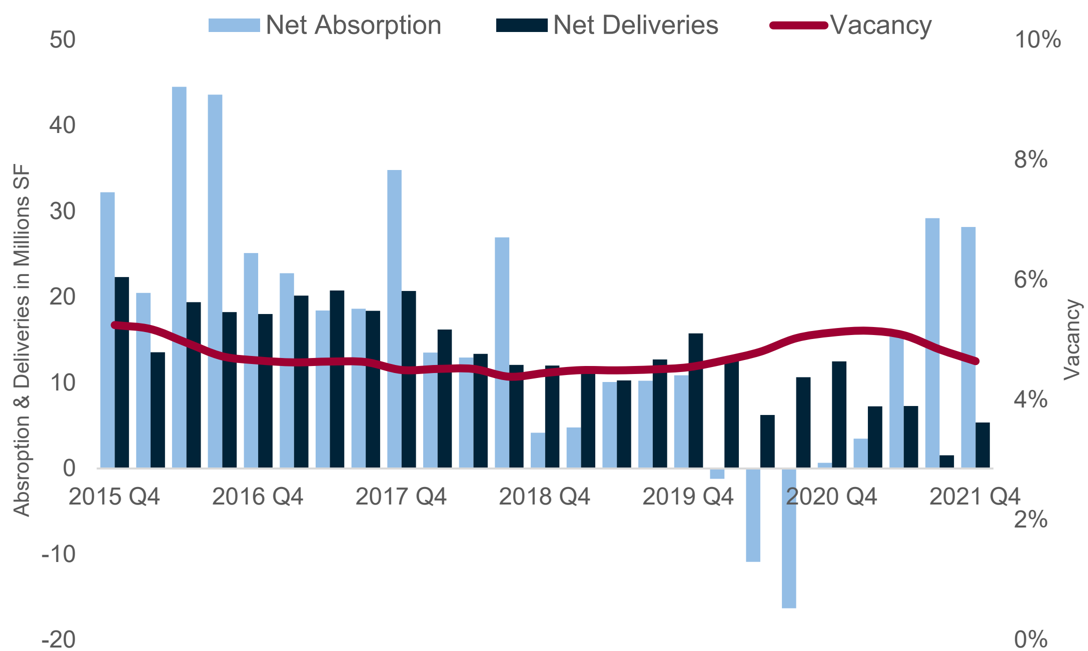
- Completed minor cosmetic improvements, including lobby and common corridor upgrades
- Completed 29 new, renewal and expansion leases totaling 147,773 SF, bringing the asset to 100% leased
- Capitalized on employment growth in Austin which led to increased rental rates even through the pandemic. Increased rents from $24.00/SF to $30.00/SF during hold period
- Sold through a competitive auction process in April 2021 for a gross sale price of $49.1 MM, resulting in a gross unleveraged IRR of 10.6%

Source: CoStar, as of Q3 2021
Please see slide 13 for important information regarding case studies

Property Type Overview - Retail



Net Absorption, Net Deliveries & Vacancy



- The retail sector has been one of the sectors most impacted by the pandemic. However, some retail segments are showing signs of improvement as pre-pandemic consumer shopping behavior begins to return
- Historic oversupply and the impact of continued ecommerce adoption are headwinds for the sector, but there are pockets of strength and opportunity. Continuing a pre-pandemic trend, neighborhood shopping centers continue to outperform
- While significant bifurcation in performance among subtypes, geography and size remains, the fundamentals surrounding retail are well positioned to continue to improve in the near-term

Primary Value-Add Strategies for Vintage

- **Mark to market in-place leases**
- **Reposition through physical upgrades**

Source: CoStar, as of Q4 2021

Why TA Realty Fund XIII?

Team

Established firm with extensive industry experience; 25 partners with an average of 27 years of real estate experience and 17 years at the firm

Established Experience

Successful track record through all market cycles with 12 prior value-add funds

Relationships

Almost 40 years building local relationships in more than 30 U.S. markets enables us to capitalize on opportunities that our competitors are not as well equipped to recognize

Investment Philosophy

Create portfolios of small to medium sized assets with a focus on market and product type diversification

Risk Profile

Low to moderate use of leverage (40-45% target LTV) and hands-on asset management offer potential of enhanced returns without excessive risk

Alignment With Investors

Unique fee structure, employee investment in Funds, and significant Partner ownership of Firm aligns TA Realty's investment professionals with investors

IV. *Summary of Terms*

Key Terms

The Fund	TA Realty Value-Add Fund XIII, L.P. (the "Main Partnership") (and together with any parallel funds that may be formed and their jointly, wholly-owned subsidiaries, the "Fund").
Manager	TA Realty LLC
Investment Objective	To achieve attractive risk-adjusted investment returns through the acquisition of a well-diversified real estate portfolio, with prudent use of leverage
Target Return	12.5-15.0% Gross IRR[1] (before management fees and carried interest)
Capital Commitments	Targeting $1.25 billion in aggregate capital commitments
First Close	January 2022
GP Commitment	A minimum of one percent (1.00%) of the total aggregate equity capital
Minimum Commitment	$5.0 million, subject to lesser amounts, at the discretion of the General Partner
Investment Period	Two years from the final closing date
Term	Seven years from the earlier of (i) the date the capital is at least 90% invested or committed, or (ii) expiration of the Capital Call Period
Leverage	Fund leverage may not exceed 50% of the value of the aggregate real estate investments and other assets plus all unfunded Capital

[1]See the end of the presentation for important information on the calculation of Gross and Net IRRs

Key Terms

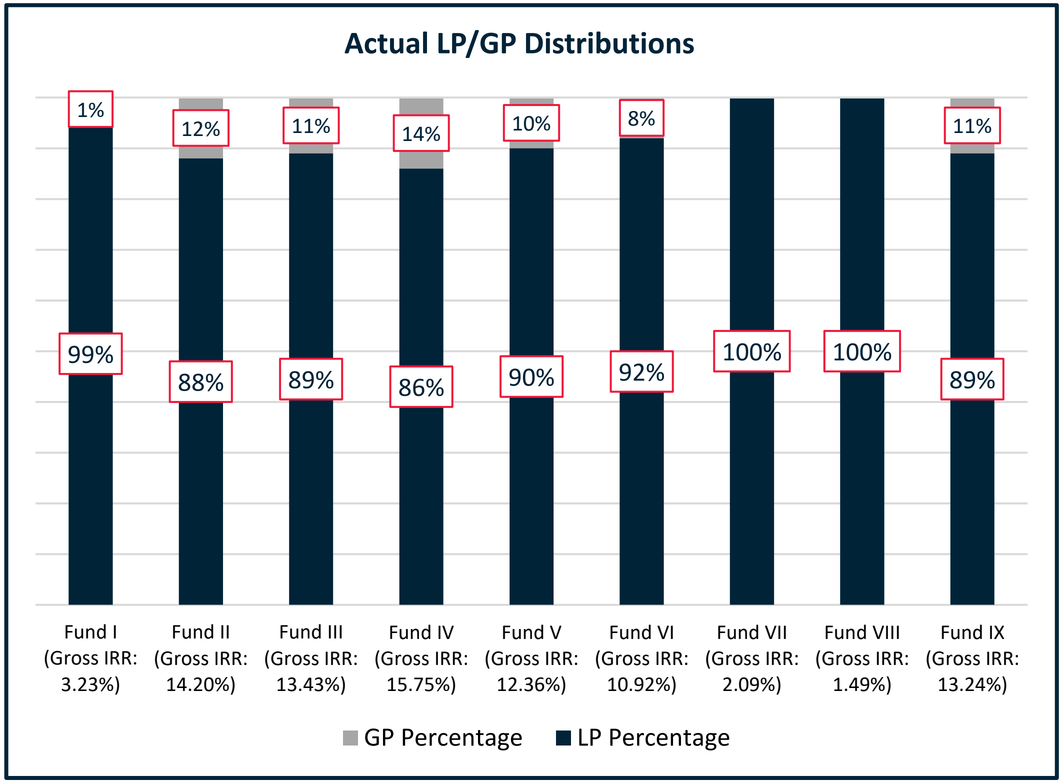
Management Fee	0.50% in year one, 0.85% in year two, 1.15% in year three, all based on Capital Commitments; then 1.20% in year four, 1.25% in year five, 1.20% in year six, 1.00% in year seven and 0.60% thereafter, all based on Aggregate Invested Capital[1] The GP reserves the right to give investors committing a minimum of $125 MM a discount of 15 bps off each annual fee rate.
Acquisitions, Financing, and Disposition Fees	None
Allocation of Net Operating Cash Flow & Sales Proceeds	See chart on next page
Organizational Expenses	≤ 0.25% of aggregate capital commitments
Distributions	Once distributions commence, the General Partner intends to make them quarterly. In addition, the General Partner will generally distribute to investors their allocable share of the net proceeds from the sale of assets
Exclusive Investment Vehicle	The Manager and its related parties will not begin to invest on behalf of a new closed-end, commingled fund that has a principal investment focus and strategy substantially similar to that of the Fund until at least 80% of all capital commitments are invested or committed or the expiration of the Capital Call Period.

[1]"Aggregate Invested Capital" can be summarized as meaning the sum of (i) the aggregate investment cost, including related expenses, (whether funded by equity or debt) of each Real Estate Investment, whether incurred at or subsequent to the time of acquisition, plus (ii) all reasonable reserves, as of the time of determination. The preceding is only a summary of how "Aggregate Invested Capital" is calculated. Investors should also carefully read the full definition of "Aggregate Invested Capital" and the related definition of "Investment Cost" contained in the Partnership Agreement.

Allocation of Net Operating Cash Flow & Sales Proceeds

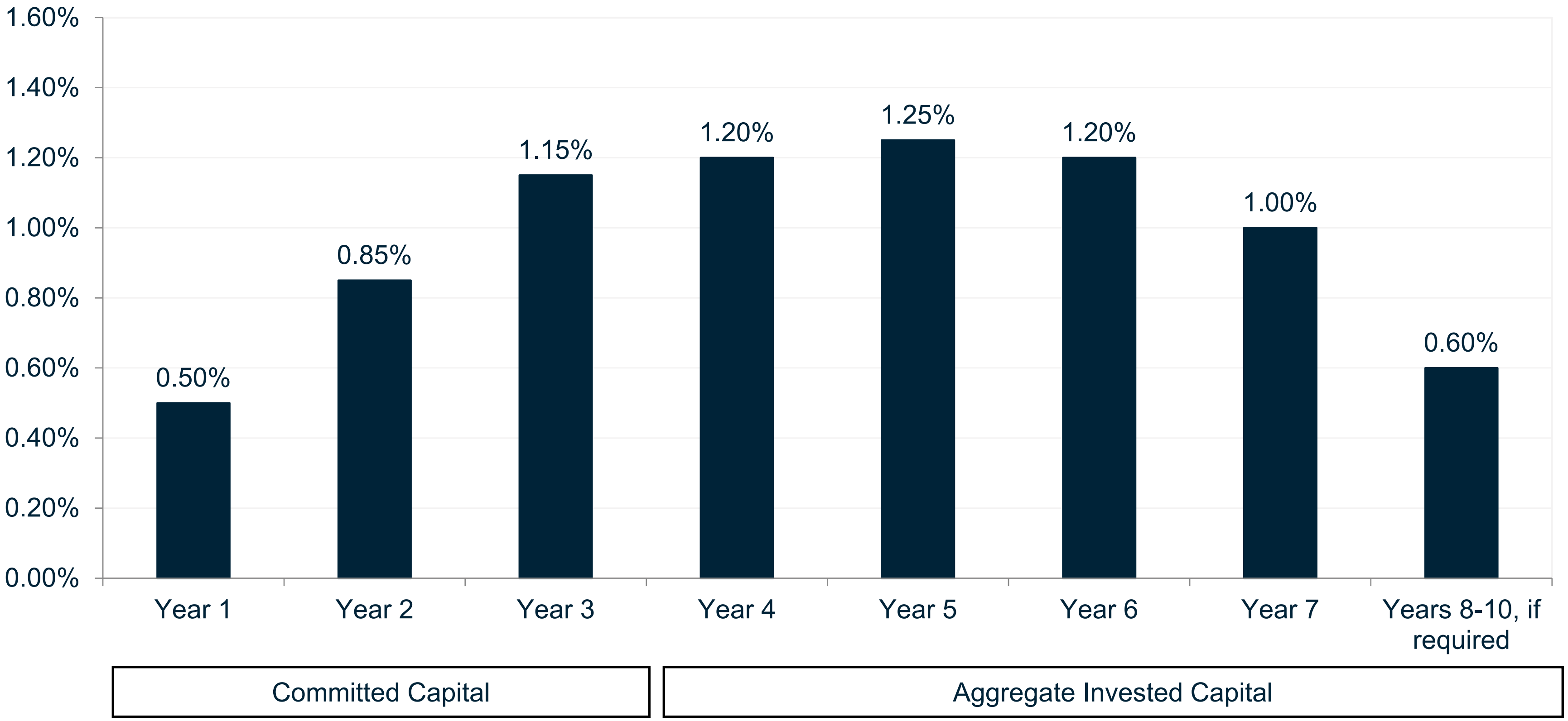
Allocate 100% to all investors in proportion to their contributed capital until they have received a return of that contributed capital plus a compounded preferred return representing the rate of inflation as measured by monthly changes in the core Consumer Price Index (CPI-U). Additional distributions are shared as follows:

Real Returns	Limited Partners	General Partner
From 0% to 1% Real Return	95.0%	5.0%
After 1% Real Return	94.0%	6.0%
After 2% Real Return	92.5%	7.5%
After 3% Real Return	90.5%	9.5%
After 4% Real Return	88.5%	11.5%
After 5% Real Return	86.5%	13.5%
After 6% Real Return	84.5%	15.5%
After 7% Real Return	82.5%	17.5%
After 8% Real Return	80.0%	20.0%



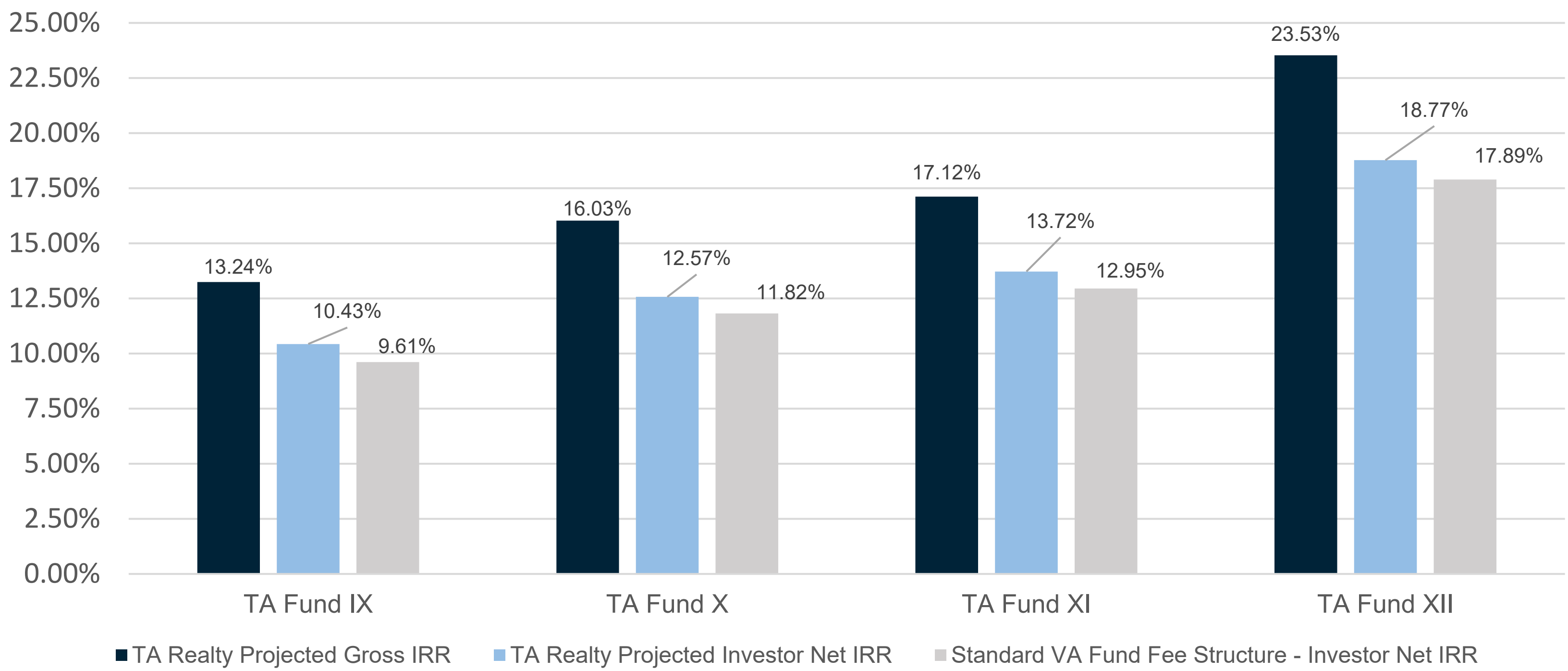
Asset Management Fee

- TA Realty does not separately charge any acquisition, disposition or financing fees, etc. The only annual fee is the asset management fee detailed below
- TA Realty avoids use of joint ventures, therefore its investors do not pay “hidden” fees to other real estate managers
- The GP reserves the right to give investors committing a minimum of $125 MM a discount of 15 bps off each annual fee rate



Advantage of TA Incentive Fee Structure

- Preferred return, which is based on a real return, contributes to a narrower gross to net spread relative to many competing value-add funds with the standard 8% preferred, 50/50 catch-up and 80% GP/20% LP split
- TA avoids the use of joint ventures, which eliminates an additional layer of return dilution
- Current environment of higher inflation increases the advantage of a real return hurdle for Investors



TA Fund XII, XI, X returns are projected as of 12/31/2021. TA Fund IX is fully liquidated and the actual returns are presented above.
Standard Value-Add Fund Net IRR assumes Management Fee: 1.5% management fee on committed during the investment period and invested capital, thereafter. Incentive Fee: 8% preferred return, 50/50 catch-up and 80/20 split.
Projected IRRs contained herein are based upon highly subjective estimates and assumptions about circumstances and events that may not yet have taken place and may never occur or may change over time. The returns represent possible returns that may be achieved. Actual realized returns will depend on factors that are out of the Funds' and TA's control. No guarantee or assurance is made that the Fund will be able to achieve the projected returns in the short term or the long term. Please see the important information at the end of this presentation for more information regarding projected returns.

Appendix

Investment Allocation Policy

Designed to be fair and equitable

- TA's Investment Allocation Policy is designed to ensure new investment opportunities are allocated in a manner that is fair and equitable to all funds/accounts.

Rotation system employed

- A rotation system is utilized whereby the fund/account which has the highest position (e.g., the active fund/account that has gone the longest without having an investment opportunity allocated to it) on the list at the time of the allocation will be allowed to pursue the investment opportunity first.
- If the investment does not meet the fund/account's objectives, the investment continues through the rotation list until a fund/account match is determined.

Investment Allocation Committee allocates all investments

- Deals approved by Investment Committee and awarded to TA Realty by the seller are allocated by the Investment Allocation Committee in accordance with the Investment Allocation Policy
  - Investment Allocation Committee consists of three Partners at TA Realty
  - Responsible for administering the Investment Allocation Policy and managing any conflicts that might arise between funds/accounts

Fund X
Portfolio Update

Fund X Market Position

Fund X is in final liquidation with the majority of its value and return realized;
169% of capital commitments have been returned to investors through distributions

- **One** investment remaining as of December 31, 2021, totaling **$12.6 MM** in GAV
- During Q4 2021, the Fund sold **two** investments for combined net sales proceeds of **$59.5 MM** and a combined realized loss of **$16.7 MM**
- The Fund is nearing full liquidation with one final asset under negotiation for sale.
- Since inception, the Fund has realized approximately **$3,725.1 MM** in combined net sales proceeds for a combined net realized gain of **$666.4 MM.**
- In Q3 2021, the GP exercised a one-year extension moving the end of the Fund's legal life to October 2022 to enable the liquidation of the remaining three assets that has been delayed by the pandemic
- Since Inception Gross IRR of **16.04%** and **1.81x** multiple

Petworth at Park Place
Washington, D.C.

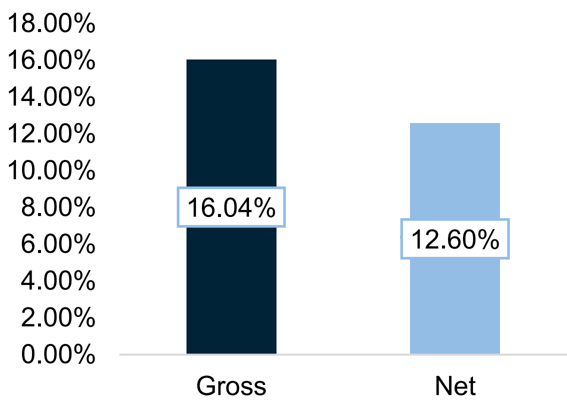
See the end of the presentation for important information on the calculation of Gross and Net IRR

Fund X Highlights

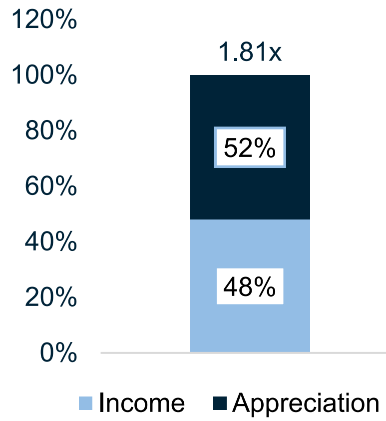
Fair Value	$12.6 MM
Investments at Cost	$25.1 MM
Q4 2021 Net Unrealized Loss	$1 MM

Portfolio Occupancy	71%
2021 Cumulative Distributions[1]	$376.0 MM
Since Inception Distributions[1]	$2,649.0 MM

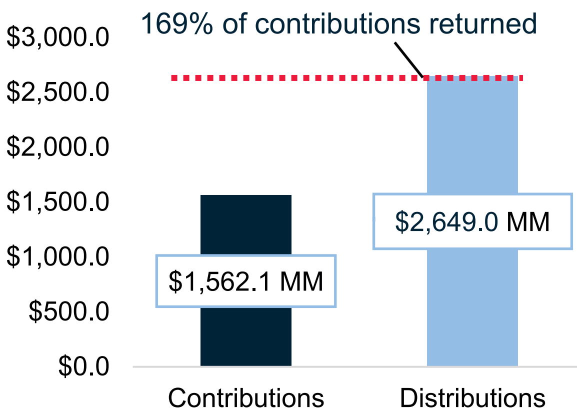
Fund Returns – Since Inception IRR



Fund Returns – Gross Multiple[1,2]



Contributions & Distributions Since Inception ($MM)



[1]Distributions declared through February 2022.
[2]Fund X Q4 2021 Net Multiple is 1.61x with 39% income and 61% appreciation. Management fees are included solely in income for the purpose of this calculation.
IRRs reflect an annualized internal rate of return, calculated based on daily cash flows using the XIRR function in Excel. Multiples reflect TVPI. Net performance is after all management fees and realized and unrealized incentive allocations. Past performance is not indicative of future results and a risk of loss exists.
Please see the important information at the end of this presentation for more information regarding performance.

Fund X Disposition Program

Closed/Under Agreement:

Asset	Product Type	Cost[1] ($MM)	Market Value[1] ($MM)	Contract Price/NSP[2] ($MM)	Status
Petworth at Park Place-Retail	Retail	$2.2	$1.7	$1.6	Closed March 2021
Barton Creek Plaza I	Office	$19.4	$24.5	$26.7	Closed April 2021
The Shoppes at Cross Keys	Retail	$55.8	$34.5	$35.4	Closed April 2021
Freeway Corporate Center	Office	$25.4	$19.7	$19.7	Closed May 2021
Valleybrooke Office Portfolio	Office	$47.9	$37.5	$38.0	Closed July 2021
Landmark One	Office	$47.3	$32.3	$32.6	Closed August 2021
Madison Place	Office	$36.0	$26.2	$28.3	Closed Sept. 2021
Petworth at Park Place-Resi/Garage	Multifamily	$63.8	$54.7	$54.6	Closed Dec. 2021
Mason Creek II	Office	$12.3	$5.5	$4.9	Closed Dec. 2021
111 Speen Street	Office	$25.1	$12.6	$13.0	Under Agreement
Total		**$335.2**	**$249.2**	**$254.8**	

[1]As of 12/31/21
[2]For closed assets, represents net sales proceeds resulting from transaction.

Fund X Industrial Portfolio Sale

National: AZ, CA, CO, FL, GA, IL, MA, NJ, NY, TX, WA

DATE SOLD:
July/August 2019

PROPERTY TYPE:
Industrial

NET SALES PROCEEDS:
$1,024.5 MM

OCCUPANCY (AT SALE):
93%

GROSS UNLEVERAGED IRR:
13.7%

- Diversified portfolio of 96 buildings located in premier distribution markets across the U.S.
- TA Realty acquired assets in 30 separate transactions over a three-year period from May 2012 into July 2015
- Executed 8.9 MM SF of leases over investment period, increasing NOI from $31.6 MM at acquisition to $43.6 MM at year-end 2018 (38% increase)
- Assets offered for sale in April 2019. Presented as opportunity to execute as national portfolio or regional portfolios - providing optionality to bidders and ability for TA Realty to achieve maximum pricing
- The Portfolio sold in two transactions in July and August 2019 for a total contract price of $1,042.4 MM

Fund X Industrial Portfolio Sale

National: AZ, CA, CO, FL, GA, IL, MA, NJ, NY, TX, WA

Portfolio	Locations	Total # of Assets	Total SF (MM)	6/30/19 Cost Basis (MM)	6/30/19 Fair Value (MM)
Texas	Dallas, Austin, Houston, San Antonio	9	2.9	$168.0	$246.1
Northeast	NY, NJ, Boston	5	1.4	$151.7	$266.4
Southeast	Atlanta, Miami	3	1.1	$74.1	$91.8
Los Angeles	LA, Inland Empire	6	1.1	$137.5	$233.4
West Coast	Denver, Phoenix, Seattle	5	0.9	$90.9	$127.8
Midwest	Chicago	3	0.8	$54.0	$64.8
		31	8.2	$676.2	$1,030.3
				Contract Price	**$1,042.4**

Fund X Summary and Strategic Plan

- The Fund is almost fully liquidated with one final asset under negotiation for sale
- Bulk of portfolio has been realized through sale. Sold **107** investments and **1** partial investment for net sales proceeds of **$3,725.1 MM** through December 31, 2021, resulting in **$666.4 MM** of net realized gain
- Distributed **$2,649.0 MM** vs. **$1,562.1 MM** in contributions (**169%** of initial equity)
- Remaining debt (credit facility line) was retired during 2021

Landmark One
Boston, MA

Leadership and Biographies

Acquisitions and Investment Committees[1]

Acquisitions Committee

- Reviews all new potential investments
- Detailed discussion of underwriting and relevant market conditions / trends
- Super majority approval required
- 31 years average real estate experience

Scott Amling	*Partner*	*32 years experience*	*21 years at TA Realty*
James Buckingham	*M. Partner*	*40 years experience*	*25 years at TA Realty*
Nicole Dutra Grinnell	*Partner*	*26 years experience*	*20 years at TA Realty*
Douglas Engelman	*Partner*	*34 years experience*	*18 years at TA Realty*
Michael Haggerty	*M. Partner*	*33 years experience*	*24 years at TA Realty*
James Raisides	*M. Partner*	*30 years experience*	*26 years at TA Realty*
Greg Waxman	*Partner*	*19 years experience*	*17 years at TA Realty*
James Whalen	*Partner*	*37 years experience*	*30 years at TA Realty*

Investment Committee

- Final investment and allocation authority after approval by the AC and recommendation by the Investment Allocation Committee
- Unanimous approval required by the IC for acquisitions
- 29 years average real estate experience

James Buckingham	*M. Partner*	*40 years experience*	*25 years at TA Realty*
Michael Haggerty	*M. Partner*	*33 years experience*	*24 years at TA Realty*
Nicole Dutra Grinnell	*Partner*	*26 years experience*	*20 years at TA Realty*
James Raisides	*M. Partner*	*30 years experience*	*26 years at TA Realty*
Sean Ruhmann	Partner	17 years experience	5 years at TA Realty
Greg Waxman	*Partner*	*19 years experience*	*17 years at TA Realty*
James Whalen	*Partner*	*37 years experience*	*30 years at TA Realty*

[1]As of 12/31//21

Senior Leadership Across Disciplines

Portfolio Management

17 Total Team Members

Jim Raisides (26/30)*
Managing Partner

Alan Brand (21/38)
Partner

Nicole Dutra Grinnell (20/26)*
Partner

Randy Harwood (8/39)
Partner, Head of Valuations

Kendrick Leckband (14/21)
Partner

Jake Maliel (8/14)
Partner

Nhat Nguyen (15/15)
Partner

Sean Ruhmann (5/17)*
Partner

Acquisitions

17 Total Team Members

Jim Buckingham (25/40)*
Managing Partner

Christine Elmore (11/13)
Partner

Doug Engelman (18/34)
Partner

Blair Lyne (20/38)
Partner

Tom Shapiro (7/9)
Partner

Greg Waxman (17/19)*
Partner

Jim Whalen (30/37)*
Partner

Research

Lisa Strope (2/27)
Vice President, Research

Asset Management

15 Total Team Members

Brooks Wales (22/24)
Partner, Head of Asset Management

Scott Amling (21/32)
Partner

Chris Good (21/34)
Partner

Jim Knowles (23/36)
Partner

John Powell (19/31)
Partner

ESG+R

Anne Peck (<1/21)
Vice President, Head of ESG+R

Firm Operations

10 Total Team Members

Mike Haggerty (24/33)*
Managing Partner

Investor Relations

13 Total Team Members

Marcus Berry (10/18)
Partner, Head of Investor Relations

Tom Landry (15/24)
Partner

Financial Operations

24 Total Team Members

Scott Dalrymple (18/28)
Partner, CFO & CCO

Nate Foss (12/36)
Partner, Head of Investor Accounting

*Indicates Investment Committee Member

As of 12/31/21
Numbers in parentheses represent tenure with the firm/years in the industry.
Total Team Members include administrative personnel assigned to each functional group.

Biographies

James P. Raisides | **Managing Partner**

Jim Raisides is a Managing Partner of TA Realty and leads the Firm's portfolio management team. He is responsible for strategic management of the Firm and oversees the achievement of the goals and objectives for the Firm's investment vehicles. Over his nearly 30 years of industry experience, Jim has served in a variety of roles that encompass portfolio management, dispositions, capital raising and asset management. He has been with TA Realty since 1996 and a member of the Firm's Investment Committee since 2004. Jim also serves on the Firm's Management Committee and Acquisitions Committee and sits on the Board of Managers. Prior to joining the Firm, he was an Associate at Whittier Partners, a Boston-based management and leasing company. Previously, Jim was a Review Appraiser at the Bank of Boston. He graduated from the University of Connecticut with a B.A. in Economics.

L. Kendrick Leckband | **Partner**

Kendrick Leckband is a member of TA Realty's portfolio management team and is responsible for overseeing the achievement of the goals and objectives for certain of the firm's investment vehicles through active management and monitoring of portfolio assets, acquisition and disposition activity, leverage levels, and distributions. During her tenure at TA Realty, she has served as a Portfolio Manager for multiple TA Realty value-add funds as well as core separate accounts. Additionally, she has worked within the asset management group where she was responsible for overseeing the implementation of business plans developed at acquisition, including management, marketing, repositioning, development and/or leasing of assets across all firm strategies. Kendrick has almost 20 years of industry experience and has been with TA Realty since 2007. Prior to joining the Firm, she was a Market Representative at ProLogis, responsible for the leasing and operations of industrial assets in Los Angeles, Orange County and Inland Empire. Previously, Kendrick was a Property Manager with Lincoln Property Company Commercial, Inc. in Dallas, TX. She graduated with a B.S. from the University of Texas, Austin and received an M.B.A. from Vanderbilt University.

Biographies

Marcus E. Berry III | **Partner, Head of Investor Relations**

Marcus Berry is TA Realty's Head of Investor Relations and is responsible for overseeing the investor relations team, including business development and client services for the Firm's investor base. Marcus originally joined TA Realty in 2006 focusing on acquisitions on the West Coast. Marcus left TA Realty in 2014 to join PGIM Real Estate where he was a member of the global Business Development and Client Relations group before rejoining TA Realty in 2019. He graduated from the University of Colorado Boulder with a B.A. in International Affairs and received an M.B.A. from the University of Southern California with an emphasis in Finance and Real Estate.

Thomas E. Landry | **Partner, Investor Relations**

Tom Landry is a member of TA Realty's investor relations team and is responsible for sourcing and cultivating new investor and consultant relationships, as well as maintaining existing relationships. Tom has over 20 years of industry experience and has been with TA Realty since 2007. Prior to joining the Firm, he served as a Project Manager for NMB, a Dutch pension fund with U.S. real estate holdings, and as a Sales Associate with Spaulding & Slye in Washington D.C., a Boston-based commercial real estate services firm. Previously, Tom was the Executive Director of the Massachusetts Golf Association. He graduated from Brown University with a B.A. in Economics.

Devin C. Sullivan | **Vice President, Investor Relations**

Devin Sullivan is a member of TA Realty's investor relations team and is responsible for sourcing and cultivating new investor and consultant relationships, as well as maintaining existing relationships. Devin has almost 20 years of industry experience and has been with TA Realty since 2017. Prior to joining the Firm, he was a Director at Intercontinental Real Estate Corporation where he worked on the institutional services team for over 15 years. Previously, Devin worked at State Street Global Advisors. He graduated from Hamilton College with a B.A. in Government.

Biographies

Riley FitzGerald | **Director, Investor Relations**

Riley FitzGerald is a member of TA Realty's investor relations team and is responsible for sourcing and cultivating new investor and consultant relationships, as well as maintaining existing relationships. Riley has approximately 15 years of industry experience and joined TA Realty in 2021. Prior to joining the Firm, he was a Vice President at Fiera Capital where he worked with U.S. institutions and helped build out Fiera's RIA/Family Office business on the West Coast. Previously, Riley was a Vice President with Entrust Permal/The Permal Group where he spent 10 years working with institutional investors and consultants. He graduated from the State University of New York with a B.A. in Business Administration.

Lisa Strope | **Vice President, Head of Research**

Lisa Strope is a member of TA Realty's portfolio management team and is responsible for overseeing the Firm's research initiatives through the development of macro and micro economic perspectives across U.S. real estate markets and contributing to the development of the Firm's local and regional investment strategies. Lisa has more than 25 years of experience and joined TA Realty in 2020. Prior to joining the Firm, she was a Vice President, Director of Research and Strategy at JLL where she analyzed market fundamentals and trends across niche property sectors. Previously, Lisa served as a Teaching Fellow at Harvard Business School where she focused on the study of investment trends in real estate. She has also held research, development and marketing roles at Keystone Development Group, Marcus & Millichap and Flad & Associates Architecture. She graduated from Cornell University with a B.A. in Economics and received an M.B.A. from New York University's Stern School of Business with a focus on Real Estate. She is a Board Member, CREW Boston, and is a member of the real estate faculty at Babson College Olin Graduate School of Business.

Anne Peck | **Vice President, Head of ESG+R**

Anne Peck is a member of TA Realty's portfolio management team and is responsible for overseeing the Firm's Environmental, Social, Governance and Resiliency (ESG+R) initiatives through the promotion of relevant and emerging advancements in the commercial real estate industry. Anne has more than 20 years of experience in the industry and joined TA Realty in 2021. Prior to joining the Firm, she was a Vice President, Head of the Architecture and Engineering group at AEW Capital Management, where she managed and led a group of architects and engineers who oversaw all physical, environmental, and sustainability assessments for assets and new developments. Previously, Anne was a Construction Manager/OPM with Cambridge Housing Authority and a Construction Manager with Jones Lang LaSalle. She graduated from Boston University with a B.S. in Mechanical Engineering and received a M.S. in Civil Engineering from Northeastern University's College of Engineering with a focus on Construction Management. She has her LEED AP certification and has served as a member of the GRESB Benchmark committee since 2017. She is also a member of the NAREIM planning committee for the NAREIM A&E and Sustainability conferences as well as a member of NAREIM's DEI committee.

Important Information

The information contained in these materials is confidential information regarding TA Realty LLC and the closed-end real estate funds (the “Funds”) that it has sponsored. These materials have been prepared solely for informational purposes. The investment vehicles and securities described herein have not been approved by any securities regulatory authority of any state or by the U.S. Securities and Exchange Commission, nor has any such authority or commission passed on the accuracy or adequacy of this document. Any representation to the contrary is unlawful. These materials do not constitute an offer or the solicitation of an offer to invest nor do they constitute an offer to sell securities or the solicitation of an offer to purchase securities. Any offer to invest and all offers and sales of interests in the Funds in the U.S. will be made exclusively by means of a confidential private placement memorandum (“PPM”). Interests in certain TA Realty LLC investment products are offered through TA Realty LLC’s affiliate, MEC Global Partners LLC, One Federal Street, 17th Floor, Boston, MA 02110; member FINRA/SIPC. The information contained herein is qualified in its entirety by reference to the PPM and final partnership documents (including the Limited Partnership Agreement). These materials are confidential and may not be reproduced or distributed by the recipient. An investment in the Funds involves significant risks. Please see the PPM for a full discussion of risks.

These presentation materials may contain forward-looking statements within the meaning of the United States federal securities laws. Forward-looking statements are those that predict or describe future events or trends and that do not relate solely to historical matters. For example, forward-looking statements may predict future economic performance, describe plans and objectives of management for future operations and make projections of revenue, investment returns or other financial items. A prospective investor can generally identify forward-looking statements as statements containing the words “will,” “believe,” “expect,” “anticipate,” “intend,” “contemplate,” “estimate,” “project,” “assume” or other similar expressions. Such forward-looking statements are inherently uncertain, because the matters they describe are subject to known (and unknown) risks, uncertainties and other unpredictable factors, many of which are beyond TA Realty’s control. No representations or warranties are made as to the accuracy of such forward-looking statements

The information and opinions presented or contained in this document are provided as of the date of this presentation. It should be understood that subsequent developments may affect the information contained in this presentation materially, which neither TA Realty nor its directors, officers, employees, agents, affiliates, advisors or representatives are under an obligation to update, revise or affirm. An investment in the Funds is speculative, involves a high degree of risk and, by its terms, will have restrictions on liquidity. There is no guarantee that the Funds’ investment strategies will be successful. An investor could lose all or a substantial portion of its investment in the Funds. No representation is being made that the Funds will or are likely to achieve performance results similar to those shown for the prior Funds. Past and projected performance information regarding the prior Funds described herein is provided for illustrative purposes only and may not be indicative of future investment results for the active Funds. There can be no assurance that the active Funds will achieve comparable results, meet their targeted or projected returns, be able to implement their investment strategies, or be able to avoid losses.

The real estate markets are cyclical in nature. Property values are affected by, among other things, the availability of capital, occupancy rates, rental rates and interest and inflation rates. As a result, determining real estate values involves many assumptions. The properties appearing in this presentation are representative transactions provided for informational purposes only, and there can be no assurance that the Fund will invest in similar transactions. Amounts ultimately realized from each property may vary significantly from the fair value presented and the difference could be material.

Assets are valued quarterly by the General Partner and appraised annually on a two-year rotating cycle by an independent member of the Appraisal Institute. Additional information, including Funds’ valuation policies, capitalization policies regarding capital expenditures, tenant improvements, leasing commissions and information relating to investment management fees is available upon request. The kinds of investment fees charged by TA Realty are disclosed in Part 2A of the Form ADV for TA Realty LLC, a copy of which is also available upon request.

As of the date of these materials, COVID-19 remains a global public health emergency that has presented unique, rapidly changing and hard to quantify risks for over a year. The effects of this public health emergency may materially and adversely impact the value and performance of the Funds' investments as well as the ability of the Funds to source, manage and divest investments and achieve its investment objectives, which could result in significant losses to the Funds.

Important Information

Notes relating to Performance:

- "Gross IRR" and "Net IRR" reflect an annualized internal rate of return, calculated based on daily cash flows using the XIRR function in Excel. The terminal value for active funds utilized in this calculation is equal to the net asset value as of the report date.
- Time-weighted rates of return ("TWR") are calculated on an asset weighted average basis using beginning of period values adjusted for time weighted external cash flows. Period returns are geometrically linked and those presented greater than one year are annualized.
- "Gross Multiple" equals (a) the total distributions plus management fees paid divided by (b) the total equity invested for such fund. "Net Multiple" equals (a) the total distributions divided by (b) the total equity invested for such fund.
- Gross returns and Gross Multiples reflect transactions costs in connection with making and disposing of investments and other property and fund-level income and expenses, but they do not reflect management fees, or realized and unrealized incentive allocations (if applicable), which will reduce returns and, in the aggregate, are expected to be substantial. Net returns and Net Multiples are after all management fees and realized and unrealized incentive allocations (if applicable), but do not include taxes or withholdings incurred by investors directly. An accrual basis of accounting is used to recognize income and expenses.
- There can be no assurance that the active Funds' unrealized investments will be sold at values that are equal to or greater than the fair values used. Also, no assurance can be given that the differential between gross and net returns for the active Funds will mirror the historical averages of such differentials for the liquidated Funds. Actual realized returns for the active Funds will depend on various factors, including future operating results of unrealized investments, market conditions, the timing and manner of investment dispositions, operating expenses, amount and terms of indebtedness and transaction costs.
- Subject to the limitations described in the PPM, indebtedness may be incurred in connection with the operations of the Funds. The use of leverage will increase the exposure of the investments to adverse economic factors, such as rising interest rates, economic downturns, or deteriorations in the condition of the investments or their respective markets.
- TA Realty typically utilizes subscription-secured credit facilities during each value-add Fund's subscription and acquisition periods, particularly with its more recent value-add Funds. The use of such facilities is expected to be accretive to the value-add Funds' IRRs.
- "Fund I" means Advent Realty L.P. "Fund II" means Advent Realty L.P. II. "Fund III" means Realty Associates Fund III. "Fund IV" means Realty Associates Fund IV. "Fund V" means Realty Associates Fund V. "Fund VI" means Realty Associates Fund VI. "Fund VII" means Realty Associates Fund VII. "Fund VIII" means Realty Associates Fund VIII. "Fund IX" means Realty Associates Fund IX. "Fund X" means Realty Associates Fund X. "Fund XI" means Realty Associates Fund XI. "Fund XII" means Realty Associates Fund XII. Investors in Funds II through XII could invest in either an operating partnership or through an associated REIT. Investors in Funds X through XII could also invest through a feeder corporation. The returns shown for Funds II through XII reflect the returns to investors in the operating partnerships; investors who invested through the associated REITS or feeder corporations bore the additional operating expenses of these entities and their subsidiaries.
- Gross unleveraged IRR for dispositions, if presented, is an annualized gross internal rate of return, calculated on the basis of quarterly capital inflows and outflows related to the investment. The gross unleveraged IRR reflects transaction costs in connection with making and disposing of the investment, but it does not reflect the cost of leverage, investment management fees, carried interest, taxes and other fees and expenses borne by or allocable, directly or indirectly, to the respective Fund and its investors.
- Property level year 1 net operating income ("NOI") yields, if presented, are gross and calculated as year 1 total divided by asset purchase price plus year 1 capital expenditures. Property level projected stabilized gross unleveraged NOI yields, if presented, are calculated as annual NOI (in year of stabilization) divided by asset purchase price plus capital expenditures. Presented expected yields, represent our expectations, but are estimates and there can be no assurance that such yields will be achieved.
- The NCREIF Property Index ("NPI") has been taken from published sources. NPI is an unleveraged, before fee index of operating properties and includes various operating real estate types, excludes cash and other non-property related assets and liabilities, income and expenses. The return is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only.
- The NCREIF Fund Index Open-Ended Diversified Core Equity ("ODCE") has been taken from published sources. The ODCE is a before and after fee index of open-ended funds with lower risk investment strategies, utilizing low leverage and equity ownership of stable U.S. operating properties. The Index is capitalization-weighted, based on each fund's net invested capital.
- ODCE data, once aggregated, may not be comparable to the performance of the Funds/Accounts due to the current and historical differences in portfolio composition by asset size, geographic location, property type and degree of leverage.
- TA Realty Industrial's composite returns include industrial assets from the Realty Associates Funds II through XII, a value-add commingled fund series sponsored by TA Realty, as well as certain separately managed accounts and the Core Property Fund. The composite returns are before the effect of leverage and calculated using property-level return guidance from NCREIF/PREA Reporting Standards. Period returns are geometrically linked and those presented greater than one year are annualized. These composite returns are before the deduction of management fees (and, where applicable, incentive fees or carried interest) and do not include cash and cash equivalents, related interest income and other non-property related income and expenses, if applicable. Such excluded fees and expenses will reduce returns and, in the aggregate, are expected to be substantial.

Important Information

As referenced on “Advantage of TA Incentive Fee Structure” slide: Projected Gross IRR” and “Projected Net IRR” for active prior Funds are determined in the same manner as the Gross IRR or Net IRR, as applicable, for liquidated prior Funds, except that Projected Gross IRR and Projected Net IRR include projections with respect to unrealized investments. The current values of the unrealized investments held by the active prior Funds are based on estimates (based on a combination of third-party appraisals and management evaluation) of the market value of such investments as of June 30, 2021 in accordance with TA Realty’s valuation policy. The projections on the unrealized investments are determined based on the projected hold period for the applicable assets and are based on a number of estimates and assumptions, which may or may not prove to be accurate, including the following:

- Assumptions applicable to all active prior funds:
  - The net operating income generated by each prior funds’ unrealized investments reflects terms of actual leases in place and achieving market rents and terms at scheduled rollover, generally assuming conservative lease-up projections and annual growth rates ranging from 0%-6%.
- Assumptions applicable to Fund X, as of December 31, 2021:
  - Estimated 0% annual growth in the market value of Fund X’s unrealized investments.
  - Fund X includes the sales of the remaining unrealized investments of approximately $12,600,000 in 2022.
- Assumptions applicable to Fund XI, as of December 31, 2021:
  - Estimated 3% annual growth in the market value of Fund XI’s unrealized investments for 2022 and 1% annual growth in 2023.
  - Fund XI includes total estimated sales of approximately $1,100,000,000 of its unrealized investments in 2022 and the remaining approximate $584,635,000 of unrealized investments are expected to be sold in 2023.
- Assumptions applicable to Fund XII, as of December 31, 2021:
  - 10% annual growth in 2022, 5% annual growth in 2023, 4% annual growth in 2024 and 2% annual growth in 2025.
  - Fund XII includes projected acquisitions of approximately $538,300,000 in 2022.
  - Fund XII includes total estimated sales of approximately $240,000,000 of its unrealized investments in 2022, $800,000,000 in 2023, $950,000,000 in 2024 and the remaining approximate $1,110,500,000 of unrealized investments are expected to be sold in 2025.

There can be no assurance that the active prior Funds’ unrealized investments will generate the net operating income, realize the appreciation or be sold at values that are equal to or greater than the market values used, and at the times assumed, in calculating the projected returns for such active prior Funds set forth herein. Also, no assurance can be given that the differential between gross and net returns for the active prior Funds mirror the historical averages of such differentials for the liquidated prior Funds. Actual realized returns for the active prior Funds will depend on various factors, including future operating results of unrealized investments, market conditions, the timing and manner of investment dispositions, operating expenses, amount and terms of indebtedness and transaction costs, all of which may differ from the assumptions and circumstances on which the projected returns for the active prior Funds are based. Accordingly, the actual returns of the active prior Funds may differ materially from the projected returns set forth herein.

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Closed-End Fund Cash Flow

(US $)

Firm Name TA Realty
Fund Name Fund I
Fund Vintage Year 1987

Current TVPI Multiple, Net	1.2x
Current DPI Multiple, Net	1.2x
Current Investor IRR, Net	2.3%

Date	Capital Called from Fund Limited Partners (Including Mgmt and Other Fees)	Distributions, Net to Fund Limited Partners	Reported Fund Net Asset Value (1)	Embedded Carry Based on Current Reported Value (2)	Total Cash Flow to Fund Limited Partners
10/7/1987	(12,150,000)			NA	(12,150,000)
3/25/1988	(27,135,000)			NA	(27,135,000)
6/30/1988	(4,590,000)			NA	(4,590,000)
8/11/1988	(2,950,000)			NA	(2,950,000)
10/3/1988	(34,425,000)			NA	(34,425,000)
12/31/1988		697,134		NA	697,134
3/31/1989		1,900,000		NA	1,900,000
5/1/1989	(27,058,750)			NA	(27,058,750)
6/30/1989		1,466,185		NA	1,466,185
9/30/1989		1,570,000		NA	1,570,000
12/4/1989	(27,118,750)			NA	(27,118,750)
12/31/1989		1,468,083		NA	1,468,083
3/31/1990		1,830,000		NA	1,830,000
4/17/1990	(13,487,500)			NA	(13,487,500)
6/30/1990		2,578,083		NA	2,578,083
9/30/1990		2,446,000		NA	2,446,000
12/31/1990		2,410,106		NA	2,410,106
1/28/1991	(6,834,300)	2,449,000		NA	(4,385,300)
3/31/1991				NA	0
5/30/1991	(6,750,700)			NA	(6,750,700)
6/30/1991		1,814,939		NA	1,814,939
9/30/1991		2,200,000		NA	2,200,000
12/31/1991		2,471,260		NA	2,471,260
3/31/1992		2,468,301		NA	2,468,301
6/30/1992		1,540,520		NA	1,540,520
9/30/1992		1,540,515		NA	1,540,515
12/31/1992		993,879		NA	993,879
3/31/1993		971,587		NA	971,587
6/30/1993		875,000		NA	875,000
9/30/1993		850,000		NA	850,000
12/31/1993		850,000		NA	850,000
3/31/1994		3,974,386		NA	3,974,386
6/30/1994		1,750,000		NA	1,750,000
9/30/1994		1,750,000		NA	1,750,000
12/31/1994		1,750,000		NA	1,750,000
3/31/1995		1,750,000		NA	1,750,000
6/30/1995		976,185		NA	976,185
9/30/1995		1,749,995		NA	1,749,995
12/31/1995		1,000,000		NA	1,000,000
3/31/1996		1,978,100		NA	1,978,100
6/30/1996		1,250,000		NA	1,250,000
9/30/1996		1,750,000		NA	1,750,000
12/31/1996		2,000,000		NA	2,000,000
3/31/1997		8,250,000		NA	8,250,000
6/30/1997		1,968,894		NA	1,968,894
9/30/1997		27,306,390		NA	27,306,390
12/31/1997		2,500,000		NA	2,500,000
3/31/1998		2,500,000		NA	2,500,000
6/30/1998		24,337,468		NA	24,337,468
9/30/1998		3,491,682		NA	3,491,682
12/31/1998		4,969,419		NA	4,969,419
3/31/1999		2,984,103		NA	2,984,103
6/30/1999		1,500,000		NA	1,500,000
9/30/1999		17,897,963		NA	17,897,963
12/31/1999		1,999,729		NA	1,999,729
3/31/2000		3,000,000		NA	3,000,000
6/30/2000		27,367,813		NA	27,367,813
9/30/2000		2,969,383		NA	2,969,383
12/31/2000		1,484,705		NA	1,484,705
3/31/2001		2,891,467		NA	2,891,467
9/28/2001		774,642		NA	774,642
Total	($162,500,000)	$195,262,916	$0	$0	$32,762,916

For column "F", only show current reported value for most recent time period, do not show interim values.

(1) Please enter the reported net asset value of remaining investments in the fund (excluding fund sidecars, etc.). Please include a footnote explaining methodolo
(2) Please enter any embedded carry based on the current reported value for fund investments.

NEPC, LLC

Firm: Invesco Private Capital, Inc. ("the firm")

Strategy/Product: Invesco Partnership Fund IV & VI

Client: Massachusetts Water Resources Authority Retirement System

NEPC Manager Due Diligence Questionnaire - Update

Instructions
In support of our upcoming meeting we ask that you please complete this due diligence questionnaire. Please provide your responses in the form of brief descriptions, lists or tables added directly to this Word document.

Thank you for taking the time to complete this questionnaire. Please note that all materials submitted in relation to MWRA Retirement System may be subject to disclosure consistent with Massachusetts Public Record laws.

Firm/Organization

1. Have there been any changes in ownership or management in the past year?

Invesco Private Capital, Inc. (the investment center ultimately responsible for day-to-day management of the Invesco Partnership Fund IV & VI) is indirectly owned 100% by Invesco Ltd.

There have been no changes in ownership or management relating to Invesco Partnership Fund IV & VI. Additionally, there have been no changes to Invesco's ownership (public firm) over the past year.

2. List firm AUM, net flows and accounts gained/lost for the past 5 years.

Invesco Private Capital managed approximately $2.2 billion as of February 28th, 2022. Strategy flow information is not available for external distribution.

Collectively, Invesco Ltd.'s specialized investment teams manage $1,610.9 billion (as of December 31, 2021) in assets under management globally across a diversified set of distinct investment strategies spanning major equity and fixed income asset classes, asset allocation, and alternatives, including real estate, private equity and commodities.

These capabilities are delivered through multiple distinct investment centers and teams designed around specific asset classes, styles, or regional expertise. Each investment team adheres to clearly defined investment philosophies and processes aligned with client expectations. Each of the firm's investment teams employs local investment risk oversight, which is augmented by regional and global risk management policies, practices, and procedures.

Invesco Ltd. manages approximately $1,610.9 billion as of December 31, 2021. Provided below are firm level AUM and net flows for the past 5 years as of December 31:

Year	AUM (US $ Billions)	Long-term inflows (US $ Billions)	Long-term outflows (US $ Billions)	Long-term net flows (US $ Billions)
2017	$937.60	$183.3	$(178.8)	$4.5
2018	$888.20	$209.8	$(248.8)	$(39.0)
2019**	$1,226.17	$227.5	$(261.9)	$(34.4)
2020	$1,349.92	$310.9	$(326.6)	$(15.7)
2021	$1,610.91	$426.8	$(345.4)	$81.4

**Invesco acquired Oppenheimer Funds on May 24, 2019 resulting in an increase of AUM of approximately $224.4 billion

Provided in the table below are firm level accounts gained/lost for the past 5 years:
As a reference, at the firm level, accounts reflect separately managed accounts, mutual funds, ETFs and commingled vehicles. Accounts do not include gain/loss of participants within mutual fund, ETFs or commingled vehicles.

TOTALS		
Year	**GAINS (#)**	**LOSSES (#)**
2021	284	306
2020	232	304
2019	195	234
2018	222	125
2017	271	159

3. **Have there been any new or discontinued products in the past year?**

   Invesco Ltd. continues to execute the firm's long-term strategy, which further improves the firm's ability to serve clients. The firm conducts an annual strategic planning process in which senior leaders assesses the macro environment and opportunities within the markets in which the firm operates, together with the growth, needs and budgets of the firm's business operations around the world. The firm takes a disciplined approach to managing the company, and allocates resources to the opportunities that will best benefit clients and its global business over the long term. Long-term strategic priorities are outlined below, along with key steps Invesco is taking to achieve them.

   Invesco Ltd. regularly reviews its existing product line and works to bring quality investments to clients in different regions or channels. The firm offers a comprehensive product line by investment asset class, geography, and investment vehicle. From time-to-time, there exist opportunities to expand the product offering. To facilitate this process, product introductions are vetted carefully through an overall development process which is a combination of a global committee, coupled with regional product development forums. These committees and forums are in place to ensure investment and operational merit of a new product, and include a collection of leaders within Product Development, Investments, Operations, Legal and Compliance. This approach enables the firm to introduce investment strategies that are aligned with client expectations, represent the best of the firm, and will have longevity in their ability to achieve their stated investment processes and philosophy.

4. **Are any products capacity constrained?**

   The following US Mutual Funds are currently in limited offering:

   - Invesco Developing Markets Fund
   - Invesco International Small-Mid Company Fund
   - Invesco MSCI World SRI Index Fund
   - Invesco Discovery Fund
   - Invesco Small Cap Growth Fund
   - Invesco High Yield Municipal Fund

5. **Describe any current or pending regulatory, compliance or litigation issues and the expected business impact.**

   From time to time, Invesco Advisers, Inc., which has and maintains robust compliance programs and practices that comply with Rule 206(4)-7 under the Investment Advisers Act of 1940 and Rule 38a-1 of the Investment Company Act of

1940, may receive formal or informal requests from governmental or regulatory bodies about their activities. No requests currently pending are expected to result in any matter that could have a material adverse impact on the business or operations.

From time to time, Invesco's US registered investment advisers may be involved in legal proceedings. No legal proceedings currently pending are expected to have a material impact on the business or operations of any such advisers.

6. Describe your diversity, equity and inclusion efforts with regard to the firm and its employees.

Invesco's commitment to diversity, equity and inclusion in the workplace is demonstrated in numerous ways across the organization, from the most fundamental principles regarding equal opportunity and non-discrimination to our ongoing commitment to attract and retain diverse talent through inclusive recruitment, hiring, and professional development initiatives. Our Employee Handbook details our Equal Employment Opportunity, Anti-Discrimination policies and Diversity & Inclusion policies. While this document is for internal use only, we have provided relevant excerpts below.

Equal Employment Opportunity
Invesco's culture of inclusivity and its commitment to diversity in the workplace are demonstrated through our people practices. We are proud to be an equal opportunity employer. All qualified applicants will receive consideration for employment without regard to race, creed, color, religion, sex, gender, gender identity, sexual orientation, marital status, national origin, citizenship status, disability, age, or veteran status. Our equal opportunity employment efforts comply with all applicable U.S. state and federal laws governing non-discrimination in employment.

In accordance with the Americans with Disabilities Act (ADA), Invesco will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship to the organization.

Our equal opportunity employment policies govern all aspects of employment, including selection, job assignment, compensation, promotions, discipline, termination, and access to benefits and training. Employees with questions about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their managers or local HR representative.

Employees can raise concerns and make reports without fear of reprisal. Employees can also contact their department head or compliance official if they are uncomfortable speaking to their manager or your local HR representative.

Anyone found to be engaging in any type of unlawful discrimination or retaliation will be subject to disciplinary action up to and including termination of employment.

Anti-Discrimination Policy
Invesco is committed to providing a work environment free of sexual or any form of unlawful harassment or discrimination. Harassment or discrimination against individuals on the basis of race, religious creed, color, national origin, age, ancestry, physical and/or mental disability (including HIV and AIDS), medical condition, genetic information, marital status, sex (childbirth, breastfeeding and medical conditions relating to pregnancy, childbirth or breastfeeding), gender, gender identity, gender expression, age, sexual orientation, and military and/or veteran status, and/or any other classification protected by state, including California's Fair Employment and Housing Act, or federal laws is illegal and prohibited by Invesco policy.

Anyone interacting with an employee—including co-workers, supervisors, managers, and third parties— is prohibited from engaging in any discriminatory, harassing, or retaliatory conduct. Such conduct by or towards any employee, co-worker, contract worker, customer, vendor, supervisor, manager, or anyone else who does business with Invesco will not be tolerated. Any employee or contract worker who violates this policy will be subject to disciplinary action, up to and including termination of his/her employment or engagement. Invesco will also take appropriate corrective action in the event that a customer, vendor, or other person with whom we do business engages in unlawful harassment or discrimination.

In furtherance of this commitment, the company provides harassment and discrimination training to its employees. New supervisors must complete the sexual harassment training within six months of assuming a supervisory position, with ongoing refresher training based on regional regulatory requirements.

Diversity and Inclusion
Workforce Diversity is a business imperative that will impact our growth in markets around the world, our ability to attract and retain talented staff successfully, and ultimately, the value of our brand equity. As a global firm serving clients around the world, we believe a culture of inclusiveness is critical to our long term success. Consistent with our business principle that "working together, we achieve more", we promote a collaborative culture that respects individuality and rewards teamwork. Valuing our inherent diversity of cultures, experiences and perspectives gives all of our employees the opportunity to contribute their best work, be recognized for their unique abilities and contribute to Invesco's success. We accomplish this goal by:

- Building diversity awareness through relevant communications and training programs.

- Recruiting and retaining a workforce reflecting the communities in which we operate.
- Where practical, working with vendors representative of the local markets in which we operate.
- Implementing human resource management policies and practices to create an environment that optimizes the full potential of our employees
- Offering support to community and charitable organizations. It is expected that all Invesco managers appreciate the differences in perspectives that our employees bring to the table, that all of those employees are treated professionally, with respect, and are encouraged and supported in pursuing opportunities to maximize their full potential on the job.

It is expected that all Invesco managers appreciate the differences in perspectives that our employees bring to the table, that all of those employees are treated professionally, with respect, and are encouraged and supported in pursuing opportunities to maximize their full potential on the job.

Additionally, Invesco's Global Code of Conduct takes a clear stance on all types of harassment and discrimination and provides detailed guidance on how to report violations of the Code.

Portfolio Management Team

1. **Have there been any changes in the portfolio management team in the past year?**

   No. There have been no changes to the investment team as of December 31, 2021.

2. **Are there any expected changes to the team in the future (planned additions or departures)?**

   To the best of our knowledge, there are not any expected changes to the Portfolio Management Team responsible for the Invesco Partnership Fund VI.

Process

1. **Have there been significant changes in any of the areas below in the past year?**
    - **Identification of investment ideas**

      No.
    - **Process for exploring and vetting ideas**

      No.
    - **Portfolio trading practices including buy/sell rules**

      No.
    - **Approach to portfolio monitoring and risk management**

      No.

Philosophy

1. Describe recent changes in investment philosophy, if any.

While enhancements have been made as transparency in the industry has improved, Invesco Private Capital’s basic philosophy has not changed since the Fund's inception.

Portfolio

1. **If not included in your meeting presentation, provide portfolio holdings, sector exposure, geographic exposure and common characteristics (yield, duration, market cap, P/E, etc.).**

   Not applicable. Invesco Partnership Fund VI, L.P. is almost fully realized, and IV is fully realized.

2. **List strategy AUM, net flows and accounts gained/lost for the past 5 years.**

   Strategy flows are not available for external distribution.

3. **Describe investor concentration for the strategy and note the percent of AUM attributable to the top five investors.**

   The strategy has a diverse mix of client types, as shown in the chart below.

Corporate	17.3%
Foundation/Endowment	2.0%
HNW/Family	35.3%
Insurance/Financial	9.1%
Taft-Hartley	11.5%

Source: Invesco. As of September 30, 2021.

Performance / Market Outlook

1. **If not included in your meeting presentation, provide trailing returns as of the most recent quarter-end and calendar year returns for the past 10 years, both relative to benchmark.**

   Performance information is included in the attached presentation.

2. **Briefly discuss recent performance trends and identify environments in which the strategy is likely to be in or out of favor.**

   The team sees clear and growing opportunity within early-stage venture. Predictably, inflation in mega VC fund sizes as well as non-traditional investor participation has led to higher and fast-growing valuations at the later stage, while early-stage valuations have shifted only modestly above historical averages. As a result, early stage is more clearly delineated from late stage than ever before. IPC believes that the strongest returns will still come from seed and early venture funds where entry valuation matters most, and that access to the best VCs and deal flow are paramount. It is worth noting that the inflation in late-stage valuations and funding rounds has been a positive for early-stage venture investors, creating more liquidity downstream for early-stage investments and another potential exit path for investors. We have increasingly seen early-stage investors selling into larger late-stage rounds at premium valuations rather than waiting for a M&A event or an IPO for an exit.

3. **Describe your market outlook and how strategy positioning is impacted by your views.**

   IPC believes that over the past 30 years, venture capital has been one of the most important forces in the global economy, and that demand for venture capital investment remains strong as the country's entrepreneurial culture fosters a growing number of start-ups. Additionally, while the global economy continues to cope with regional growth cycles, political conflicts and a global pandemic, IPC believes the fundamental factors driving demand for venture capital investment have not diminished.

   With each new wave of technology breakthroughs, IPC believes the velocity of change and disruption driving venture capital has accelerated. Over the years, IPC has observed many incumbent products, companies, and industries get entirely displaced at an increasingly rapid pace. Historically, this phenomenon had been commonplace in technology-centric industries – whereby newer technology was constantly displacing older technology. Today, technology is transforming almost every facet of our lives, with innovation displacing industries from agriculture to construction, transportation, and nearly every segment of the services sector.

As this disruption takes place, IPC believes compelling opportunities continue to emerge for investors. IPC believes that venture capital backed companies remain at the forefront of capitalizing on those opportunities.

4. **Could you please include a slide in your presentation that sows the MWRA's account history, initial contribution, cumulative subsequent contributions, cumulative subsequent distributions, gain/loss and current value.**

   Yes, this is included in our presentation.

Important Disclosure

<u>For Existing Invesco Partnership Fund IV & VI Investors in the US. Please do not redistribute this document without permission from Invesco Advisers Inc.</u>
<u>NOT FDIC Insured, May Lose value, No Bank Guarantee</u>

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For important information on risks associated with this product, see the Risk Factors and Conflicts of Interest section of the PPM, on page 15 of the Private Placement Memorandum.

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This information is being delivered to the types of investors listed on the cover in order to assist them in determining whether they have an interest in the type of fund described herein. It has been prepared solely for information purposes. The distribution and offering of the Fund in certain jurisdictions may be restricted by law. Persons into whose possession this document may come are required to inform themselves about and to comply with any relevant restrictions. Persons interested in acquiring funds should inform themselves as to (i) the legal requirements in the countries of their nationality, residence, ordinary residence or domicile; (ii) any foreign exchange controls and (iii) any relevant tax consequences.

United States

In the US, further information can be obtained from Invesco Private Capital, Inc., 1166 Avenue of the Americas, 25th Floor, New York, NY 10036.

NOT FDIC Insured, May Lose Value, No Bank Guarantee

Invesco Private Capital is an investment adviser; it provides investment advisory services to individual and institutional clients and does not sell securities. Invesco Distributors, Inc. is the placement agent for the fund. Both are indirect, wholly owned subsidiaries of Invesco Ltd.

Invesco

MWRA Retirement System

March 2022

Jake Passero
Director – US Institutional

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Portfolio Overview

Invesco Partnership Fund VI

Portfolio Overview: Invesco Partnership Fund IV & VI
MWRA Retirement System

As of September 30, 2021

Partnership Name	Commitment	Total Contributions[1]	Cumulative Distributions	+ Estimated NAV	= Total Value
INVESCO Partnership Fund IV	$3,000,000	$2,282,765	$4,792,026	$0	$4,792,026

- Total value to cost currently stands at 2.10x
- Net IRR for the fund is 9.2%

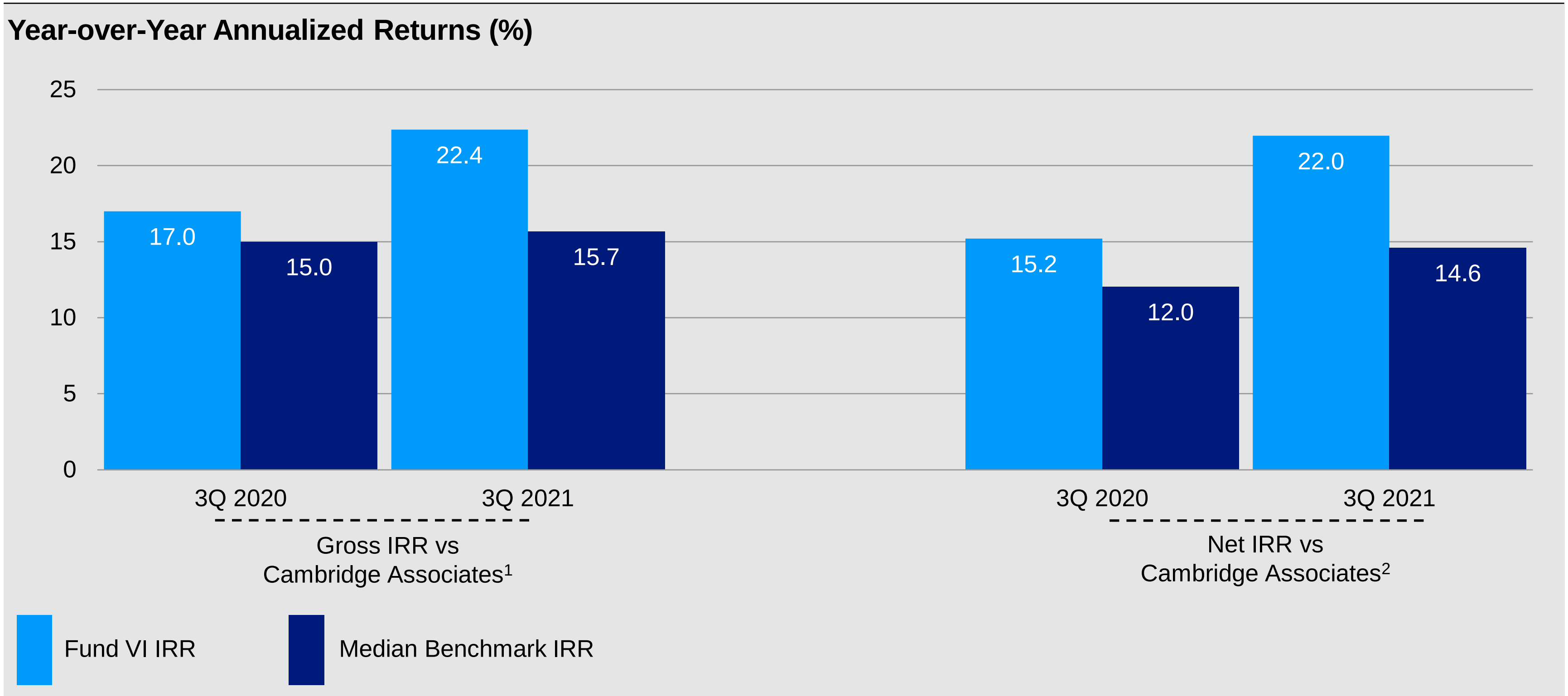
Partnership Name	Commitment	Total Contributions[1]	Cumulative Distributions	+ Estimated NAV	= Total Value
INVESCO Partnership Fund VI	$5,000,000	$3,958,354	$10,265,320	$3,834,525	$14,099,845

- Total value to cost currently stands at 3.56x
- Net IRR for the fund is 21.96%

1 Management fees are paid inside of capital commitments, therefore, total contributed capital includes the management fees paid through 9/30/2020.

Invesco Partnership Fund VI

Gross & Net "diversified" Performance vs. Benchmarks



Returns as of 9/30/20 and 9/30/21. Past performance is not a guarantee of future results. Any reference to a ranking, a rating or an award does not provide a guide to future results and is not constant over time. Gross "diversified" IRR represents investment level performance and is net of underlying funds' fees and expenses, gross of IPC's fees and expenses. Net "diversified" IRR represents fund level performance and is net of both underlying funds' and IPC's fees and expenses. "Diversified" IRRs calculated at the diversified fund level: 30% International Partnership Fund VI, 25% U.S. Venture Partnership Fund VI and 45% U.S. Buyout Partnership Fund VI.

1 Cambridge Associates Venture Capital, Buyout, and Growth Equity (2011 vintage) as of 9/30/20 and 9/30/21.

2 Cambridge Associates Private Equity Fund of Funds Index (2011 vintage) as of 9/30/20 and 9/30/21. Invesco Partnership Fund VI is a 2011 vintage year fund-of-funds, therefore a 2011 fund-of-funds benchmark is most appropriate.

Invesco Partnership Fund VI

Amended and Restated Private Placement Memorandum – CONFIDENTIAL

Dated: November 2011

Limited Partnership Interests in:

- Invesco Partnership Fund VI, L.P.
- Invesco U.S. Venture Partnership Fund VI, L.P.
- Invesco U.S. Private Equity Partnership Fund VI, L.P.
- Invesco International Partnership Fund VI, L.P.

Securities offered by Invesco Distributors Inc., a registered broker dealer affiliated with Invesco. Member FINRA/SIPC.

Invesco Partnership Fund VI $350,000,000

This memorandum (as it may be amended and supplemented in writing from time to time, this "**memorandum**") is provided on a confidential basis solely for the information of those persons to whom it is transmitted so that they may consider an investment in the limited partner interests (the "**interests**") of the funds described herein, and neither this memorandum nor the information contained herein are to be reproduced or distributed to others, at any time, in whole or in part, for any purpose, or used for any other purpose, and all recipients agree they will keep confidential all information contained herein not already in the public domain and will use this memorandum for the sole purpose of evaluating a possible investment in the interests. Acceptance of this memorandum by prospective investors constitutes an agreement to be bound by the foregoing terms. Prospective investors are not to construe the contents of this memorandum as legal, business, tax, accounting, investment or other advice. Each prospective investor should consult its own advisers as to legal, business, tax, accounting, ERISA and other related matters concerning an investment in the interests.

In making an investment decision, investors must rely on their own examination of the funds and the terms of the offering, including the merits and risks involved. The interests have not been recommended by any U.S. federal or state or any non-U.S. securities commission or regulatory authority. Furthermore, the foregoing authorities have not reviewed or passed upon the accuracy or adequacy of this memorandum or the merits of the offering described herein. Any representation to the contrary is unlawful.

The interests are being offered as a private placement to a limited number of investors and will not be registered under the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "**Securities Act**"), or any the securities laws of any state or non-U.S. jurisdiction. The interests may not be transferred or sold without compliance with all U.S. federal and state and non-U.S. securities laws. The transferability of the interests will be further restricted by the terms of each fund's partnership agreement. Investors should be aware that there will be no public market for the interests and investors may be required to bear the financial risks of an investment in the interests for an indefinite period of time.

The funds described herein will not be registered under the Investment Company Act. Consequently, investors will not be afforded the protections of the Investment Company Act.

This memorandum does not constitute an offer to sell, or the solicitation of an offer to buy, any interests in any state or other jurisdiction where, or to or from any person to or from whom, such offer or solicitation is unlawful or not authorized or to any person who is not an "accredited investor" as defined in Regulation D under the Securities Act. Interests will be offered only in such non-U.S. jurisdictions, if any, as the general partner of the funds (the "**General Partner**") approves in advance in its sole discretion.

No person other than the General Partner has been authorized to give any information or to make any representation concerning the funds or this offering or to make any representation not contained in this memorandum, and, if given or made, such information or representation must not be relied upon as having been authorized by the funds, Invesco Private Capital, Inc., Invesco Distributors, Inc. or any of their affiliates. To invest in the funds, each prospective investor will be required to execute an agreement of limited partnership, a limited power of attorney and a subscription agreement. In the event that any terms, conditions or other provisions of such agreements (or any related agreements) are inconsistent with or contrary to the description of terms set forth in this memorandum, the terms, conditions and other provisions of such agreements shall control. Before the final closing of the funds, the General Partner and its affiliates reserve the right to modify any of the terms of the offering and the interests described herein. Upon request, this memorandum and any copies thereof are to be returned in their entirety to the General Partner.

Certain information contained in this memorandum constitutes "forward looking statements" that can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "estimate," "intend," "continue," or "believe" or the negatives thereof or other variations thereon or comparable terminology. Furthermore, any projections or other estimates in this memorandum, including estimates of returns or performance, are "forward looking statements" and are based upon certain assumptions that may change. Due to various risks and uncertainties, including those set forth under "Certain Investment Considerations," actual events or results or the actual performance of the funds may differ materially from those reflected or contemplated in such forward-looking statements. Moreover, actual events are difficult to project and often depend upon factors that are beyond the control of the General Partner and its affiliates. Neither the delivery of this memorandum at any time nor any sale hereunder shall under any circumstances create an implication that the information contained herein is correct as of any time after the earlier of the relevant date specified herein or the date of this memorandum. The information contained in this memorandum has been compiled as of September 30, 2011 (unless otherwise stated herein) from sources believed to be reliable, but none of the funds, Invesco Private Capital, Inc. or any of its affiliates has independently verified any of the information contained herein. The funds and the adviser expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any information contained herein.

Targeted percentage allocations in a fund may vary from actual commitments due to changes in market opportunities.

An investment in the interests involves significant risks, including possible loss of all or a part of your investment, due to, among other things, the nature of the funds' investments. See "Certain Investment Considerations" in this memorandum. Investors must have the financial ability and willingness to accept the risks and lack of liquidity characteristic of the investment described herein.

With respect to all performance information, investors are advised that past performance is no guarantee of future results.

See Appendix B for legends for non-U.S. investors.

The securities described above are offered through Invesco Distributors, Inc., Member FINRA/SIPC. As with all investments, there are associated inherent risks, please obtain and read all information carefully before you decide to invest. It is not our intention to state, indicate or imply in any manner that current or past results are indicative of future profitability or expectations.

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Executive Summary

Invesco Private Capital, Inc. ("**IPC**," "**Invesco Private Capital**" or the "**Adviser**") is seeking to raise $350 million in commitments for Invesco Partnership Fund VI, a global private equity fund-of-funds.

IPC has been investing in the private markets since 1981,[1] backing industry-leading venture, buyout and other private equity funds (see page 35). Since inception, IPC has managed partnership investments in full discretion separate account structures and, in 1996, IPC raised its first commingled fund-of-funds. Our latest offering provides investors with the opportunity to gain meaningful access to the private markets, leveraging our unique strengths, expertise and differentiated approach, as outlined below.

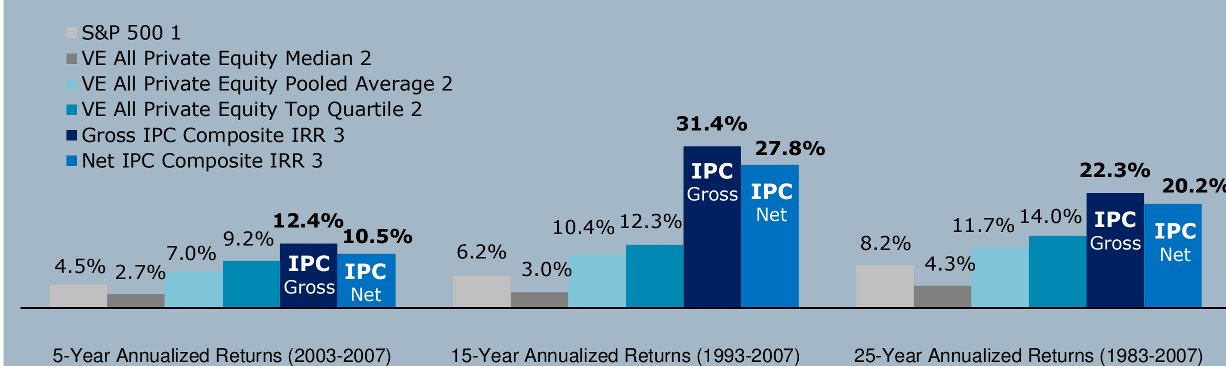
Long Investment History

With nearly 30 years of experience, IPC was among the first managers to actively invest in private equity partnerships. Since its inception, IPC has committed over $4.2 billion in capital to more than 450 private equity partnerships, resulting in over 240 general partner relationships and an extensive, proprietary network of industry contacts. See Appendix A-2 for a list of partnership fund investments made since 1996.

Strong and Verifiable Track Record

IPC has generated strong returns for our investors over multiple market cycles since 1981. By consistently selecting quality managers within each vintage year, the IPC composite has achieved strong performance over 25, 15 and 5-year periods (illustrated below) and each of our fund-of-funds has generated top or second quartile performance on both a gross and net basis. See the "Summary of Investment Performance" section (page 4) for further detail on fund performance.

IPC Composite Performance as of 06/30/11



Past performance is not indicative of future results. Please refer to important disclosure related to this composite.

Any reference to a rating, a ranking or an award provides no guarantee of future performance results and is not consistent over time.

[1] Including through predecessors.

Consistent Investment Strategy

IPC has employed a consistent and time-tested investment strategy across our portfolios, resulting in top or second quartile performance across funds and a strong composite track record. Key elements of our strategy are outlined below.

Broad Diversification:
The unpredictable nature of economic cycles and the illiquid characteristics of the private markets work against investors who attempt to time their exposure to the asset class. IPC believes that a more successful investment strategy is to gain broad exposure over several vintage years by backing a select group of high-quality managers who employ diverse styles across geographies, industries, investment stages and strategies. This approach provides greater potential for long-term value creation and effectively mitigates the inherent volatility of a global economy. See the "Invesco Partnership Fund VI" section (page 25) for further detail on diversified portfolio options.

Middle Market Focus:
IPC invests primarily with partnership groups that manage smaller pools of capital and who reasonably manage the growth of capital under management with each successive fund. At a macro-level, we generally believe it is easier to compound returns on smaller pools of capital relative to very large funds, a belief that is supported by empirical evidence (see page 17). IPC therefore tends to favor small and mid-sized buyout funds under $1 billion and venture funds under $300 million, though we will selectively back a small number of larger, top tier managers. Historically, over 75% of the buyout funds to which IPC has committed are under $1 billion and 80% of IPC's venture funds are under $300 million, with a strong bias toward early stage venture. See"The Effects of Fund Size on Outperformance" section (page 17).

Allocations to New and Emerging Managers:
IPC believes that higher risk-adjusted returns can be captured by investing in new and emerging managers alongside a core private equity portfolio of top tier, established funds. These new managers often have a differentiated investment approach, an appropriately scaled asset base and greater alignment of interest than their more established peers. Through our recent emerging manager allocations, IPC had early exposure to some of today's more prominent new companies, such as zynga, twitter and etsy (see chart on page 19). IPC is mindful of the fact that each of today's top tier firms was once an emerging manager and, therefore, we plan to allocate our fund investments approximately 75% to established funds and 25% to new and emerging funds. See the "Opportunities to Back New and Emerging Managers" section (page 18).

Emphasis on Operational Value-Add:
Through nearly 30 years of experience, IPC has seen that the best private equity managers are those that understand the value of hands-on assistance in building lasting companies. IPC invests in groups with a demonstrated track record of providing coaching to management teams and making meaningful contributions to the success of their portfolio companies. Moreover, we prefer to back firms that have operating partners resident within their teams. See"The Importance of Operating Assistance and Coaching" section (page 19).

Disciplined Growth and Investment Focus:
A cornerstone of IPC's philosophy is disciplined fund growth, enabling us to deploy capital nimbly and effectively. Although fund-of-funds management is a highly scalable business, IPC chooses to remain small and focused rather than to raise ever larger pools of capital. Our fund-of-funds are typically sized from $300 to $500 million, allowing us to build diversified portfolios while maintaining a lean investment team that is able to operate collaboratively as a single investment committee without sector or geographic silos.

Seasoned Investment Team

Philip Shaw and Henry Robin co-head IPC’s partnership team, working alongside six additional investment professionals in New York, San Francisco and London. IPC’s two senior investment professionals, Phil Shaw and Henry Robin, and venture partner, Ray Maxwell, each have over 20 years of private equity investment experience. Together, the team works cohesively as a single investment committee to source, review and approve each partnership investment. IPC has a strong preference toward maintaining a lean investment team to preserve the collaborative and cohesive nature of our investment process. We wish to remain small and focused and to avoid an environment conducive to sector, geographic or other limiting investment silos.

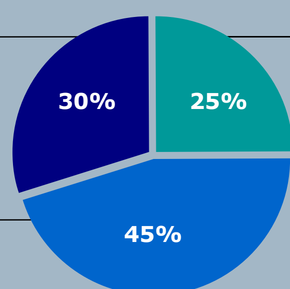
The investment team is also supported by an experienced business management group of 16 private equity professionals, as well as certain global resources of Invesco Ltd, including legal and compliance professionals. See “Invesco Private Capital Professionals” section (page 36) for detail on the above individuals.

Invesco Partnership Fund VI

As a continuation of our core private equity strategy, we are pleased to offer Invesco Partnership Fund VI, our sixth partnership fund-of-funds consisting of a diversified global portfolio of venture, buyout and special situation partnerships.

Invesco Partnership Fund VI continues IPC’s flexible product approach that allows investors to customize their private equity partnership exposure to suit their particular portfolio needs. Investors have the option to select either (1) a broadly diversified global portfolio according to specific IPC selected weightings described in the chart below; or (2) a customized portfolio using sector weightings determined by each investor.

Diversified Global Fund: Allocations to Sector Funds



International
- Venture
- Buyouts
- Expansion Capital
- Turnarounds/Distressed
- Special Situations

U.S. Private Equity
- Buyouts
- Expansion Capital
- Turnarounds/Distressed
- Mezzanine
- Special Situations

U.S. Venture
- Early Stage
- Balanced Stage
- Late Stage

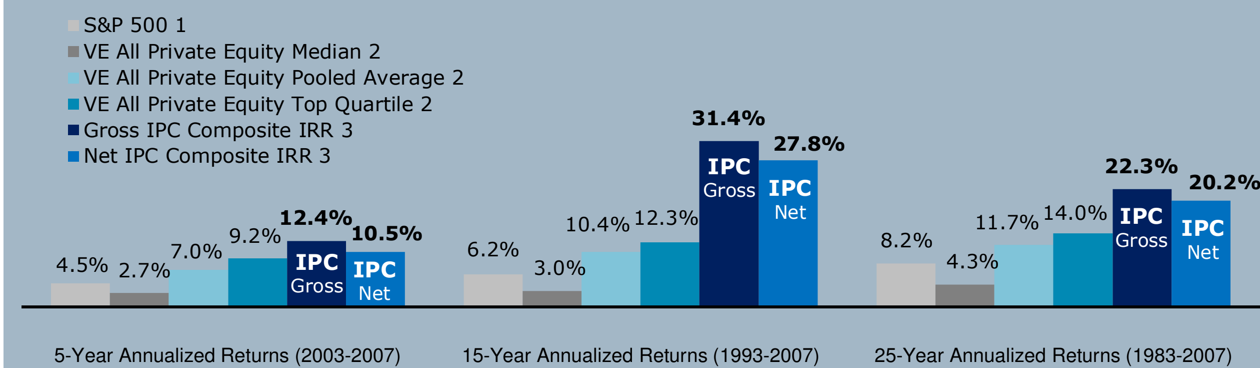
See the “Invesco Partnership Fund VI” section (page 25) for further details on the offering and diversified portfolio options.

Summary of Investment Performance

Founded in 1981, Invesco Private Capital is a highly experienced manager in the private equity industry. Since inception, IPC has committed over $4.2 billion to more than 450 partnerships. IPC has managed partnership fund assets for separately managed accounts since 1981 and, in 1996, began offering commingled products through our fund-of-funds vehicles. Since inception, IPC has demonstrated a strong track record across multiple market cycles, creating value for our investors over the long term.

For each of the 5-, 15- and 25-year periods shown below, IPC's gross and net internal rates of return on all investment commitments made during the specified vintage year periods are shown on the two righthand bars. Because there is no net fund-of-funds benchmark available over comparable time horizons, we have benchmarked IPC's gross performance, which is net of all fees, expenses and carried interest of the underlying funds, against the relevant private equity benchmarks for the corresponding vintage years. IPC's gross performance is top quartile for all three measurement periods and is comfortably above both median and pooled average returns.

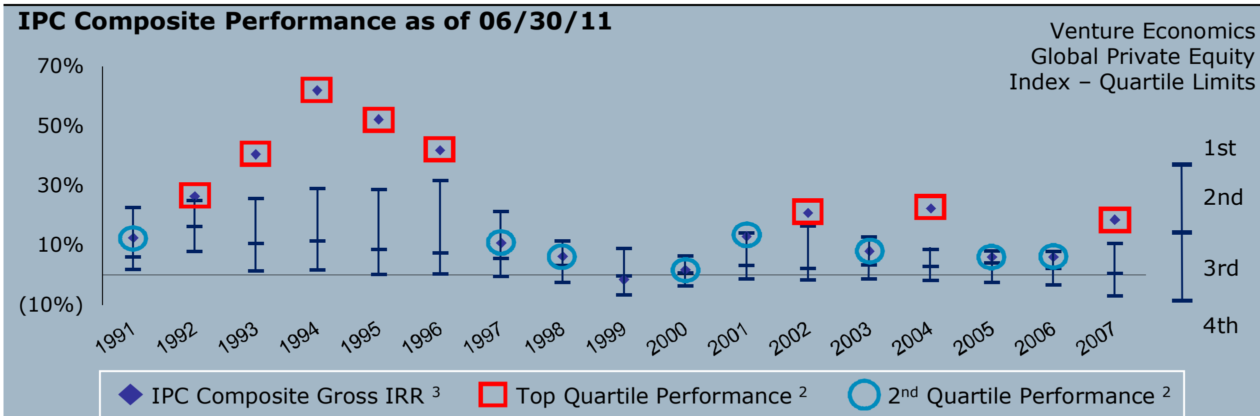
IPC Composite Performance as of 06/30/11



Past performance is not indicative of future results. Please refer to important disclosure related to this composite.

As demonstrated in the chart above, IPC's investment performance has been attractive across long investment horizons. In addition to the time series measurements, IPC has also been consistent across vintage years in selecting top and second quartile funds. For the seventeen mature vintage years shown in the graph below, the funds selected by IPC for investment have, in the aggregate, performed in the top quartile in eight of the seventeen years, second quartile in eight of the seventeen years and just below average in only one year. Thus, IPC's performance has been both consistently top quartile across various time series, and also consistently top and second quartile across individual vintage years.

IPC Composite Performance as of 06/30/11



Gross IRRs are net of all fees, expenses and carried interest charged by portfolio funds, before the deduction of IPC's management fees, expenses and carried interest. Net returns will be lower. Past performance is not indicative of future results. Please refer to important disclosure related to this composite.

From 1981 through 1996, IPC managed partnership investments through full discretion separate account structures for 15 U.S. institutional investors.

Early Separate Account Performance as of 06/30/11	Vintage Years[4]	Gross IRR[10]	Net IRR[13]
Aggregate Separate Accounts	1981-1996	24.5%	21.3%
Past performance is not indicative of future results. Separate accounts are discretionary.			

IPC launched its commingled fund program in 1996 and, for the past 15 years, each fund-of-funds has consistently achieved top or second quartile performance compared to its relevant gross and net benchmarks.

The Venture Economics All Private Equity Index is a multi-vintage year benchmark consisting of direct private equity and venture capital fund return data. The custom benchmarks are calculated to mimic the underlying portfolios of each fund-of-funds and used to benchmark gross investment-level performance. The Cambridge Associates Fund-of-Funds Index is a single vintage year benchmark consisting of net fund-of-funds return data. The index is used to benchmark net fund-of-funds performance by comparing portfolios to the benchmark of the corresponding vintage year.

Prior Fund-of-Funds Performance as of 06/30/11						Gross Benchmark		Net Benchmark	
						Venture Economics All Private Equity Index [2,11] (Multiple Vintage)		Cambridge Associates Fund-of-Funds Index[12] (Single Vintage)	
Fund Name	Vintage Year[4]	Gross IRR[10]	Quartile Rank[11]	Net IRR[10]	Quartile Rank[12]	Median	Top Quartile	Median	Top Quartile
Chancellor Partnership Fund [5]	1997	16.6%	1st	12.2 %	2nd	4.6%	15.0%	7.0%	14.3%
Invesco Partnership Fund II [6]	1999	7.3%	1st	5.2%	2nd	(0.2%)	6.8%	3.7%	9.8%
Invesco Partnership Fund III [7]	2000	10.8%	2nd	8.0%	2nd	2.7%	14.7%	6.5%	14.2%
Invesco Partnership Fund IV [8]	2004	14.2%	1st	9.8%	1st	3.6%	8.4%	5.6%	7.0%
Invesco Partnership Fund V [9]	2008	11.7%	1st	7.9%	2nd	1.4%	9.2%	6.8%	16.3%
Past performance is not indicative of future results. All fund-of-funds portfolios are discretionary.									

Based on the performance measurement statistics across all five existing co-mingled fund of funds, IPC's performance has consistently ranked on both a gross and net basis in either the top or 2nd quartile against the relevant benchmark.

Any reference to a rating, a ranking or an award provides no guarantee of future performance results and is not consistent over time. Past performance is not indicative of future results.

1 Source: Bloomberg – Total returns. Represents annualized simple price appreciation, dividends not reinvested. These returns are taken from the first trading day of the first vintage year noted through 6/30/11. Please note that these returns do not reflect the cash flows used to calculate the IPC partnership composite gross IRRs, and consequently, a direct comparison may not be meaningful. Index is unmanaged and unavailable for investment.

2 The Venture Economics All Private Equity Index reflects direct private equity returns for the vintage years shown, as of 6/30/11 and is net to the investor of a direct private equity fund (i.e., after the the expenses, carried interest on realized investment and management fee of each of the sponsor firm for the underlying fund), but would be gross to investor in a fund-of-funds vehicle (i.e., before the expenses management fees and carried interest of the general partner of the fund-of-funds vehicle). This Index includes 2,147 U.S. funds and 1,530 non-U.S. funds in the Venture Economics database. The index is used for comparative purposes only and does not reflect the risk of investment style.

3 IRRs are calculated on the basis of actual timing of daily investment inflows and outflows with the returns annualized. Composite gross IRRs represent investment level IRRs that are net of all fees, expenses and carried interest charged by portfolio funds, before the deduction of IPC management fees, expenses and carried interest. Composite net IRRs represent investment level IRRs that are net of all fees, expenses and carried interest charged by portfolio funds, and are calculated net of (a) IPC management fees, using the management fee schedule for Invesco Partnership Fund VI, assuming a 12 year fund life, and (b) a 5% carried interest taken at the end of year 12, after return of an 8% per annum preferred return. Net IRRs for individual vintage years are as follows:

Vintage	1991	1992	1993	1994	1995	1996	1997	1998	1999
Net IRR	9.9%	23.7%	38.0%	58.7%	49.8%	39.3%	8.3%	4.4%	(3.4%)

Vintage	2000	2001	2002	2003	2004	2005	2006	2007
Net IRR	0.01%	11.0%	18.4%	5.9%	20.6%	4.1%	3.8%	16.1%

The IPC Partnership Composite consists of all discretionary partnership investments aggregated by vintage year (i.e., the year a partnership investment had its first takedown of capital from limited partners), for which complete transaction records exist. IPC acquired Sovereign Financial Services, Inc. (SFS) and integrated operations on December 31, 2002. Consequently, IPC inherited a number of fully-invested SFS investment accounts. These accounts, however, do not reflect the IPC investment strategy that, under Phil Shaw, has been in place since the 1980's. Therefore, SFS is not included in the IPC partnership composite. Vintage years 2008-2011 are excluded from partnership composite performance because performance is not yet meaningful due to the early stage of the funds' investments. Management fees and expenses disproportionately affect returns in early years. This is known as the "j-curve" effect.

4 Vintage year is defined as the year during which the fund-of-funds or separate account had its first takedown of capital from limited partners.

5 The Chancellor Partnership Fund portfolio consists of 50% 1997 vintage funds and 33% 1998 vintage funds and is allocated approximately 76% to U.S. funds and 16% to W. European funds, by commitments, therefore a benchmark consisting of 1997-1998 vintage fund data for the U.S. and W. Europe is most appropriate. The benchmark median and top quartile IRR shown is the Venture Economics All Private Equity Index for vintage years 1997-1998, funds located in the U.S. and W. European region.

6 Invesco Partnership Fund II consists of Invesco Venture Partnership II, L.P., Invesco U.S. Buyout Partnership Fund II, L.P. and Invesco Non-U.S. Partnership Fund II, L.P. (collectively, "Invesco Partnership Fund II").

The IRR for Invesco Partnership Fund II is calculated at the "diversified" fund level: 30% Non-U.S. Partnership Fund II, 30% Venture Partnership Fund II and 40% U.S. Buyout Partnership Fund II. The Invesco Partnership Fund II portfolio consists of 49% 1999 vintage funds and 39% 2000 vintage funds and is allocated 75% to U.S. funds and 17% to W. European funds, by commitments, therefore a benchmark consisting of 1999-2000 vintage fund data for the U.S. and W. Europe is most appropriate. The benchmark median and top quartile IRR shown is the Venture Economics All Private Equity Index for vintage years 1999-2000, funds located in the U.S. and W. European region.

7 Invesco Partnership Fund III consists of Invesco Venture Partnership Fund III, L.P., Invesco U.S. Buyout & Expansion Capital Partnership Fund III, L.P. and Invesco Non-U.S. Partnership Fund III, L.P. (collectively "Invesco Partnership Fund III").

The IRR for Invesco Partnership Fund III is calculated at the "diversified" fund level: 30% Non-U.S. Partnership Fund III, 40% Venture Partnership Fund III and 30% U.S. Buyout and Expansion Capital Partnership Fund III. The Invesco Partnership Fund III portfolio consists of 18% 2000 vintage funds, 26% 2001 vintage funds, 35% 2002 vintage funds and 14% 2003 vintage funds and is allocated 62% to U.S. funds and 30% to W. European funds, by commitments, therefore a benchmark consisting of 2000-2003 vintage fund data for the U.S. and W. Europe is most appropriate. The benchmark median and top quartile IRR shown is the Venture Economics All Private Equity Index for vintage years 2000-2003, funds located in the U.S. and W. European region.

8 Invesco Partnership Fund IV consists of Invesco Partnership Fund IV, L.P., Invesco U.S. Venture Partnership Fund IV, L.P., Invesco U.S. LBO & Corporate Finance Partnership Fund, IV, L.P., and Invesco International Partnership Fund IV, L.P.

The IRR for Invesco Partnership Fund IV is calculated at the "diversified" fund level: 25% International Partnership Fund IV, 30% U.S. Venture Partnership Fund IV and 45% U.S. Buyout Partnership Fund IV. The Invesco Partnership Fund IV portfolio consists of 26% 2004 vintage funds, 49% 2005 vintage funds and 15% 2006 vintage funds and is allocated 76% to U.S. funds and 16% to W. European funds, by commitments, therefore a benchmark consisting of 2004-2006 vintage fund data for the U.S. and W. Europe is most appropriate. The benchmark median and top quartile IRR shown is the Venture Economics All Private Equity Index for vintage years 2004-2006, funds located in the U.S. and W. European region.

9 Invesco Partnership Fund V consists of Invesco Partnership Fund V, L.P., Invesco U.S. Venture Partnership Fund V, L.P., Invesco U.S. Buyout Partnership Fund, V, L.P., and Invesco International Partnership Fund V, L.P.

The IRR for Invesco Partnership Fund V is calculated at the "diversified" fund level: 30% International Partnership Fund V, 30% U.S. Venture Partnership Fund V and 40% U.S. Buyout Partnership Fund V. The Invesco Partnership Fund V portfolio consists of 16% 2006 vintage funds, 26% 2007 vintage funds, 38% 2008 vintage funds and 12% 2010 vintage year funds and is allocated 72% to U.S. funds and 28% to W. European funds, by commitments, therefore a benchmark consisting of 2006-2008, 2010 vintage fund data for the U.S. and W. Europe is most appropriate. The benchmark median and top quartile IRR shown is the Venture Economics All Private Equity Index for vintage years 2006-2008, 2010 funds located in the U.S. and W. European region.

10 Gross IRRs represent investment level performance and are net of all fees, expenses and carried interest charged by portfolio funds, before the deduction of IPC management fees, expenses and carried interest. Net IRRs represent fund level performance and are net of all fees, expenses and carried interest charged by portfolio funds, as well as IPC management fees, expenses and carried interest.

11 Custom benchmarks used below include vintages and geographies in which each fund has an allocation greater than 10% (by commitments).

12 The Cambridge Associates Fund of Funds Index reflects median and top quartile net returns for the vintage years shown as of 6/30/11 and is net of fees, expenses and carried interest of both the fund-of-funds managers and underlying partnerships. This Index includes data from 440 funds-of-funds (excluding hard asset funds) including fully liquidated partnerships, formed

between 1986 and 2008. This index is used for comparative purposes only and does not reflect the risk associated with investment style, which may differ among fund-of-funds managers and their portfolios.

13 Net IRRs for each separate account are calculated using the management fee schedule for Invesco Partnership Fund VI, assuming a 12 year fund life and 5% carry taken at the end of year 12, subject to an 8% per annum preferred return.

Summary of Principal Terms

The following is a summary of certain information about the Global Fund and the Sector Funds and their limited partnership interests (the "**Interests**"). This summary is qualified in its entirety by reference to the Agreement of Limited Partnership of each of the Global Fund and the Sector Funds (collectively, the "**Partnership Agreements**") and the Subscription Agreements relating to the purchase of the interests in the Global Fund and the Sector Funds (the "**Subscription Agreements**"). Forms of the Partnership Agreements and the Subscription Agreements will be provided to qualified investors upon request and should be reviewed carefully. The offering made by this Memorandum is subject to modification and withdrawal.

The Funds

The Invesco Partnership Fund VI is comprised of four Delaware limited partnerships: Invesco U.S. Venture Partnership Fund VI, L.P., Invesco U.S. Private Equity Partnership Fund VI, L.P. and Invesco International Partnership Fund VI, L.P. (collectively, the "**Sector Funds**"), and for those investors selecting the Global Fund, Invesco Partnership Fund VI, L.P. (the "**Global Fund**" and together with the Sector Funds, the "**Funds**"). The Funds are organized to invest primarily in other pooled investment portfolio funds investing in alternative assets (collectively, "**Portfolio Funds**"), including investments in venture capital funds, leveraged buyout funds and special situation funds in companies worldwide. The Sector Funds may also invest directly in portfolio companies side-by-side with Portfolio Funds or other investment funds ("**Co-Investments**").

An investor may invest in one or more of the Sector Funds or the diversified Global Fund that has been designed for investors who seek global exposure to the private equity markets. To create the diversified Global Fund, 45% of its capital commitments will be invested in the U.S. Private Equity Sector Fund, 25% will be invested in the U.S. Venture Sector Fund and 30% will be invested in the International Sector Fund. As an alternative to the Global Fund investors may instead select different percentages by allocating their commitments directly to one or more Sector Funds to better suit their needs. However, once fixed, an investor's commitment percentages may not be changed.

Depending upon the characteristics of the investors in the Funds, one or more vehicles (commonly referred to as 3(c)(1) and/or 3(c)(7) funds) may be created to address certain U.S. securities law issues. Non-U.S. vehicles can be made available for investors who prefer to invest in vehicles organized outside the United States.

The General Partner

The General Partner of each Fund (the "**General Partner**") will be organized as a Delaware limited liability company whose managing member will be Invesco Private Capital, Inc. ("**IPC**" or the "**Adviser**") or one of its affiliates or an entity controlled by IPC, and whose other members may include IPC's investment professionals. The General Partner will make all investment decisions for the Funds.

The Adviser

IPC will provide management services to the Sector Funds, including investigating, analyzing, structuring and negotiating potential investments, monitoring the performance of each Sector Fund's portfolios, and advising the Sector Funds as to disposition of investments.

IPC is a wholly owned subsidiary of Invesco Ltd., a Bermuda company trading on the New York Stock Exchange, with $598.4 billion of assets under management as of September 30, 2011.

The Adviser is a registered investment adviser under the Investment Advisers Act of 1940, as amended, and the rules and regulations promulgated thereunder (the "**IAA**").

Investment Guidelines

Each of the Sector Funds will target at least 80% of its investments in its core focus. The Invesco U.S. Private Equity Partnership Fund VI will target at least 80% of its investments in Portfolio Funds investing primarily in U.S.-based buyouts, expansion capital, special situations, turnarounds, mezzanine and distressed investment opportunities. The Invesco U.S. Venture Partnership Fund VI will target at least 80% of its investments in Portfolio Funds targeting U.S. venture investments. The Invesco International Partnership Fund VI will target at least 80% of its investments in Portfolio Funds investing primarily in non-U.S. venture, buyouts, expansion capital, turnaround, mezzanine and distressed investments. Depending on market conditions and the investment opportunities available to and made by each Sector Fund, the General Partner may adjust these targets, and the Sector Fund's actual investments may vary from these targets. Each Sector Fund may also seek to purchase investments in secondary transactions (e.g., purchases of limited partnership interests from investors in existing investment funds) as well as make side-by-side co-investments directly in portfolio companies of other investment funds ("**Co-Investments**" and, together with investments in any other portfolio companies and/or investment funds, "**Fund Investments**"). Although a typical commitment is not currently expected to exceed 5% to 10% of a Sector Fund, no more than 20% of each Sector Fund's capital commitments will be committed to or invested in any one single Fund Investment, and no more than 15% of each Sector Fund's capital commitments will be used to make Co-Investments.

As described above, to create the diversified Global Fund, 45% of capital commitments will be invested in the Invesco U.S. Private Equity Partnership Fund VI, 25% will be invested in the Invesco U.S. Venture Partnership Fund VI and 30% will be invested in the Invesco International Partnership Fund VI.

As another option, an investor may specifically identify the amount it desires to invest in one or more Sector Funds to better suit its needs.

At the discretion of the General Partner, investments may be made through special purpose entities formed for the purpose of making and holding such investments. Proceeds from Fund Investments will not be subject to reinvestment, except as otherwise required by the underlying Portfolio Funds, but such proceeds may be used to pay expenses and other fund liabilities (including unfunded commitments to Portfolio Funds).

Minimum Capital Commitments

Each limited partner in the Funds (each, a "**Limited Partner**" and, together with the General Partner, the "**Partners**") is expected to commit a minimum of $5 million. However, the General Partner reserves the right to accept capital commitments of lesser amounts.

Investors

This Memorandum is being delivered and the offering of limited partnership interests hereunder is being made only to such persons who are "accredited investors" (as defined in the Securities Act of 1933, as amended), "qualified purchasers" as defined in the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder (the "**Investment Company Act**"), and "qualified clients" as defined in the IAA. The General Partner reserves the right to waive such requirements in its sole discretion.

General Partner's Capital Commitment

The General Partner and its affiliates will commit at least 1% of the aggregate commitments made to the Sector Funds.

Funding of Capital Contributions

Investors will be required to make contributions to the capital of the Funds as and when requested by the General Partner to satisfy the obligations of the Funds. The General Partner will give at least five business days' prior notice of each required capital contribution. Any amounts returned to the Partners by a Fund (i) as a return of capital commitments called in anticipation of an unconsummated Fund investment, (ii) as repayment or recoupment of capital contributions with respect to an investment realized within two years after such investment is made or (iii) as repayment or recoupment of capital contributions with respect to investments other than those described in clause (ii), will be available to be recalled for future Fund expenses and investments. In addition, (a) to the extent the Partners' capital contributions are used to pay Fund expenses (including Management Fees (as defined below)), any amounts returned to the Partners will be available for future Fund investments and expenses, and (b) distributions to the Partners will be subject to recall by the Funds to pay indemnification expenses.

A Limited Partner may be excused from participation in a Fund investment if such participation would be illegal and the Fund is also excused from making the underlying investment in the applicable Portfolio Fund. The General Partner may also cause a Limited Partner to be excused if it deems it advisable. In the event a Limited Partner fails to make full payment of any portion of its capital commitment when due, such Limited Partner will be subject to customary default provisions contained in the Partnership Agreements.

Closings

IPC will have a first closing on commitments from investors unaffiliated with the General Partner when IPC believes it has the minimum capital commitments necessary for a first closing (for each Fund, its "**Initial Closing**"). Subsequent closings may occur at the discretion of the General Partner. With respect to the Global and Sector Funds, a final closing will occur no later than eighteen months after such Fund's Initial Closing. As described in more detail below, prior to a Fund's Initial Closing, an affiliate of the General Partner may make up to $65 million of commitments to and investments in the Sector Funds to allow the Sector Funds to make Fund Investments (including commitments to Portfolio Funds). See "Certain Investment Considerations – Initial Investments by General Partner Affiliates."

Subsequent Closings

Limited Partners admitted to a Fund subsequent to its Initial Closing will participate in all of such Fund's investments. For each Fund, the initial drawdown for each Limited Partner generally will include such Limited Partner's proportionate share of: (i) the Management Fee (as defined below) retroactive to the Fund's Initial Closing; (ii) organizational and other expenses attributable to the Fund; and (iii) the original cost of any investments made at or prior to such drawdown, and such initial drawdown generally will equal the same portion of such Limited Partner's commitment as the portion of commitments contributed by all other previously admitted Limited Partners. In addition, Limited Partners admitted at any closing subsequent to the Initial Closing generally will be required to pay to the Fund an amount calculated at the prime rate plus 2% per annum on the amount of such drawdown from the date such amount would have been due if such Limited Partner had been admitted as such for its full Commitment on the Initial Closing date. Additional amounts paid by a Limited Partner who is admitted at any closing subsequent to the Initial Closing pursuant to this paragraph will not reduce such Limited Partner's unfunded commitment to the Fund.

Distributions

Net proceeds received by a Fund attributable to the disposition of its Fund Investments, as well as distributions of securities in kind, together with any dividends or interest received with respect to its Fund Investments, will be distributed in the following order and priority:

(i) first, 100% to all Partners in proportion to commitments until the cumulative amount distributed with respect to Fund Investments equals the sum of:

 (a) the Partners' funded commitments; plus

 (b) a preferred return on the Partners' funded commitments at the simple rate of 8% per annum (the "**Preferred Return**");

(ii) second, 100% to the General Partner until such time as the General Partner has received, as its carried interest, 5% of the sum of the distributed Preferred Return and distributions made pursuant to this clause (ii);and

(iii) thereafter, 95% to all Partners (in proportion to commitments) and 5% to the General Partner as carried interest.

To avoid charging investors in the Global Fund carried interest both at the Global Fund level and at the Sector Fund level, the General Partner of each Sector Fund will not charge the Global Fund carried interest on its investment in such Sector Fund.

Each Fund anticipates that it will distribute net cash proceeds from disposition of portfolio company investments within 90 days of realization and will distribute dividends, interest and other income received with respect to portfolio company investments at least annually, in each case after paying Fund expenses and setting aside reserves to satisfy Fund expenses, obligations and other liabilities (including unfunded commitments to Portfolio Funds).

Prior to the dissolution of a Fund, distributions will be in cash or marketable securities. Upon dissolution of a Fund, distributions may also include restricted securities or other assets of such Fund.

Each Fund may make cash distributions to the General Partner in an amount sufficient to pay the General Partner's income taxes on income allocated to the General Partner for tax purposes on account of its carried interest, except to the extent prohibited by applicable law.

Distributions may be recalled in future for investments, expenses and other fund obligations as described above under "Funding of Capital Contributions."

Allocations

All items of gain, loss, income and expense will be allocated to the Partners' capital accounts in a manner generally consistent with the distribution procedures outlined under "Distributions" above.

General Partner Giveback Obligation

Upon liquidation of a Fund, the General Partner will be required to restore distributions to such Fund to the extent that it received cumulative distributions in excess of amounts otherwise distributable to the General Partner pursuant to the distribution formula set forth above, applied on an aggregate basis covering all transactions of such Fund, but in no event more than the cumulative distributions received by the General Partner with respect to its 5% carried interest, less income taxes thereon.

Management Fee

Each Fund will pay the Adviser an annual management fee (the "**Management Fee**"), quarterly in advance, in the following amounts (a) during the period from its Initial Closing up until the 1st anniversary of its Initial Closing, 65 basis points on capital commitments; (b) during the period from the 1st anniversary of its Initial Closing up until the 2nd anniversary of its Initial Closing, 75 basis points on capital commitments; (c) during the period from the 2nd anniversary of its Initial Closing up until the 8th anniversary of its Initial Closing, 85 basis points on capital commitments; (d) during the period after the 8th anniversary of its Initial Closing until the 12^{th} anniversary of its Initial Closing, the basis point rate on capital commitments that is 10% less than the prior year's rate but not below 50 basis points (such basis points rate in any year, the "**Management Fee Rate**") and (e) after the 12^{th} anniversary of its Initial Closing, the Management Fee Rate on the lower of the remaining cost or the net asset value of the assets then held by such Fund. However, to avoid charging investors in the Global Fund management fees both at the Global Fund level and at the Sector Fund level, the Global Fund will not be charged management fees on its commitment to the Sector Funds.

In addition, the Management Fee will be reduced by 100% of (i) any directors' fees, financial consulting fees or advisory fees and transaction fees paid to the General Partner with respect to any Fund investment; and (ii) any break up fees with respect to Fund transactions not completed that are paid to the General Partner

Organizational Expenses

Each Sector Fund expects to pay its pro rata share (based upon aggregate commitments to each Sector Fund from limited partners unaffiliated with the Adviser) of the Funds' aggregate organizational expenses at or shortly after the time of such Sector Fund's first capital call. The Adviser will bear the cost (through an offset against the Management Fee, except to the extent prohibited by applicable law, or otherwise) of all organizational expenses in excess of $350,000 for each Sector Fund individually, if any.

Other Expenses

The Adviser will pay all expenses incidental to the provision of the day-to-day administrative services to each Fund, including the overhead of the Adviser. Each Fund will pay its organizational expenses as set forth under "Organizational Expenses" above. Each Fund will also pay all other costs and expenses relating to its operation, including fees, costs and expenses directly related to the purchase, holding and sale of portfolio investments, unconsummated transaction expenses, taxes, other governmental charges, fees of auditors and tax accountants, legal counsel, custodians, consultants, investor meeting expenses, investor reporting costs, insurance (including directors and officers insurance), expenses associated with the Fund's financial statements, tax returns and Schedule K-1s, litigation expenses and other extraordinary expenses.

Advisory Board

The General Partner will select one advisory board (the "**Advisory Board**") for all Funds consisting of representatives, directly or indirectly, of Limited Partners. The Advisory Board may consult with the General Partner on issues involving methods of valuation and conflicts of interest and will have the power to review and, to the extent permitted by law, to consent to or otherwise resolve such conflicts. For any transaction requiring consent under the IAA, including consents in connection with conflict transactions or any "assignments" as that term is defined in the IAA, each Limited Partner appoints the Advisory Board as an authorized body to provide such consent on behalf of the Limited Partners. The General Partner will retain ultimate responsibility for all decisions relating to the operation and management of the Funds, including, but not limited to, investment decisions.

Term and Termination

Each Fund will have a term of 12 years, subject to extension at the discretion of the General Partner for up to two consecutive one-year periods and thereafter subject to the approval of the Advisory Board. Each Fund's term is subject to early termination upon circumstances as set forth in the Partnership Agreement, including upon a vote of Limited Partners holding 75% of the aggregate commitments of such Fund to terminate for any reason.

If (1) the General Partner or the Adviser engages in "**Disabling Conduct**" (to be defined to include gross negligence) or (2) certain key investment professionals cease to be employed by the Adviser or its affiliates and are no longer actively managing the Funds, then each Limited Partner may elect to be released from any further obligations it may have to fund any additional investments, other than pursuant to then existing commitments (including pursuant to unfunded commitments in Fund Investments then held by the Sector Funds), but shall remain obligated to make capital contributions to pay its share of Fund expenses, management fees and other liabilities reasonably determined by the Adviser.

Transfer of Interests and Withdrawal

Generally, a Limited Partner may sell, assign or transfer any interest in a Fund without the prior written consent of the General Partner, but only if all of the specified requirements set forth in the Partnership Agreement are satisfied. See also "Legal and Tax Matters - Certain Securities Law Matters." Generally, a Limited Partner may not withdraw from any of the Funds.

Removal of the General Partner

Upon Disabling Conduct, a majority in interest of Limited Partners may remove the General Partner, subject to the terms of the Partnership Agreement.

Alternative Investment Vehicles

For legal, tax, regulatory or other reasons, the General Partner may form one or more alternative investment entities to make, restructure or otherwise hold investments outside of the Sector Funds. Generally, in such event, each Limited Partner would participate in such an alternative investment vehicle on substantially the same terms and conditions as it participates in the Sector Funds.

Employees' Funds

IPC may organize one or more parallel funds (the "**Employees' Funds**") to invest side-by-side with or in a Fund and other Adviser-managed funds. The Employees' Funds may be what are referred to as employees' securities companies, currently expected to be organized as limited partnerships. Its limited partners will be employees of IPC or its affiliates and its general partner will be the Adviser or an affiliate of the Adviser. Each Employees' Fund may or may not pay all or a portion of a management fee and/or carried interest, and may make Fund Investments and investments of other Adviser-managed funds at the same time and on the same terms as the related Fund and such other Adviser-managed funds invest unless precluded for legal reasons or by the Portfolio Funds or portfolio companies. Each Employees' Fund will be responsible for its pro rata share of legal and accounting expenses relating to those investments.

Allocation of Investment Opportunities

IPC and its affiliates currently advise, and in the future will continue to advise, investors having investment guidelines substantially the same in whole or in part as those of one or more of the Funds.

The Adviser and its affiliates will allocate investment opportunities among such investors and the Funds on an equitable good faith basis, subject to the applicable investment guidelines of such investors and the Funds, portfolio diversification requirements and other appropriate factors. See "Certain Investment Considerations - Potential Conflicts of Interest" for more information.

Exculpation and Indemnification

None of the General Partner, IPC, their respective affiliates, and the directors, officers, partners, members, managers, employees, advisors, affiliates, personnel or agents of each of them, will, to the extent permitted by applicable law, be liable to the Fund or the Limited Partners for any act or omission taken by any such person, except for any such act or omission that constitutes Disabling Conduct. Each Fund will indemnify each of the General Partner, IPC, and their respective affiliates, and the directors, officers, partners, members, managers, employees, advisors, affiliates, personnel and agents of each of them, and each member of the Advisory Board, against all claims, damages, liabilities, costs and expenses, including legal fees, incurred by such person by reason of their activities on behalf of the Funds (or, in the case of each member of the Advisory Board, his or her service as such) or the Partners, other than for such person's Disabling Conduct.

Reports to Limited Partners

The Funds will furnish to their respective Limited Partners (i) audited financial statements annually, (ii) unaudited financial statements for the first three quarters of each fiscal year, (iii) annual tax information necessary for each Partner's U.S. tax returns, and (iv) descriptive investment information for each Fund Investment semi-annually.

Side Letters

The Fund or the General Partner, without any further act, approval or vote of any Partner, may enter into side letters or other similar agreements with certain Limited Partners that have the effect of establishing rights under, or altering or supplementing the terms of, the Partnership Agreements.

Requests for Additional Information

Each Limited Partner will be required to comply promptly with reasonable requests for information made by the General Partner in order for the Funds to satisfy any request for information about such Limited Partner, its commitment and other information regarding its interest in the Funds in connection with the operation of the Funds, including, without limitation, requests made by any U.S. federal, state, local or non-U.S. regulatory authority, agency, committee, court, exchange or self-regulatory organization (e.g., obtaining approvals necessary for the making, holding or disposition of any portfolio investment).

UBTI; ECI

An investment in the Funds may result in the recognition by tax-exempt Partners of income treated for U.S. federal income tax purposes as "unrelated business taxable income" ("**UBTI**") within the meaning of Section 512 or 514 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"). Furthermore, an investment in the Fund may result in the recognition by non-U.S. Partners of income treated for U.S. federal income tax purposes as "effectively connected with the conduct of a trade or business within the United States" ("**ECI**"). For further discussion of UBTI and ECI and related matters, see "Legal and Tax Matters – Certain Tax Considerations."

ERISA

The General Partner does not intend to limit participation in the Funds by "benefit plan investors" (currently defined to include employee benefit plans subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), "plans" subject to Section 4975 of the Code (including individual retirement accounts) and entities, such as investment funds and insurance company separate or general accounts, that are deemed to hold plan assets subject to ERISA or Section 4975 of the Code). Consequently, the assets of some or all of the Funds may be deemed to include the "plan assets" of such benefit plan investors. See "Certain Considerations Applicable to U.S. Retirement Plans and Arrangements" below.

Risks and Certain Potential Conflicts of Interest

Investment in the Funds involves significant risks and there can be no assurance that the Funds' investment objectives will be achieved. There may occur potential conflicts of interest involving the General Partner, its affiliates and the Funds. For further discussion of risks and certain potential conflicts of interest, see "Certain Investment Considerations."

Investment Considerations

Each prospective investor should consult its own advisers as to legal, business, tax, accounting, ERISA and other related matters concerning an investment in the Funds. Each prospective non-U.S. investor should consult its own tax and other advisers in determining the possible tax, exchange control, or other consequences to such investor under the laws of the jurisdictions of which it is a citizen, resident, or domiciliary; in which it conducts business; or in which it otherwise may be subject to tax, of the purchase and ownership of limited partner interests in the Funds.

Counsel to the Fund

Kirkland & Ellis, LLP. See "Legal and Tax Matters - Legal Counsel"

Auditors to the Fund

KPMG LLP

Private Equity Partnerships: Investment Opportunity

Private Equity Markets

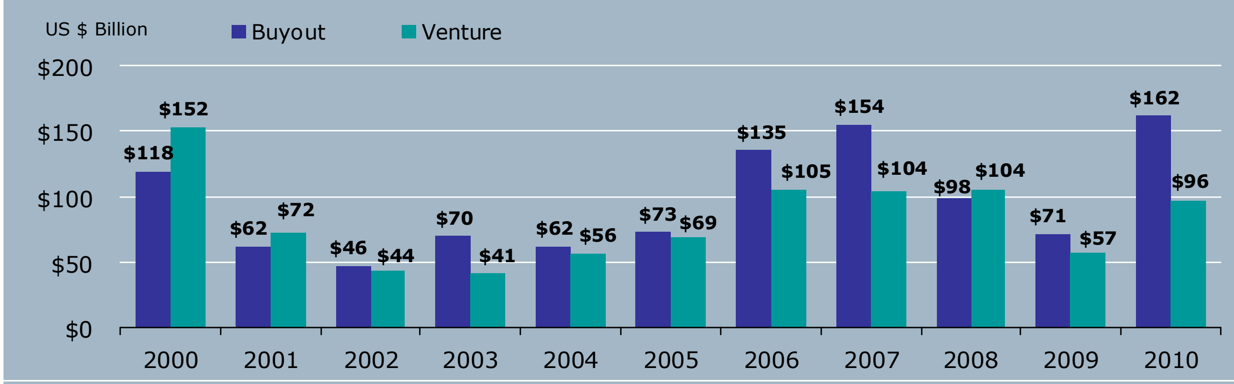
Although global private equity markets are recovering from the recent downturn, the industry faces new challenges.

The liberal credit environment that enabled the strong performance of buyout funds from 2003-2006 also caused great damage to the industry by enabling buyout funds to over-leverage their portfolio companies leading to burdensome debt during the recession. Focusing on financial engineering instead of fostering company-building strategies may have had short term value but is not, in our opinion, a reliable investment strategy to create long term value.

In similar fashion, venture capitalists have not been able to reignite their stellar performance from the 1994-1997 vintage years. A few partnerships continued to make money after the Internet bubble bust in 2000, but, for the industry as a whole, it was a wasted decade. Venture funds had too much capital to invest into too many duplicative ideas, a problem exacerbated by recessions in 2001-2002 and 2008-2009 that battered demand.

As the industry undergoes a period of "creative destruction", we believe that negative dynamics will change and returns will improve. The pace of investing, which slowed during the downturn, is only now starting to increase.

Private Equity Investment Pace Has Improved Significantly



Source: Thomson Venture Economics

Assessing private market opportunities as the credit markets have begun to thaw leads us to the following conclusions, which have helped shape much of the core philosophy for the Funds:

- The size of a partnership's capital base affects its potential for outperformance;
- New and emerging managers, including spin-out funds, will likely play an increasingly important role in the next generation of private equity development;
- Strong investment performance often stems from the operating skills that buyout and venture teams bring to transactions;
- As innovation continues to thrive, more favorable returns are likely to emerge from venture capital transactions since many investors have largely abandoned the sector after a decade of negative returns;
- Buyout investment returns are likely to moderate as transactions are structured with more equity, leading to the success of "buy-and-build" strategies over financial engineering alone;

- The globalization of the private markets will continue to create opportunities for generating strong investment returns outside of the U.S.

The Effects of Fund Size on Outpeformance

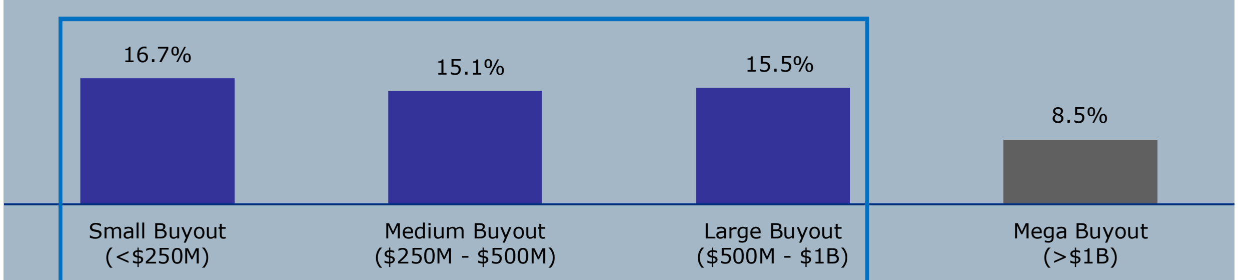
While IPC will diversify its partnership selection within the broad range of fund sizes that are offered by top tier General Partners, we have a bias toward making commitments to firms that manage smaller pools of capital and who reasonably manage the growth of capital under management with each successive fund. At a macro-level, we generally believe it is easier to compound returns on smaller pools of capital relative to very large funds. In our twenty-nine year history, we have committed to funds capitalized well below $1 billion who have been unable to maintain their performance as they have grown assets under management far beyond the size of the original pools of capital they once raised. While there are examples of firms we have chosen to continue to support even as they have raised funds above $1 billion, we have also declined to do so in many instances.

At a micro-level, we believe that smaller and mid-sized funds possess certain advantages that can positively influence returns.

The available universe for potential buyouts is dramatically larger among companies whose operating revenues fall below $250 million. Competition among purchasers may be muted and transaction prices are more favorable, as illustrated in the chart on the following page. Furthermore, in smaller transactions, firms on the buy-side often have more opportunities to create truly proprietary access to a management team and seller. The opposite may be true as company revenues and operating cash flows increase. In those larger transactions, financial bidders often face competitive auctions and may compete with strategic buyers in a sale process that has the potential to drive up prices.

Buyout firms with billions of dollars to invest also tend to build portfolios with a large number of individual companies, falling prey to the law of large numbers and pushing returns towards the mean. As funds grow larger, they may lose strategic operating focus. For example, they may seek out companies with large free cash flows that can be leveraged with borrowed funds or turn to public company targets that can be taken private. Both strategies imply more risk and lower returns.

Venture Economics Buyout Index
Pooled Average IRR by Fund Type



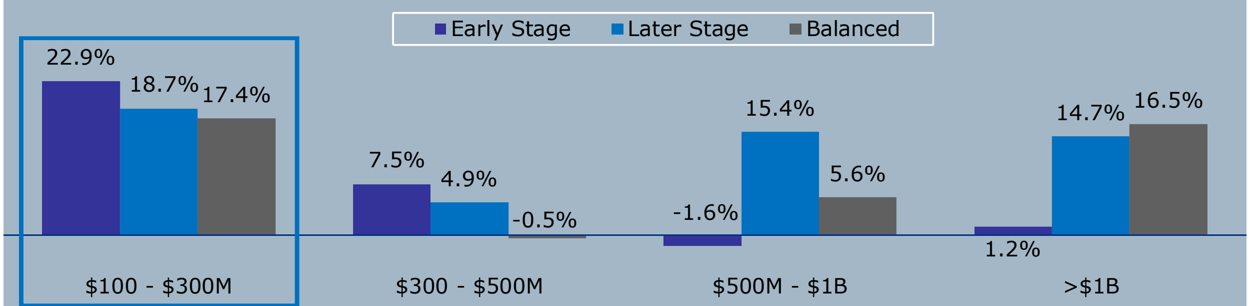
Source: Thomson Venture Economics as of 6/30/11. Aggregate net returns for all US buyout funds in the database.

Since its inception, over 75% of IPC's buyout fund commitments have been allocated to buyout and special situation funds sized under $1 billion. In a slower growth environment, partnerships skilled at adding value on the operational side rather than leveraging returns, are likely to garner the greatest upside. We tend to focus on buyout and growth funds that invest in smaller, healthy companies with strong growth prospects. Value creation in this respect includes: selecting industries that are ripe for consolidation; identifying industries that are expanding geographically with good visibility toward product line expansion and increasing distribution channels; and, promoting operating efficiencies to improve margins.

Funds with less capital are also often more value oriented and understand that they will have to grow their smaller companies organically or through acquisitions instead of relying on leverage and future debt pay down as a means of creating economic value. Smaller funds also cannot rely on significant management fee income and must strive for wealth generation through their carried interest participation, a factor which IPC believes better aligns general partners with the economic interests of their investors.

In the case of venture capital firms, the outsized returns leading up to the Internet bubble in the 1990's led many general partners to raise extremely large pools of capital relative to historic fund sizes. The explosion of capital available for investment led to valuations that could not be supported by economic reality, causing the bubble to burst.

Venture Economics Venture Capital Index
Pooled Average IRR by Fund Size



Source: Thomson Venture Economics as of 6/30/11. Aggregate net returns for all venture funds in the database.

IPC has always believed that venture capital markets are particularly sensitive to capital efficiency because there are a limited number of technological innovations that can support new business growth during any particular cycle. Consequently, our emphasis in venture capital has been to back funds raising less than $300 million, with 80% of venture funds in our portfolios fitting this description. Moreover, we tend to favor early stage venture funds of this size as such funds have historically provided the strongest potential for outperformance. However, IPC will continue to take a bifurcated approach to investing in venture capital firms. One on hand, we will support proven successful managers, many of which we have had investment relationships with across multiple fund formations, as they grow their assets under management provided that our critical assessment concludes that their growth is sustainable. On the other hand, we will also seek to back new and emerging venture firms, many of which raise relatively small funds with focused strategies, in the early years of their new formation.

Opportunities to Back New and Emerging Managers

IPC believes that the private equity industry, like other ecosystems, undergoes a dramatic change when its natural equilibrium is disrupted. Recent market disruptions – the Internet bubble of the late 1990s and the 2008-2009 global financial crisis – have provided an impetus for such transformation.

As the private equity industry grew larger over the past 20 years, most of the established funds changed their strategies to accommodate the exponential growth of available capital. During the late 1990s and over the course of the 2000s, venture funds expanded rapidly in size. While this may have increased management fees, it represented in retrospect an undesirable departure from the core tenets of the classic venture model. When those partnerships posted poor results, many experienced younger managers opted to leave their firms to raise smaller early stage pools of capital to back new startups, returning to the original roots of the industry. Now, we find that many of today's most prominent venture-backed companies were identified and backed by those new emerging managers.

The following examples demonstrate how emerging manager venture funds with appropriately-scaled asset bases have excelled at backing some of the most exciting new startups. Their smaller fund sizes allowed them to invest in these companies earlier than their more established counterparts who need to deploy larger amounts of capital from their sizeable capital pools.

Venture-Backed Company	Zygna	Twitter	Tumblr	Etsy
Description	Online gaming	Micro-blogging	Micro-blogging	Online auction site for handicrafts
Early Investors (Emerging Managers in Bold)	Avalon **Foundry** Pilot **Union Square**	Charles River **Spark Capital** **Union Square**	**Spark Capital** **Union Square**	**Union Square**
Subsequent Investors	Andreessen H. Digital Sky IVP Kleiner Perkins Softbank USVP	Benchmark Insight IVP Morgan Stanley Kleiner Perkins	N/A	Accel Partners Acton Capital
For illustrative purposes only.				

In a similar fashion, the explosion of mega-funds in the LBO market during the 2005-2007 period led to a funding gap for small and medium sized transactions. Again, this gap facilitated the process for experienced managers to spin out of their existing firms and assemble new partnerships to invest in what had become an ignored sector of the market.

While IPC maintains strong relationships with a core group of established, industry-leading partnerships, we also place significant emphasis on newer "emerging" groups. Within each of our portfolios, we selectively back a number of high-potential "emerging" manager funds headed by strong general partner teams who can generate additional value through new investment models, innovative strategies and more nimble capital deployment. IPC plans to allocate the Sector Funds' investments approximately 75% to established funds and 25% to new and emerging funds.

The Importance of Operating Assistance and Coaching

There are many ways in which a private equity partnership can assist in creating economic value for its portfolio companies. We believe that the most critical value contribution is a demonstrated ability to provide portfolio companies with operating assistance. In the case of growth capital and buyouts, IPC prefers to back firms that have operating partners resident within their teams. Typically, resident professionals with operating expertise have run portfolio companies or held significant managerial positions. The specific types of expertise they can offer in working with a portfolio company's senior management team include sales and marketing, logistics, manufacturing, operations, human resources and financing. While private equity firms can also hire outside experts with these skills, our preference is to select firms with these professionals located directly within the partnership. Being embedded helps in identifying and responding to problems at an earlier stage. It is also easier to use their expertise during the due diligence process before an investment or acquisition is made.

In the case of early stage venture capital, IPC seeks to invest with firms whose partners possess demonstrated success in coaching management teams and bringing value to bear to the development of new products, services and ideas. The most highly sought entrepreneurs often select venture firms not only for their capital, but also for the specific expertise certain partners within the firm can bring to their business. Examples of specific developmental areas in which entrepreneurs seek to partner with venture capitalists include sales and marketing, engineering, hiring management teams and connecting the entrepreneur to thought leaders and experts within the field the newly formed business is to address.

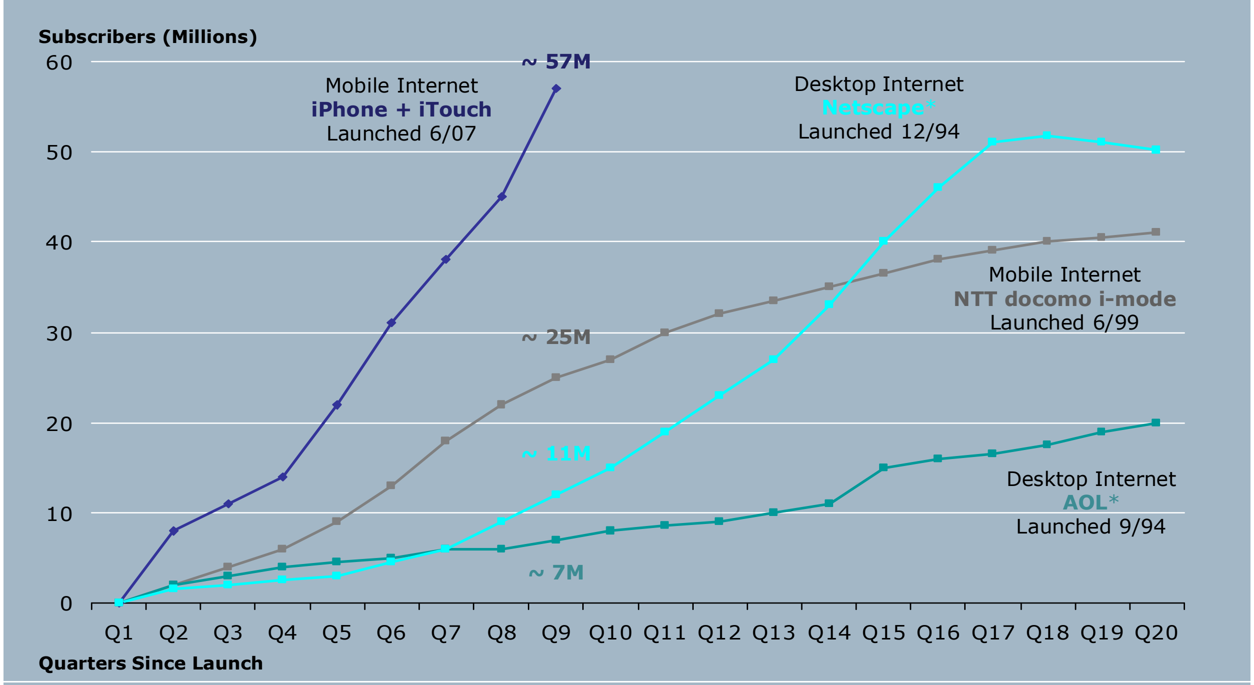
Venture Capital Investment Opportunities in the United States

Over the past 30 years, venture capital has become a major source of innovation and wealth creation in the U.S. economy, where revenue from venture-backed companies has accounted for over 20% of U.S. GDP.[2] The country's entrepreneurial culture has fostered an environment where risk taking is both socially acceptable and financially rewarding, and, while the global economy continues to cope with regional growth cycles and political conflicts, the fundamental factors driving demand for venture capital investment have not diminished.

IPC's emphasis in venture capital has been to back early-stage funds raising less than $300 million, as we believe such funds offer the greatest potential for outperformance. It is tempting to believe that portfolios of later stage venture deals have less risk, but we believe that, in many cases, later stage financings are overvalued. Early stage venture capital partnerships have been approaching new projects with far more discipline than they displayed during the buoyant technology market that existed up until the spring of 2001. Partnerships are far more sensitive today to pre-money valuations than a decade ago and understand that the majority of exits are likely to come from strategic sales of less than $200 million dollars rather than IPOs. The most successful groups have embraced capital efficiency as an underlying investment strategy and are building companies that can prosper with only modest investment.

IPC's goal is to back venture firms that can successfully identify emerging technology waves and ride the development of innovative products and services. In our view, the more visible areas of interest for venture capitalists in the next few years will be in digital media, web security and management, Internet applications, new materials and energy efficiency. Many of these areas are predicated on rapid adoption by consumers or valuable investment paybacks to businesses. At the same time, the history of venture capital is replete with technology breakthroughs. From the transistor to the microprocessor or the mini-computer to the personal computer, venture adoption is disruptive. The evolution has continued with the Internet, mobile phones and cloud computing and is usually revolutionary, not evolutionary. This can be seen in the rate of adoption of many devices among businesses and consumers.

Mobile Internet Adoption Outpaces Desktop Internet Adoption



Source: Morgan Stanley. Note *AOL subscriber data not available before 3Q 1994. Netscape users limited to U.S. only.

Private Equity Investment Opportunities in the U.S.

The continuing pressure of worldwide competition is forcing companies to concentrate on core competencies. In an effort to compete effectively in global markets, U.S. companies have taken significant steps since the mid-1980s to shed non-core divisions.

The private markets have accelerated this change by devising leveraged capital structures that facilitate corporate divestitures. Through powerful equity incentives provided to management teams and financial sponsors that are equipped to add value to companies, leveraged transactions have proven to be a strong catalyst in transforming often-neglected subsidiaries. Once taken private, modestly performing businesses have often undergone dramatic improvements in operating efficiency and profitability. Although fewer public to private transactions are likely to occur during strong public market cycles, we expect that corporate divestitures will continue through future economic periods.

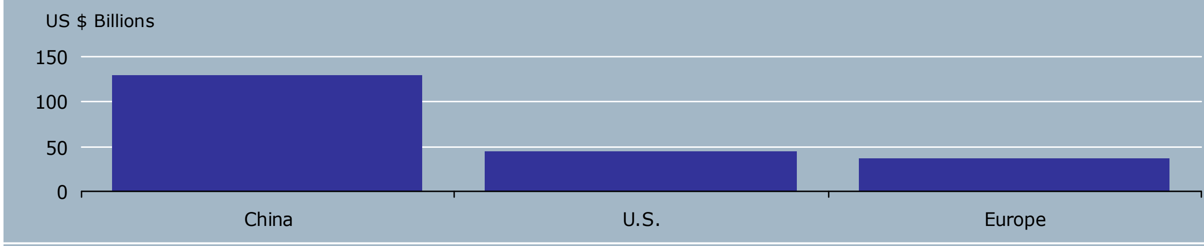
Over the next few years, however, we believe that 'buy and build' strategies will be more attractive to many small and mid-sized buyout partnerships. By combining internal organic growth with complementary acquisitions, buyout shops can transform small platform businesses into highly efficient firms with only modest leverage, producing attractive acquisitions for larger financial and strategic buyers. The industries that we believe are most susceptible to this strategy include oil and gas, packaging and specialty manufacturing, financial services, healthcare and business services. While leverage may decline, we believe that risk will also be reduced. In a slower growth environment, partnerships skilled at adding value on the operational side rather than leveraging returns, are likely to garner the greatest upside. We tend to focus on buyout and growth funds that invest in smaller, healthy companies with strong growth prospects. Value creation in this respect includes: selecting industries that are ripe for consolidation; identifying industries that are expanding geographically with good visibility toward product line expansion and increasing distribution channels; and, promoting operating efficiencies to improve margins.

International Investment Opportunities

Over the past 10 years there has been a significant change in the private equity landscape outside of the United States as more economies embrace private equity as a means to finance growth, to allow corporations to divest non-core activities and to facilitate the transfer of businesses from owners to managers. Eastern Europe, Latin America, China and India, along with the more mature markets of Western Europe have seen an upsurge in private equity activity. In Eastern Europe, the effort to bring moribund economies up to the European Union (EU) norms continues to create investment opportunities while, in Asia, the demand for private equity is a function of high economic growth rates and the need to professionalize their domestic businesses in face of international competition.

As international markets continue to mature, the options available to investors to generate liquidity have also expanded significantly. For instance, IPO fundraising activity set record levels globally in 2010. Despite the fragility of economic recovery in Western markets, Asia's economic growth story and record-breaking debuts have fuelled a strong worldwide IPO recovery. IPOs worldwide raised US$284.6 billion for 1,393 deals in 2010, nearly matching the previous record of US$295 billion raised in the global fundraising peak of 2007, according to Ernst & Young's *Global IPO Trends 2011.*

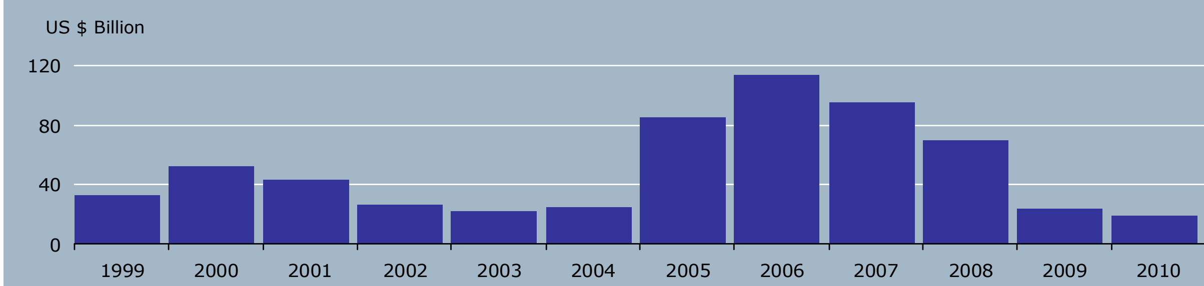
Global IPO Activity 2010



Source: Ernst & Young Global IPO Trends 2011

Western European Private Equity:
Fueled by strong fund performance throughout the 1990's and early 2000's, as well as the credit boom of 2005-2007, private equity fundraising in Western Europe tripled in 2005 and surged to a peak of $113.2 billion raised in 2006. Since then, performance has declined for private equity funds of recent vintage years. Fundraising, however, has since normalized and now hovers just short of $20 billion for 2010.[3] With reduced capital inflows, our view is that European private equity will right itself, but warrants a cautious investment approach in the near term.

Funds Raised in Western Europe



Source: Thomson Venture Economics

The easy credit environment of 2005-2007 saw an unprecedented level of large and mega-buyout transactions in Western Europe. With the resultant overhang of uninvested capital looming, demand remains robust for large and mid-market buyout deals in the region, and valuations have also remained high. Both developments reinforce our cautious, near-term stance on backing new buyout funds in Western.

Historically, European private equity performance has been stronger in the buyout arena and less successful in venture capital. Although it is not the case that Europe cannot generate excellent technologies from wireless to biotechnology, the marketplace is fragmented, making it more difficult to build and finance businesses with global potential. The result has been lower than expected rates of return. However, Europe has an edge in that valuations are significantly lower than those in the United States for comparable businesses and therefore, for venture groups that have a presence on both sides of the Atlantic, there is an arbitrage opportunity in bringing European technology into the U.S. marketplace.

Asian Private Equity:

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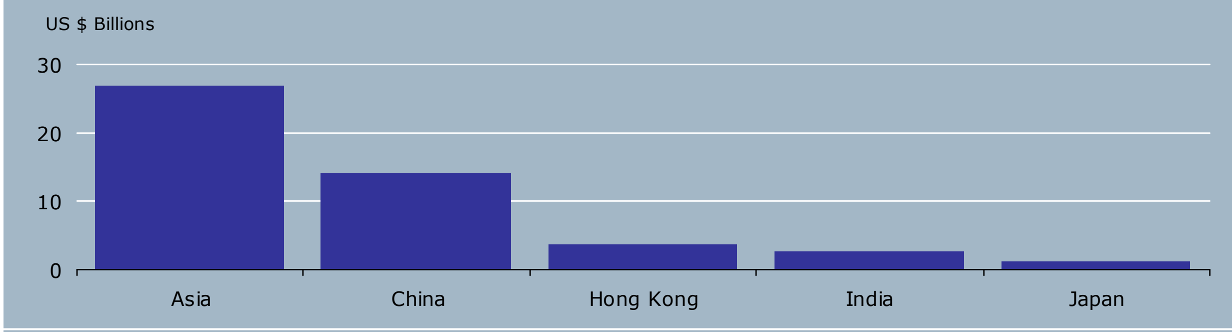
3 Thomson Venture Economics.

Asia is an attractive region for investment in private equity. The region now accounts for over 30% of the world's GDP, and is the fastest growing economic region in the world, contributing close to 50% of the world's growth[4]. A combination of political, social and economic factors is fueling this climate of growth following the recovery from the 1997-1998 Asian economic crisis. Consequently, over $26 billion of new capital was raised in 2010 for private equity investments in the region. Sources of capital have become more diversified with a higher proportion of capital raised from established European and American institutional investors who view high rates of economic growth, large domestic markets and low labor costs as attractive opportunities for private equity investment.

2010 Fund Raising



Source: Thomson Venture Economics

While China and India have received increasing attention, each confronts a different set of opportunities and challenges. China's attractiveness rests on its enormous population which provides low-cost labor for manufactured exports. The country's rapidly expanding economy has become a growth market for both consumer and industrial imports. India's attractiveness revolves around a well-educated population of English-speaking university graduates who form the backbone of a robust outsourcing services industry. Similar to China, India also has a large and growing middle-class that provides an attractive domestic market for consumer goods and services. Both countries will continue to benefit from the return of ex-pats who have been exposed to western entrepreneurship and management at high tech startups and multinational corporations.

Positive economic trends in Asia include market reforms, rising consumerism, growth in disposable incomes and increased trade and foreign direct investment. Recent activity and the development of newly established funds in the region suggest that Asian investment will continue to grow. We are positive on the region and expect a gradual shift in our portfolio over time.

The Cycle of Private Market Liquidity

Private equity returns are dependent, in part, on active world stock markets with an appetite for new issues, as well as the availability of credit to fund a healthy volume of mergers and acquisitions ("**M&A**"). However, changes in market sentiment do not invalidate the fundamental principles of private equity. Economies operate in cycles, and private equity-backed companies tend to mature over multiple market cycles. The holding period for buyout transactions has traditionally ranged from three to six years and the holding period for venture-backed companies is even longer. Over that period, a general partner will determine the optimal time to exit, considering the performance of the investment itself as well as the economic environment.

Since the onset of the global recession, stock markets have recovered substantially and M&A volumes

[4] International Monetary Fund, "Asia, Leading the Way"

have improved. Consequently, we have seen a significant increase in liquidity from our portfolios. Therefore, we regard this as a potentially opportune time to be making investments. However, given the broad range of returns among private equity funds, selecting the best funds from the rest has become more important than ever.

Selecting Top Quartile Funds is Critical

All Private Equity Returns as of 06/30/11

	1999	2000	2001	2002	2003	2004	2005
Top Quartile	8.8%	6.3%	14.2%	16.5%	12.9%	8.6%	8.1%
Median	(0.3%)	0.7%	3.1%	2.3%	3.2%	2.9%	4.0%
Spread	9.1%	5.6%	11.1%	14.2%	9.6%	5.7%	4.1%

Source: Thomson Venture Economics All Private Equity Index

Invesco Partnership Fund VI

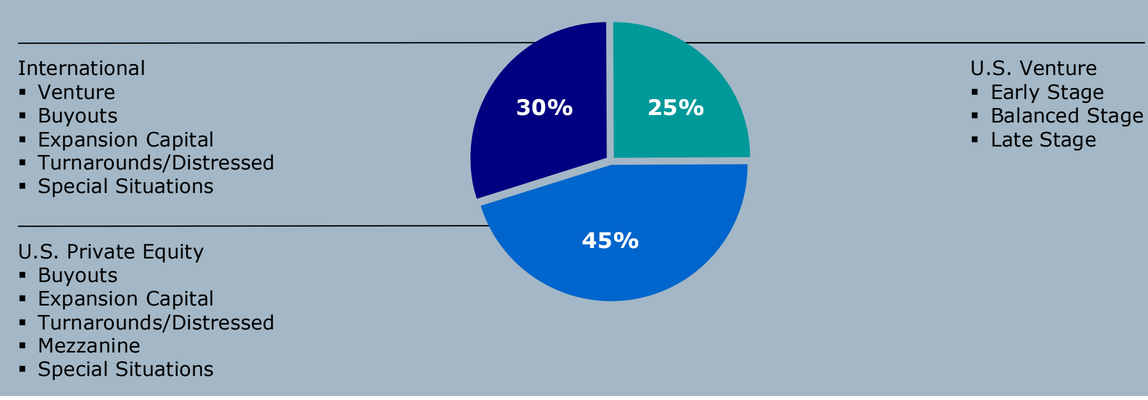
Invesco Private Capital ("**IPC**"), including through its predecessor firms (see page 32), has been investing in the private markets since 1981, backing industry-leading venture and private equity funds. Over this period, IPC has committed over $4.2 billion in client capital to more than 450 private equity partnerships (as of September 30, 2011) through its partnership investment program.

Over our nearly 30-year history, we have seen many market cycles and have demonstrated a strong track record of navigating the ever-changing marketplace. Moreover, evaluating partnerships over many years provides us with broad deal flow as well as unusual insight into the contours of the private equity market. The benefits to IPC's clients are expert portfolio construction and strong long-term investment performance.

Invesco's Portfolio Options
Our current product offering, Invesco Partnership Fund VI, offers institutional investors and high net-worth individuals an efficient way to access global private market returns through a portfolio of high-quality private equity partnerships. By pooling capital into a fund-of-funds structure and allowing IPC to carefully allocate across a select group of partnerships, investors obtain access to a diversified portfolio of premier private equity investment teams that are typically unavailable to general market participants, as well as exposure to up-and-coming premier funds, difficult to identify among the numerous private equity offerings.

Invesco Partnership Fund VI continues IPC's flexible product approach that allows investors to customize their private equity partnership exposure to suit their particular portfolio needs. Our product structure allows investors to select from a basket of three sector-specific portfolios - U.S. Venture Capital, U.S. Private Equity and International - to build a broad or narrowly focused alternative asset portfolio.

Diversified Global Fund: Allocations to Sector Funds



Investors have the option to invest in a "diversified" global fund that invests across three distinct sectors according to IPC's recommended weightings, or select any one or combination of three sector portfolios and specifying a dollar commitment amount for each. Either choice provides investors the following advantages:

- Expert fund evaluation and selection;
- Access to leading funds often closed to new investors;
- Ability to invest in individual partnerships that would ordinarily require large minimum dollar commitments;
- Diversification within a defined private equity sector or across a global portfolio.

Global Fund
For investors looking to establish or expand a core position, Invesco Partnership Fund VI, L.P. (the "**Global Fund**") provides the broadest diversification. Investors who select the Global Fund will receive an indirect interest in each of three individual sector fund portfolios – U.S. Venture Capital, U.S. Private Equity and International - in a 25%, 45%, 30% percentage allocation, respectively. The resulting portfolio will include partnerships deploying varied investment strategies across different geographies, industries and stages of company development, from seed stage venture capital to large leveraged buyouts. These investment percentages would result in a portfolio with approximately 70% of investments in the United States and 30% outside the United States overall and a balance of 30% to venture and 70% to private equity funds including buyouts, distressed, turnaround, expansion capital and special situations.

Sector Funds
For investors looking to round out their private equity and venture capital portfolios, investors may allocate their entire investment directly to one sector fund or select a combination of the sector funds (the "**Sector Funds**") by specifying a dollar amount they wish to invest in each. By focusing on a more narrowly defined area within the private equity markets, each Sector Fund provides more concentrated exposure to a specific investment strategy or geography. IPC believes, however, that the increased risk of focusing on a particular Sector Fund may be minimized by the diversified basket of high-quality partnerships in which each Sector Fund plans to invest, each of which is targeted to invest in a basket of high-quality investments.

Invesco U.S. Venture Partnership Fund VI, L.P. is targeting U.S. venture capital investment funds. Following the "irrational exuberance" that characterized the U.S. Venture market in the late 1990's, and the market correction over the last decade, many investors have questioned whether the venture model is broken. Recent studies within the space[5], however, have illustrated that top performing venture funds have three common characteristics: an emphasis on partner specialization by sector; minimal size increases from fund to fund and; funds that are close in size to the median venture fund size of approximately $175 million (2005 through 2010). Other studies have shown that smaller venture fund sizes ($50-$250 million) compared to their larger counterparts (>$250 million) are far more likely to see excised returns. At IPC, we've seen that smaller funds' careful deployment of capital allows for better opportunities at higher return multiples, and therefore often produces higher, more consistent performance. Similar to our overall investment philosophy, our venture philosophy has remained consistent over the years – invest in partnerships with a focused mandates where there is resident expertise within the general partner and a strong past track record. Our bias has always been towards general partners who raise smaller funds, are not privy to style drift and show restraint in growing fund sizes from generation to generation.

Although IPC has continued to back premier venture capital funds that adhere to our philosophy, we also believe in identifying new leaders of innovation. Our expertise in identifying successful new and next generation managers allows IPC to participate in shepherding in a new wave of innovation while maintaining strong returns. Since these partnerships have the makings to go on to become the next generation of seasoned, premier funds, our early participation can provide future access.

We expect a significant proportion of the capital we commit to back next generation software, information security, energy & healthcare IT, networking & communications-enabling technologies, and tech enabled services (cloud / managed / On Demand / Saas). Liquidity is expected from companies going public or, to a greater extent, through third-party sale transactions. A typical holding is currently expected to average 5-8% of the Sector Fund's total commitments, with no single partnership holding comprising more than 20% of the Sector Fund's portfolio at the time of investment. The targets and expectations described in this section may vary depending on market conditions. Due to the limited size of the overall venture market, the Adviser reserves the right to cap

5 The Venture Capital Cycle, 2nd Edition. Josh Lerner and Paul Gompers. MIT Press, 2006.

individual investor percentages of this Sector Fund if demand exceeds the anticipated supply of quality fund investment opportunities.

Invesco U.S. Private Equity Partnership Fund VI, L.P. will include investments primarily in buyout funds or in partnerships providing expansion capital to growth businesses. Most buyout funds will generally seek to obtain control positions in the companies they back or to structure their investment with certain legal protections if their investment does not provide majority control. IPC has a traditional bias towards managers that don't rely solely on financial engineering to produce results. Many of the partnerships will employ a "buy and build" strategy, purchasing a core platform, and then acquiring complementary businesses to gain economies of scale and operating efficiencies, while increasing market share. This Sector Fund may also back private equity groups that seek to inject capital in underperforming businesses or businesses experiencing financial distress.

According to statistics from the U.S. Census Bureau, there is a great disproportion of firms with receipts in the $10-99 million range, close to one hundred and forty thousand, compared to just over one thousand in the $1-2.4 billion range. This statistic illustrates a wealth of opportunity as the number of private equity dollars raised that target firms in the lower receipt range is $5.3 billion compared to $80.3 billion raised to target firms with large receipts (*Buyouts, Jan 4th 2010)*. This, coupled with the lack of capital available to small- and mid-sized companies, has created a dislocation in the market place providing a wealth of deal flow for small-, mid-sized funds. IPC's traditional bias and developed expertise in selecting funds of this size is a complement given current market opportunities.

Understanding that opportunities still exist for experienced funds targeting companies of larger market capitalization, IPC will continue its approach of making carefully chosen allocations to larger funds, identified as those in the $3 billion plus range. This approach marries the opportunity set within the market with the desire for diversification, complementing IPC's traditional focus and expertise. Irrespective of fund size, however, IPC favors sponsor groups that have demonstrated past investment success by increasing their portfolio companies' sales and operating margins over fund groups that simply compete for transactions by paying top prices or that seek to achieve above average returns through highly leveraged capital structures.

Within the U.S. Private Equity Sector Fund, we are targeting small- and mid-sized U.S. buyouts, a select number of large U.S. buyouts and U.S. expansion, distressed, turnaround and special situation groups. No single partnership holding would comprise more than 20% of the Sector Fund's commitments at the time of investment, and the average commitment is currently expected to be 5% to 8% of the U.S. Private Equity Sector Fund's portfolio. The targets and expectations described in this section may vary depending on market conditions.

Invesco International Partnership Fund VI, L.P. will replicate our traditional focus on small and medium buyout funds within Western Europe, with a smaller emphasis placed on emerging markets and venture opportunities.

The debt crisis in Greece coupled with the political turmoil in the Middle East coincides with our prior emphasis on the mature, politically stable economies of Western Europe. IPC feels the most compelling investment opportunities in this geographic area are within the middle market.

The current venture capital allocation target of 20% of the International Sector Fund (or approximately 6% of the Global Portfolio), is currently expected to concentrate primarily on venture investment opportunities in Western Europe, Israel and Asia, where there exists a developing appetite to commercialize products emerging from a dynamic scientific base. As innovation has increasingly been viewed as a global resource and with valuation arbitrage opportunities between higher priced U.S. companies and their comparable international counterparts, venture firms have been able to capitalize on bringing European technology into the U.S. market.

Although significantly less developed than European markets, Asia and Latin America have continued to draw increasingly greater interest from private equity firms. IPC has traditionally made select investments in funds focused on these geographic areas. Given the lack of transparency and instabilities in political policy, seasoned investment professionals with geographic-specific experience are needed to make sound investments. During our tenure, we have reviewed numerous funds focused on emerging markets, but have maintained a careful, conservative view focusing on our internal due diligence, and not market hype, when making investment decisions.

Although the average portfolio holding is currently expected to comprise 5% to 10% of the International Sector Fund’s portfolio, as a formal restriction no single partnership holding will comprise more than 20% of such Sector Fund’s commitments at the time of investment. The targets and expectations described in this section may vary depending on market conditions.

In conjunction with IPC’s private capital professional in London and utilizing our San Francisco office in regards to Asian and Latin American markets, IPC is well positioned to identify the best non-U.S. partnership opportunities. Through our London office, we either meet with or have contact with most of the groups located outside the U.S. that are raising funds, many of which do not cross the Atlantic. Our strategy emphasizes selection of experienced partnership groups who understand specific conditions in local and regional markets.

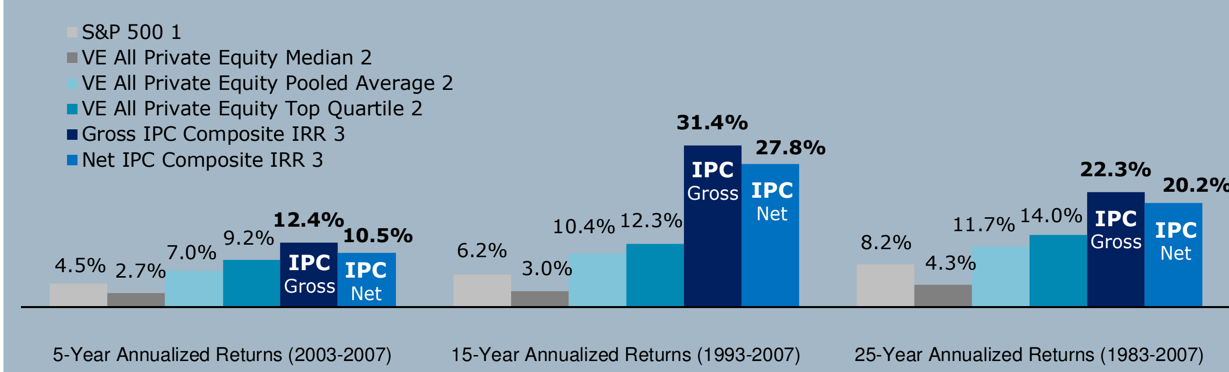
IPC Strengths

The strength of IPC can be attributed to the experience and quality of our investment team, our position in the alternative asset marketplace and several strategic differences that distinguish us from other firms. These characteristics include:

Long Investment History:
With nearly 30 years of experience, IPC was among the first managers to actively invest in private equity partnerships. Since its inception, IPC has committed over $4.2 billion in capital to more than 450 private equity partnerships, resulting in over 240 general partner relationships and an extensive, proprietary network of industry contacts.

Strong and Verifiable Track Record:
IPC has generated strong returns for our investors over multiple market cycles since 1981. By consistently selecting quality managers within each vintage year, the IPC composite has achieved strong performance over 25, 15 and 5-year periods (illustrated below) and each of our fund-of-funds has generated top or second quartile performance on both a gross and net basis. See the "Summary of Investment Performance" section (page 4) for further detail on fund performance.

IPC Composite Performance as of 06/30/11



Past performance is not indicative of future results. Please refer to important disclosure related to this composite.

Any reference to a rating, a ranking or an award provides no guarantee of future performance results and is not consistent over time.

Consistent Investment Strategy:
IPC has employed a consistent and time-tested investment strategy across our portfolios, resulting in top or second quartile performance across funds and a strong composite track record. Key elements of our strategy are outlined below.

- *Broad Diversification:* The unpredictable nature of economic cycles and the illiquid characteristics of the private markets work against investors who attempt to time their exposure to the asset class. IPC believes that a more successful investment strategy is to gain broad exposure over several vintage years by backing a select group of high-quality managers who employ diverse styles across geographies, industries, investment stages and strategies. This approach provides greater potential for long-term value creation and effectively mitigates the inherent volatility of a global economy.

- *Middle Market Focus:* IPC invests primarily with partnership groups that manage smaller pools of capital and who reasonably manage the growth of capital under management with each successive fund. At a macro-level, we generally believe it is easier to compound returns on smaller pools of capital relative to very large funds, a belief that is supported by empirical evidence (see page 17). IPC therefore tends to favor small and mid-sized buyout funds under $1 billion and venture funds under $300 million, though we will selectively back a small number of larger, top tier managers. Historically, over 75% of the buyout funds to which IPC has committed are under $1 billion and

80% of IPC's venture funds are under $300 million, with a strong bias toward early stage venture. See"The Effects of Fund Size on Outperformance" section (page 17).

- *Allocations to New and Emerging Managers:* IPC believes that the Funds can capture higher risk-adjusted returns by investing in new and emerging managers alongside a core private equity portfolio of top tier, established funds. These new managers often have a differentiated investment approach, an appropriately scaled asset base and greater alignment of interest than their more established peers. Through our recent emerging manager allocations, IPC had early exposure to some of today's more prominent new companies, such as zynga, twitter and etsy (see chart on page 19). IPC is mindful of the fact that each of today's top tier firms was once an emerging manager and, therefore, we plan to allocate our Sector Funds' investments approximately 75% to established funds and 25% to new and emerging funds. See the "Opportunities to Back New and Emerging Managers" section (page 18).

- *Emphasis on Operational Value-Add:* Through nearly 30 years of experience, IPC has seen that the best private equity managers are those that understand the value of hands-on assistance in building lasting companies. IPC invests in groups with a demonstrated track record of providing coaching to management teams and making meaningful contributions to the success of their portfolio companies. Moreover, we prefer to back firms that have operating partners resident within their teams. See"The Importance of Operating Assistance and Coaching" section (page 19).

- *Disciplined Growth and Investment Focus:* A cornerstone of IPC's philosophy is disciplined fund growth, enabling us to deploy capital nimbly and effectively. As of December 30, 2010, IPC manages approximately $1.6 billion in discretionary private equity assets, $1.4 billion of which is in partnership investments. Although fund-of-funds management is a highly scalable business, IPC chooses to remain small and focused rather than to raise ever larger pools of capital. Our fund-of-funds are typically sized from $300 to $500 million, allowing us to build diversified portfolios while maintaining a lean investment team that is able to operate collaboratively as a single investment committee without geography or strategy silos.

Seasoned Investment Team:
Philip Shaw and Henry Robin co-head IPC's partnership team, working alongside six additional investment professionals in New York, San Francisco and London. IPC's two senior investment professionals, Phil Shaw and Henry Robin, and IPC's venture partner, Ray Maxwell, each have over 20 years of private equity investment experience. Together, the team works cohesively as a single investment committee to source, review and approve each partnership investment. IPC has a strong preference toward maintaining a lean investment team to preserve the collaborative and cohesive nature of our investment process. We wish to remain small and focused and to avoid an environment conducive to sector, geographic or other limiting investment silos.

The team's long-term track record of investing in the asset class over multiple market cycles has enhanced their ability to analyze the quality of partnership portfolios, assess the credibility of proposed investment strategies and evaluate the contributions that fund general partners ("**GPs**") claim to have made to the companies they have backed. Their diverse backgrounds have also proven to be very useful especially in relation to international manager selection by giving them a better understanding of the investment environment and culture of the target markets. The benefits for our clients are expert investment selection that we believe will provide strong long-term performance.

The investment team is also supported by an experienced business management group of 16 private equity professionals, as well as certain global resources of Invesco Ltd, including legal and compliance professionals. See "Invesco Private Capital Professionals" section (page 36) for detail on the above individuals.

Proprietary Access:
Through relationships developed over nearly 30 years, IPC has continuing access to a select group of leading venture capital and buyout partnerships that have been closed to new investors. These premier groups have achieved strong returns for their investors and form the core around which we build our portfolios.

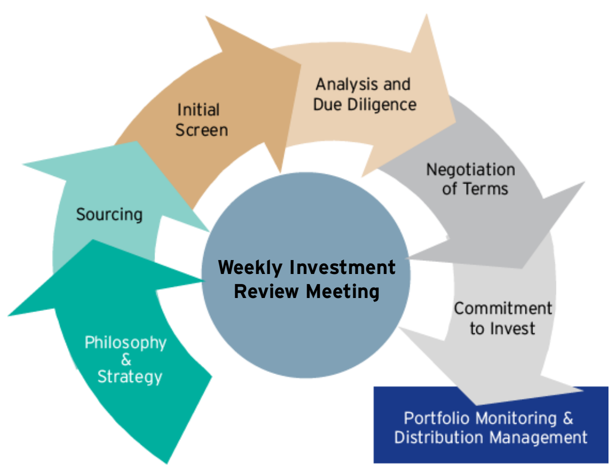
Global Resources:
IPC benefits from the network of more than 600 investment professionals employed by our parent, Invesco Ltd., a pure-play global asset management firm listed on the New York Stock Exchange. Invesco Ltd. research analysts and economists share insights into local and global economic trends with the private equity team and provide a valuable network of contacts for due diligence and stock distribution management.

IPC Investment Process

Investment Committee:
IPC's Partnership Investment Committee is chaired by Philip Shaw and includes Henry Robin, Kristine Brandt, Kelvin Liu, Amit Tiwari, Evan Darr and Theresa Boyd. Additionally, Ray Maxwell is a consultant to and non-voting member of the Partnership Investment Committee. Together this committee reviews and approves each investment before it is made. See the "Invesco Private Capital Professionals" section (page 36) for detail on the above individuals. When appropriate, the Committee utilizes other members of IPC's business management team and other Invesco global resources in its due diligence efforts.

Portfolio Building Blocks:
IPC's internal partnership selection process depends on seven key components in building a portfolio:

1. **Philosophy & Strategy** – Consistent investment approach, utilizing our extensive private equity knowledge and thoughtful manager selection;
2. **Sourcing** – Ensuring the availability of a broad universe of partnership opportunities;
3. **Initial Screen** – Introductory screen to identify the most promising funds for a well diversified portfolio;
4. **Analysis & Due Diligence** – Deep dive into successfully pre-screened partnerships including portfolio analysis, reference checks, on-site visits and rigorous review of historical track record;
5. **Negotiation of Terms** – Structuring legal and business provisions that will govern the partnership's operation;
6. **Commitment to Invest** – Thorough analysis and review of findings by all investment committee members;
7. **Portfolio Monitoring & Distribution Management** – Actively engage with partnerships to manage conflicts of interest and insure proper valuation methods as well mange the sale of stock distributions from partnerships to maximize investor portfolio returns.



Philosophy & Strategy. IPC has maintained a consistent investment approach throughout our three decades of investing. During our tenure, our philosophy has maintained a three prong approach: (1) maintain exposure to premier partnerships which have a proven, long term track record supplemented by new and next generation managers with exceptional future potential; (2) focus on small- and mid-market buyout funds where investment returns are driven by operational improvements, not through financial engineering; and (3) focus on small funds making early stage investments in venture where the opportunities for outsized returns are greater due the careful deployment of capital in innovative sectors.

Sourcing. High quality private equity funds seek stable, sophisticated investors. Having maintained a consistent and sizable presence in the private markets for over two decades, IPC has demonstrated its long-term commitment to the asset class and gained a reputation as a reliable and insightful limited partner. Our attendance and participation at conferences both enhances our knowledge of the market and raises our profile among partnership groups and placement agents seeking to raise capital. As a result, we see a vast majority of the private equity groups in the market each year, reviewing close to 400 offering memoranda from new and established sponsors in a typical twelve-month period. Our tenure within the industry coupled with the volume of deal flow has resulted in an extensive proprietary database of over 2,000 funds, capturing more than 20 different variables for each fund with continual monitoring and evaluation throughout the life of individual investments.

Initial Screen, Analysis & Due Diligence. When a fund investment memorandum arrives, it is channeled to a member of the partnership team for an initial screen and entry into our partnership data base. Funds are discussed at weekly investment committee meetings where the group's senior team members triage deal flow into categories that decide where our resources should best be used. From those discussions, we then focus on partnerships that we expect will have the greatest utility to us from an information and/or investment standpoint.

Our initial ranking system for partnership funds is composed of five categories: Fund, Investment Strategy, Track Record, Team and Terms. We have weighted the categories, placing more emphasis on team qualities and investment strategy. We believe that the combination of a strong team together with a sound investment strategy offers the best possibility of a successful track record. Within each category are a number of subcategories with a point scoring (ranging from 1 to 5 where 3 is the accepted norm.) Although this methodology is subjective, it helps us to evaluate partnerships with similar features in a less arbitrary way. The table below describes the components of each of five categories used in our due diligence ratings matrix:

Fund	
Size	Is the size of the proposed fund reasonable considering 1) the opportunities present in targeted sectors and 2) the firm's resources? Have the GPs articulated a plan that will lead to a diversified portfolio? Have they budgeted adequate reserves for follow-on investments? What is the capital under management / per partner?
General Partner Compensation	Is the allocation of carried interest reasonable? What is the vesting schedule? How are junior professionals compensated?
Stability of Strategy	How consistent is the proposed investment strategy with the previous fund's portfolio? How does the GP explain any change in strategy including its desire to raise a larger sized fund?
Investment Strategy	
Industry/Market Opportunity	Are the market segments targeted by the fund attractive? Does this fund possess any advantages over its competitors that might suggest it will be more successful in achieving above average returns?
Attractiveness of Targeted Stage of Investments	Does the stage of investment targeted by the fund make sense in conjunction with our own portfolio strategy?
Value Discipline	In reviewing past investments, does it appear that the GPs are value driven or do they pay a premium price for higher quality deals? Has their investment strategy paid off?
Access to Proprietary Deal Flow	What are the sources of past deals? What is this group's reputation among peers and entrepreneurs?
Track Record	
Return Multiple in Previous Funds	What multiple of cost have the previous funds returned to investors? How does this compare on a vintage year basis to

	other similar funds?
Realized/Distributed	How much of the gains in previous funds are realized? What is the ratio of distributions to capital called for investment?
Distribution of Returns	What is the distribution of returns in previous fund portfolios? Has the group succeeded by minimizing losses or relying on a few disproportionate large investment gains? Are the individuals who were responsible for the gains still active?
Team	
Mix of Relevant Experience	Does the partnership have a mix of relevant experience within its GP team? Is it able to offer operating, strategic or financial assistance in addition to its capital investment?
Team Stability	What is the tenure of the current GP team? Is there mention of additional, pending hires? Has there been significant turnover? If so, why?
Quality of Co-investors	Has the partnership been able to attract other top venture or private equity funds as co-investors into its deals? Have those GPs reciprocated by sharing their deal flow with this fund?
Reputation Among Entrepreneurs	Does the fund have a strong reputation among entrepreneurs? Do managers view this firm as a desirable private equity sponsor? Is there evidence of repeat entrepreneurs in the portfolio?
Terms	
Carried Interest Split & Fees	Is the carried interest split between the GP and LP reasonable? Are management fees fair?
Priority of Distributions	How are distributions between the GPs and LPs allocated? Do LPs receive a priority return of their capital before the GP begins sharing in profits?

Once the initial screening process is complete, we access additional data from top ranked funds. Extensive analysis is performed on part investments in the attempt to thoroughly understand the drivers behind performance. IPC also seeks to understand the resources that the partnership group brings to the investment task as well as the process that it uses in making investment decisions. We also attempt to verify that the most productive individual general partners have incentives to remain with the fund and reap financial rewards that will correspond to their clients' interests.

Additionally, we perform extensive reference checks on the general partner, which include, but are not limited to, contacting the CEOs of portfolio companies, the directors of those companies, third parties and intermediaries that have worked with the general partners and the general partners in other private equity funds who co-invested in the same transaction. Our objective is to confirm the origin of each investment and to understand what role the general partners played in the investment. We examine poor investments as well as successful ones since we believe that the best groups are able to learn from and improve upon past mistakes.

If we are meeting a partnership for the first time, we may call existing limited partners to learn more about their experience as fund investors. From our long tenure in the private markets, we have collectively developed an extensive network of industry contacts. These contacts are a valuable source of information and take us far beyond the standard references that each candidate group provides.

Once we are convinced that a partnership's potential to achieve a strong risk-adjusted return makes it a worthwhile addition to our portfolio, we will commit to invest subject to final negotiation of partnership terms.

Negotiation of Terms & Commitment to Invest. The timing for evaluation and closing of partnership investments can range from weeks to months and is largely governed by the quality of the partnership team and the general pace of the private capital markets. We work with our in-house legal staff and outside counsel to review partnership documents before making a final investment commitment. Since limited partners are bound to the partnership through an agreement that governs the operations of the partnership during a typical minimum ten-year term, we spend considerable time and effort to make sure our interests are fairly represented.

Critical areas examined include allocation and distribution provisions, management fees, carried interest calculations, look-back and giveback provisions, fee income sharing, key person provisions, and rules that will govern how the partnership's life may be extended or terminated. Because we have invested in hundreds of funds over nearly 30 years, we are skilled at recognizing the key business issues that promote successful investing and proper motivation while protecting the interests of our investors.

Once due diligence is complete and all IPC team members are fully versed on the results and findings, and once terms are negotiated and determined, the decision to invest is put in front of the IPC Partnership Investment Committee of which all members must participate in the discussion and decision.

Portfolio Monitoring & Distribution Management. Once a commitment is made, IPC remains actively involved in monitoring a partnership's activity. This includes periodic contact with the general partners to learn about new investments or to understand how the existing portfolio holdings are progressing. We also often serve on partnership advisory boards or valuation committees that typically meet on a quarterly or annual basis.

The process of successful investment does not end until we convert all investments into cash. In many cases, venture capital funds distribute common stock that may have trading restrictions. Our considerable experience in managing stock distributions is an advantage as we attempt to maximize the realized value of each security position. Since "lock-up" agreements are disclosed in public offering documents, the expiration of a lock-up often precipitates a sharp drop in the price of a stock just as it is distributed to investors. With input from portfolio managers and analysts from Invesco Ltd.'s public equity teams, IPC monitors these stocks before they are distributed and manages its portfolio of distributions on a daily basis in an effort to maximize realized cash returns for investors. In addition to having an in-house trading team, we have well-developed relationships with outside specialist firms who offer valuable assistance on trades that must be executed under volume restrictions.

Client Investment Alternatives:
Broad IPC Client Base. IPC has a broad range of investors in its existing private equity fund-of-funds, including U.S. and non-U.S. public and private pension plans, endowments and foundations, financial services and insurance companies, Taft-Hartley Plans and high net-worth individuals. The Invesco Partnership Fund VI is available to all such investors. However, we recognize certain clients have constraints with investing in standard Delaware limited partnership vehicles, and we have historically, and will continue to, accommodate those investors. Some examples for non-U.S. investors are cited below.

Non-U.S. Vehicles. While each of the Funds accepts non-U.S. investors, for non-U.S. investors who, for tax or other reasons prefer a non-U.S. organized vehicle, IPC can for an appropriate size commitment make available side funds on the same terms in any non-U.S. jurisdiction.

Non-U.S. Currencies. While each of the Funds accept commitments in U.S. dollars, if non-U.S. investors require it, IPC can for an appropriate size commitment make available one or more of the Funds or a side Fund able to accept commitments in non-U.S. currencies such as the Euro, UK pound/sterling, etc.

Invesco Private Capital

Founded in 1981,[6] IPC was among the first managers to actively invest in private equity partnerships. The Adviser invests in private investment pools and general partner groups globally. The Adviser also manages distributions of securities from its fund investments. As of September 30, 2011, IPC and its affiliates together manage over $1.6 billion of private equity assets.

The Adviser began in 1981 as part of a division of Citibank, N.A. called Citicorp Investment Management Inc., performing domestic institutional money management. In 1988, Citibank sold its domestic institutional investment management business together with certain other assets to USF&G, a Baltimore-based insurance holding company. This subsidiary changed its name to Chancellor Capital Management, Inc. ("**Chancellor**"), and it operated as an independent subsidiary of USF&G. On April 1, 1992, a broad group of Chancellor employees acquired a 51% interest in Chancellor, with USF&G owning the remaining 49%. On October 31, 1996 Liechtenstein Global Trust, AG ("**LGT**"), the parent company of LGT Asset Management and GT Global, acquired Chancellor.

On June 1, 1998, Invesco Ltd., a global asset management firm trading on the New York and Toronto Stock Exchanges with $598.4 billion of assets under management as of September 30, 2011, acquired the asset management division of LGT, including Chancellor. Chancellor became part of the Invesco division of Invesco Ltd. Invesco Ltd. has investment professionals worldwide with offices in 13 U.S. cities as well as: London; Henley; Toronto; Munich; Frankfurt; Paris; Prague; Madrid; Tokyo; Shanghai; Shenzhen; Taipei; Hong Kong; Mumbai; and Melbourne.

Invesco Ltd. acquired Sovereign Financial Services, Inc. ("**SFS**") in 2001 and formally merged SFS with IPC on December 31, 2002.

[6] Through predecessors.

Invesco Private Capital Professionals

Invesco Private Capital consists of a seasoned group of private equity investment professionals. Each of our senior investment professionals, Phil Shaw and Henry Robin, has over 20 years of experience in the private equity industry. In addition to their significant tenure investing in global private equity markets, the varied backgrounds of individuals in the group include assignments as senior managers of operating companies, high level positions in investment banks and positions with commercial and international lending institutions. We believe this breadth of work experience adds significant value to the group's investing abilities.

Invesco Private Capital Partnership Fund Team

Investment Professionals

Theresa Boyd
Kristine Brandt
Evan Jaysane-Darr
Kelvin Liu
Ray Maxwell*
Henry Robin
Phil Shaw
Amit Tiwari

** Independent Contractor*

Business Management Resources

Product Management

Katina Aldridge
Edna Chen
Tina Lin
Lauren O'Bryan

Finance/Operations

Kyle Bartz
Domingo Belliard
Ya Cheng
Michael Gibbons
Greg Guszack
Anthony Lamarca
Benjamin Lowy
Michael Meotti
Diana Moy
Kelly Muller
Risa Obara
Gloria Pan
Theresa Pensato
Nanette Rodriguez

In addition to the dedicated resources to IPC's private equity listed above, Invesco Ltd.'s global resources and employees support IPC's activities. Of the many employees worldwide, the following employees devote a significant part of their time to support IPC's activities:

Certain Additional Resources of Invesco Parent and Sister Companies Supporting Private Capital	
Finance, Operations/Systems, Trading, Human Resources & Legal	
Finance	Holley Reynolds
Systems	Rob Perez, Robert Decina, Mark Puglisi
Equity Trading Desk	Eric Gibson (trading), Nancy Lindstrom (trading)
Human Resources	Chantal Ershadi, Kathleen Greenberg
Legal	Jeffery Kupor, Benjamin Gruder, Stephen Naughton
Compliance	Todd Spillane, Scott Trapani, Alpesh Rathod, Shanika Drakes
U.S. Sales & Service Organization	
Head of U.S. Institutional Sales, Service & Cons. Rel.	Eric Johnson
Head of U.S. Institutional Sales	Ben Utt
Managing Director of Private Equity Investment Relations and Product Development	Marquette Chester
East	Keri Hepburn, Ruth Hughes-Guden, Michael Mondo, TJ Hughes, Fred DeSerio, Bob Scheetz, Brad Wilson
Central	Eliot Honaker, Lori Lefkowitz, Cathy Stodghill, Dyice Ellis-Beckham
West	Molly Ono, Brad Tham, Greg Murphy, Brad Gillman, Delia Roges
Puerto Rico	Pedro Gonzales

International Sales & Marketing	
UK	Hughe Ferrand, Dan Greene, James McAuliffe
Continental Europe	Michael Gartman (Germany), Thomas Kraus (Austria), Dick Ponsen (Netherlands), Miguel Rona (Spain), Marcel Salzmann (Switzerland), Sergio Trezzi (Italy, Greece)
Rest of Asia/Pacific Rim	Peter McClelland (Australia), Hideyasu Kato (Japan), Desmond Ng (Taiwan), Daichi Shibanai (Japan)
Latin America	Pedro Gonzalez
Public stock analysts from around the world	

Invesco Private Capital, Inc.
Partnership Fund Investment Team

Senior Investment Professionals

Philip Shaw co-heads Invesco Private Capital’s partnership fund team. In addition to chairing the group’s Investment Committee, he is actively involved in sourcing and evaluating U.S. private equity partnerships. He is responsible for overseeing the partnership product’s investment strategy and monitoring the fund-of-funds portfolio diversification guidelines.

Phil joined Invesco Private Capital (through a predecessor firm) in 1983. He spent his first seven years working on both partnership due diligence and direct investments in venture-backed healthcare and technology companies. He has focused exclusively on partnership investing since 1991.

Phil began his investment career at the Hambro International Venture Fund where he evaluated private equity transactions. Before returning to graduate school and completing a degree in management, he worked for nearly a decade in architecture and real estate development.

Phil currently serves on a number of partnership advisory boards, including Berkshire Partners, M/C Partners, Salix Ventures and Summit Capital Partners.

Phil received an M.P.P.M. degree from the Yale School of Management in 1982 and graduated with honors from the University of Michigan in 1970 with a B.A. in Economics.

Henry Robin co-heads the partnership fund team alongside Phil Shaw and is actively involved in sourcing and evaluating U.S. private equity partnerships.

Henry joined Invesco Private Capital in 2010 and has 20 years experience in private equity portfolio management. Most recently, Henry was a Senior Partner at North Sea Capital, a Copenhagen-based private equity fund-of-funds manager, closely affiliated with Nordea, Scandinavia's largest financial institution. Prior to this, Henry was a founding partner of AlpInvest Partner's New York office where he was also named deputy-head. Henry was responsible for building AlpInvest's initial footprint in the U.S. market. Together with a team he lead consisting of 10 investment professionals, AlpInvest made primary commitments of approximately $15 billion to over 200 private equity firms. While at AlpInvest, Henry also served on the firm's investment committee, making global investment decisions for all of the firm's primary, secondary and co-investment vehicles. Henry has also held senior positions at Credit Suisse First Boston and the MacArthur Foundation.

Henry holds a B.S. and a M.M. from Northwestern University and was named an F.C. Austin Scholar at the J.L. Kellogg Graduate School of Management. He is also a holder of the Chartered Financial Analyst designation. Additionally, Henry served as the second chairman of the Institutional Limited Partners Association (commonly known as the “**ILPA**").

Venture Partner

Ray Maxwell has nearly three decades of investment experience and specializes in the selection of international private equity partnership funds. Ray is a consultant to and non-voting member of the IPC Partnership Investment Committee.

Prior to joining Invesco Private Capital in 1997 (through a predecessor firm), Ray was a Director of Granville Private Equity Funds Limited - now known as Greenoak - where he was involved in sourcing and executing direct transactions, managing a portfolio of unquoted investments and selecting partnerships for client accounts. His clients included Hermes Investment Management where he had been previously employed and responsible for venture partnership and direct investments. From 1987 to 1993, Ray worked as a venture capital manager at Postel Investment Management investing in international partnerships and direct transactions in the U.K.

Ray currently serves on numerous advisory boards, including Argus Capital, Procuritas Partners and Veritas Capital.

Ray received an M.B.A. from Middlesex Business School in 1987 and a B.S. with honors in Economics and Geography from London University in 1973. He is a member of the Securities Institute MSI in the U.K.

Directors

Kristine Brandt is involved in the quantitative and qualitative analysis of prospective partnership fund investments and has 11 years of private equity experience.

Prior to joining Invesco Private Capital (through Sovereign Financial Services) in 2000, Kristine was the Director of Operations for AddHealth, Inc. a private health care management firm located in Jackson Hole, Wyoming. She was involved with all phases of the company from start-up through to an eventual sale to a large preferred provider organization. Kristine also served as an equities analyst for Briefing.com, an on-line provider of financial analysis and commentary. While working at Briefing, she was responsible for research, analysis and dissemination of real-time market information.

Kristine currently serves on several partnership advisory boards, including Catterton, Eureka, Lovell Minnick, Pfingsten, .406 Ventures, Riverwood, Spire Capital, Valor Equity Partners and White Deer. Kristine is often invited to speak at prominent industry events and her speaking engagements include: NASP (National Association of Securities Professionals); The Pension Bridge; Southeast Venture Conference; The Capital RoundTable Masterclass; Dow Jones Private Equity Analyst Conference; and SuperReturn U.S.

Kristine received her M.B.A. with a concentration in Finance from the University of Denver and earned a B.S. in Psychology from St. Lawrence University in 1992. Kristine is a member of the Financial Management Association National Honor Society and PsiChi, the Psychology National Honor Society.

Kelvin Liu is involved in the quantitative and qualitative analysis of prospective partnership fund investments and has 11 years of private equity experience.

Prior to joining Invesco Private Capital in 2006, Kelvin was the Director of North American Operations for TIF Ventures, a $1.3 billion Singapore government fund-of-funds. Being a member of TIF Ventures' founding team, Kelvin was instrumental in establishing its presence and industry network in the U.S. Prior to TIF Ventures, Kelvin was the Director of the National Science and Technology Board (NSTB) based in Redwood City, CA. NSTB is a governmental agency providing financial assistance for the development of science and technology in Singapore, interacting with start up companies as well as Fortune 500 enterprises.

Kelvin currently serves on several partnership advisory boards, including Barings Asia, Navis Asia, Clearlake Capital, Craton Equity Partners, Panorama Capital, Relativity Capital, and Rembrandt Ventures.

Kelvin received an M.B.A. in Finance with Honors from The Wharton School. He also earned a B. Eng (1st Class Honors) and a M.S. degree in Management from the National University of Singapore. Kelvin is a holder of the Chartered Financial Analyst designation.

Principals

Amit Tiwari is involved in the quantitative and qualitative analysis of prospective partnership fund investments and has 10 years of private equity experience.

Prior to joining Invesco Private Capital in 2005, Amit was a part of the Alternative Investments Team at the California State Teachers' Retirement System where he invested over $125 million in venture capital and buyout partnerships. Before entering business school, Amit was an Investment Banking Associate in Credit Suisse First Boston's Technology Private Placements Group where he raised over $250 million in several high-profile private placements for the firm's technology clients.

Amit currently serves on several partnership advisory boards, including Caltius Equity Partners, Foundry Group, Greycroft Capital, Huntington Capital, Monitor Ventures, Physic Ventures, and PTV Sciences.

Amit received his M.B.A. with a concentration in Finance from the University of California, Davis in 2005 and a Bachelor of Science in Management from Tulane University's A.B. Freeman School of Business in 1999.

Evan Jaysane-Darr is involved in the quantitative and qualitative analysis of prospective partnership fund investments and has 6 years of private equity experience.

Evan rejoined the Invesco Private Capital team in September 2011 after completing his M.B.A. Prior to entering business school, Evan was a Senior Associate at Invesco Private Capital focused on partnership fund due diligence. Before Invesco Private Capital in 2008, Evan was a Vice President in the Alternative Investments team at Atlantic Trust Private Wealth Management investing over $200 million annually in private equity, real estate, and hedge funds.

Evan received an M.B.A. from INSEAD and received his B.A. from Washington & Lee University. Evan is a holder of the Chartered Financial Analyst® designation.

Senior Associate

Theresa Boyd is involved in the quantitative and qualitative analysis of prospective partnership fund investments.

Theresa rejoined the Invesco Private Capital team in September 2010. Most recently Theresa served as Vice President of Business Development at Zyoxel Limited, a University of Oxford life sciences spin-out. Prior to entering business school, Theresa worked as Product Manager at Invesco Private Capital in New York City and previous to that was an analyst at the Royal Bank of Canada in Toronto.

Theresa currently serves on the partnership advisory boards of The Halifax Group and CHL Medical Partners.

Theresa received her M.B.A. with Distinction from the University of Oxford in 2009 and an Honors Bachelor of Commerce from McMaster University in 2003.

Invesco Private Capital, Inc. – Business Management Team

Invesco Private Capital has a dedicated Business Management team that handles the Product Management, Finance and Operations functions specific to private capital. The Business Management team is designed to free the investment professionals to focus their time on investments. Biographies for the senior members of the business management team follow.

Michael J. Gibbons, CPA, Chief Financial Officer of the Invesco WL Ross Group. Mr. Gibbons' responsibilities include all aspects of financial reporting including accounting policies and procedures, accounting and information system design, external reporting, audits, tax planning and reporting; financial and organizational structure; review and negotiation of contracts; foreign currency transactions, risk management, cash management, operations and forecasting for Invesco Private Capital, Inc. and W.L. Ross & Co. LLC and the funds advised by each of those advisers.

Prior to joining WL Ross and, later, Invesco, he co-founded, and was a Senior Manager of, Marcum & Kliegman LLP's Hedge Fund/Investment Partnership specialty practice group. Mr. Gibbons graduated from Pace University with a B.A. in Business Administration.

Michael Meotti, Director of Accounting, is responsible for financial reporting, accounting, operations and tax planning/reporting for all funds managed by Invesco Private Capital. Mike has over 16 years of accounting, auditing and structuring experience in the Alternative Investments Industry specializing in Private Equity, Hedge Funds and Fund-of-Funds.

Prior to joining Invesco Private Capital in 2008, Mike was the Chief Financial Officer of the Alternative Investment Funds at AIG Investments. Previous to that Mike was a Senior Manager with PricewaterhouseCoopers LLP in the Alternative Funds Practice.

Mike received an M.S. in Accounting from Long Island University and a B.A. from Hofstra University.

Lauren O'Bryan, Product Manager, is responsible for investor relations, internal and external marketing support for IPC's fundraising efforts, the production of quarterly portfolio reviews and the facilitation of various client events and meetings.

Prior to joining Invesco Private Capital in 2008, Lauren was an analyst at Citigroup Global Corporate & Investment Bank, providing quantitative analysis and research support for various equity and debt transactions. Prior to that, Lauren was a Client Associate at Merrill Lynch Private Wealth Management.

Lauren received a B.A. in Business Administration, with honors, from the University of Michigan's Stephen M. Ross School of Business. She is registered with FINRA as a General Securities Representative (Series 7) and as a Securities Agent (Series 63).

Invesco Legal and Structuring

Benjamin G. Gruder, Assistant General Counsel to Invesco, joined Invesco Private Capital in 2000 and became a member of the Invesco legal team in 2006. He is responsible for providing legal support to IPC and for structuring of transactions and funds, and works closely with IPC's Investment Teams and its Product Management, Finance and Operations groups.

Ben began his career in 1999 as a Corporate Associate at the law firm of Rosenman & Colin, specializing in private capital transactions, mergers and acquisitions, corporate finance, U.S. securities laws and investment management.

Ben received a J.D. from the Brooklyn Law School in 1999, magna cum laude, and is a member of the New York State Bar. He received a B.A. in Criminal Justice from the University of Maryland in 1996.

Invesco Compliance

Scott A. Trapani, CFA, Chief Compliance Officer, IPC, WL Ross & Co. LLC, Invesco Senor Secured Management, Invesco National Trust Company.

Scott joined Invesco Ltd in 2008 from Sun Trust Bank, where he served as Group Vice President of Credit Risk Analytics and Portfolio Management. Previously, Mr. Trapani was the Vice President and Chief Risk Regulatory Officer for GE Capital's international bank holding company in Stamford, Conn. In addition, he worked at KPMG Consulting as a senior resident advisor to the central banks of Poland, Moldova and Ukraine. Scott began his career as an FDIC field examiner and later led the offsite analytical unit for the FDIC's San Francisco regional office.

Scott is a CFA charter holder and a member of the Professional Risk Manager's International Association. He earned a bachelor's degree from Arizona State University.

Alpesh Rathod, Senior Compliance Officer for Invesco Private Capital, WL Ross & Co. LLC and Invesco Senior Secured Management, joined Invesco in June 2009. He is responsible for ensuring that Invesco Private Capital has a compliance structure in place reasonably designed to effectively detect, resolve and prevent violations of applicable laws and regulations.

Prior to joining Invesco, Alpesh was Chief Compliance Officer for Bank of America's Alternative Investment Group within the Global Wealth and Investment Management Division. He was the designated Chief Compliance Officer for three SEC registered advisers and two registered hedge funds. Prior to joining Bank of America, Alpesh served as Vice President/Director of Investment Adviser Compliance for the U.S. Trust Corporation division of Charles Schwab & Co., from 2002 to 2004. Prior to that, he was Principal Consultant/Senior Manager of the Regulatory Compliance Consulting Group at PricewaterhouseCoopers LLP from 1998 to 2002, and Securities Compliance Examiner, Division of Investment Management at the U.S. Securities & Exchange Commission from 1995 to 1998.

Alpesh holds a B.S. in Accounting from St. Peter's College.

Certain Investment Considerations

Nature of Fund Investments

Investment in the Funds requires a long-term commitment, with no certainty of return. There most likely will be little or no near-term cash flow available to the Limited Partners. Most of the Funds' investments will be highly illiquid. It is uncertain as to whether or when return of capital and/or profits, if any, will be realized. Losses on unsuccessful investments of Portfolio Funds may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment by Portfolio Funds or in a secondary sale transaction. While investments held by Portfolio Funds may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating the Fund (including the annual Management Fee payable to the General Partner) may exceed its income, thereby requiring that the difference be paid from the Funds' capital, including, without limitation, unfunded commitments. Also, sales of partnership interests in Portfolio Funds are typically priced at a discount to the then current net asset value of the partnership interests.

The Funds will generally acquire securities for which no liquid market exists and that cannot be sold except pursuant to a registration statement filed under the Securities Act or in a private placement or other transaction exempt from registration under the Securities Act. Additionally, the Funds will generally acquire securities that are subject to contractual or other restrictions on transfer, such as limited partner interests that may only be transferred with the consent of the limited partnership's general partner. The market prices, if any, of such investments tend to be volatile and the Funds may not be able to sell such investments when they desire or, upon sale, to realize what the General Partner perceives to be fair value.

The success of each of the Portfolio Funds in which the Funds invest (and, as a result, the success of the Funds) is subject to those risks which are inherent in private equity investments. These risks are generally related to (i) the ability of each of the Portfolio Funds to select and manage successful investment opportunities, (ii) the quality of the management of each company in which the Portfolio Funds invest, (iii) the ability of the Portfolio Funds to liquidate their investments, and (iv) general economic conditions. There can be no assurance that the investments made by the Portfolio Funds will result in attractive rates of return to the Funds. The Funds will not be able to participate in the management or control of the Portfolio Funds nor of the companies in which the Portfolio Funds invest. Consequently, the Funds generally will not be able to control the amount and timing of distributions from the Portfolio Funds, which may affect an investor's returns.

The Funds may make investments in collective investment funds (1) with short investment histories, (2) that rely on a few key principals, (3) that invest in companies with short operating histories, (4) that rely on a few key managers, (5) that are organized and/or operate outside the United States, and (6) that are, or have portfolio companies that are, highly leveraged and/or that operate in rapidly changing markets. Once the Funds make an investment, the Funds will be limited partners with no management authority and will be relying on the management skill of the Portfolio Fund's general partner.

Similarly, the success of each Co-Investment is subject to the same risks which are inherent in private equity investments as described above. Co-Investments, if any, will likely be non-controlling interests in portfolio companies and, therefore, the General Partner will have a limited ability to protect the Sector Fund's position in such portfolio companies. The General Partner will seek appropriate shareholder rights to help protect the Sector Funds' interest, but those rights may be limited. As is the case with minority holdings in general, such minority stakes that a Sector Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. In addition, Co-Investments in any one particular company, by their nature, are less diversified than an investment in a Portfolio Fund (or in multiple Portfolio Funds) that in turn in invest in a number of portfolio companies. This lack of diversification may increase a Sector Fund's susceptibility to the performance of any single Co-Investment, which may adversely affect the Sector Funds' performance and the returns to the Limited Partners.

Non-U.S. Investment Risks

Investments in businesses operating and/or organized outside of the United States, including in emerging markets, will involve risks not typically associated with investments in the securities of U.S. companies. For instance, investments in non-U.S. businesses may be subject to certain additional risk due to, among other things, potentially unsettled points of applicable governing law, possible significant government approvals, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of the Funds), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on the Funds and/or the Partners with respect to each Fund's income, and possible non-U.S. tax return filing requirements for the Funds and/or the Partners. Investments made in businesses operating in emerging market countries will involve additional risks because the economies of such countries may be volatile and may be affected by political and social change and instability. The foregoing factors may increase transaction costs and adversely affect the value of the Funds' investments in funds that invest outside the United States.

Additional risks of non-U.S. investments include: (1) economic dislocations in the host country; (2) less publicly available information; (3) less well-developed regulatory institutions; (4) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (5) civil disturbances; (6) government instability; and (7) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Future and Past Performance

Since the Funds may only make a limited number of investments and since the Funds' investments generally will involve a high degree of risk, poor performance by a few of the investments could severely affect the total returns to Partners. The performance of predecessor funds' prior investments is not necessarily indicative of the Funds' future results. While the General Partner intends for the Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

Fees

As an investor in the Funds, the investor will bear management fees, expenses and carried interest.

The Adviser reserves the right to provide the same or similar services for management fees and carried interest for certain clients that vary (favorably or unfavorably) from those offered to investors in the Funds, in the Adviser's sole discretion for relationship or other reasons.

Difficulty of Locating Suitable Investments, etc.

Although the Adviser and its professionals have been successful in identifying suitable investments in the past, the Funds may be unable to find a sufficient number of attractive opportunities to meet its investment objectives. The private capital investment business is highly competitive. Identifying and accessing the most successful investment fund managers is difficult. Once identified, there can be no assurance that such managers will permit the Funds to invest in their investment vehicles. If a sufficient number of attractive partnership investments cannot be identified and closed, it is possible that the Funds will never be fully invested; nevertheless, Limited Partners will remain obligated to pay management fees based on their commitments.

Fundraising Risk Factor

The success of the Funds depends on the ability of the Adviser and its professionals to raise a sufficient amount of commitments. The Adviser is seeking to raise $350 million in commitments for the Funds in the aggregate in this offering. There can be no assurance that the Funds will raise this targeted amount of commitments. To the extent the Funds have a final closing with less than the targeted amount of commitments, there may be less diversification and more concentration of the Funds' investments, and possibly a smaller number of investments. A lack of diversification would increase the Funds' susceptibility to the performance of any single investment, which may adversely affect the Funds' performance and the returns to the Limited Partners. Further, a smaller amount of commitments would result in each Limited Partner bearing a larger proportion of the aggregate organizational costs and expenses of the Funds.

Reliance upon Certain Persons

The success of the Funds will depend on the ability of the Adviser and its professionals to identify suitable investments and to negotiate and arrange the closing of those investments. There can be no assurance that the individuals currently employed by the Adviser will continue to be employed by the Adviser.

Restrictions on Transfer & Withdrawal

The Limited Partnership Interests (the "**Interests**") in the Funds have not been registered under the Securities Act or any other applicable securities laws. There is no public market for the Interests and none is expected to develop. In addition, the Interests are not transferable except with the consent of the General Partner, unless all specified requirements set forth in the Partnership Agreement are satisfied. Limited Partners may not withdraw capital from the Funds. Consequently, Limited Partners may not be able to liquidate their investments prior to the end of each Fund's term.

Risk of Default and its Consequences

Failure to make its required capital contribution may result in a Limited Partner's incurring significant adverse consequences. In addition to losing its right to potential distributions from a Fund, a defaulting Limited Partner may be forced to transfer its interest in the Fund for an amount that is less than the fair market value of such interest and that may be paid over a period of up to ten years, without interest.

No Right to Control the Fund's Operations

Limited Partners will have no opportunity to control the day-to-day operations, including investment and disposition decisions, of the various Sector Funds. In order to safeguard their limited liability from the liabilities and obligations of the Funds, Limited Partners must rely entirely on the General Partner and the Adviser to conduct and manage the affairs of the Sector Funds.

Liabilities upon Disposition

The Sector Funds' investments in other collective investment funds may result in contingent liabilities, which might ultimately have to be funded by the Partners to the extent that the Partners have received prior distributions from the Funds. The Partnership Agreement will include provisions to the effect that if there is any such claim in respect of an investment, it will be funded by the Partners to the extent that they received distributions in respect of such investment.

Incentive Allocation

Although each General Partner's incentive allocation with respect to the Interests described above under "Summary of Principal Terms - Distributions" is intended to comply with Rule 205-3 under the Investment Advisers Act of 1940, as amended, incentive allocations by their nature may create incentives for the General Partner to make investments that are more speculative than would be the case in the absence of an incentive allocation.

Allocation of Investment Opportunities

The Adviser and its affiliates advise, and in the future will continue to advise, investment vehicles and client accounts having investment guidelines substantially the same in whole or in part as those of the Funds. The Adviser and its affiliates will allocate investment opportunities among such investment vehicles, client accounts and the Funds on an equitable good faith basis, subject to applicable investment guidelines, portfolio diversification requirements and other appropriate factors. Any investment opportunity in excess of the allocation the Adviser deems appropriate for such client may be offered as the Adviser determines in its sole discretion including to third parties who are not clients of the Adviser or investors in the Adviser's funds.

Uncertain Economic and Political Environment

The current global economic and political climate is one of uncertainty. Prior acts of terrorism in the United States, the threat of additional terrorist strikes, recent political instability in Egypt, Libya and Tunisia, the downgrading of the credit rating of the United States in 2011, Europe's debt crisis and the fear of a prolonged global economic downturn have exacerbated volatility in the financial markets and can cause consumer, corporate and financial confidence to weaken, increasing the risk of a "self reinforcing" economic downturn. The availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, has been restricted. This may have an adverse effect on the economy generally and on the ability of the Funds and portfolio companies of Portfolio Funds to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of their businesses. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections.

Any material change in the economic environment, including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates, could have a negative impact on the performance and/or valuation of the portfolio companies and Portfolio Funds. The Funds' performance can be affected by deterioration in public markets and by market events, such as those listed in the prior paragraph, which, among other things, can impact the public market comparable earnings multiples used to value privately held portfolio companies and investors' risk-free rate of return. Movements in foreign exchange rates may adversely affect the value of investments in portfolio companies and the Funds' performance. The value of publicly traded securities may be volatile and difficult to sell as a block, even following a realization through listing. The impact of market and other economic events may also affect the Funds' ability to raise funding to support its investment objective and also the level of profitability achieved on realizations of investments.

Potential Conflicts of Interest

The Adviser and its affiliates on behalf of clients other than the various Sector Funds may invest in partnerships sponsored by third parties as well as directly in their private investments. Such third party sponsors may inform the Adviser and its affiliates of direct or partnership investment opportunities in which the Funds may not be given an opportunity to participate and which may be used for other Adviser clients. In addition, the Adviser and its affiliates may or may not allocate such investment opportunities to other clients or to other investors in their sole discretion. The Adviser's and/or its affiliates' other clients may have different fee structures, including different (or no) performance fees.

Except to the extent prohibited by applicable law, each Sector Fund may invest up to the greater of U.S. $5 million and 10% of its aggregate capital commitments in Invesco affiliated funds (an "Affiliated Investment") provided, however, that the Sector Fund will not be charged a management fee or carried interest with respect to such Affiliated Investments.

Affiliates of the Adviser may also invest in portfolio companies in which portfolio partnerships held by a Fund may also invest and such groups may have different interests in acting as a fiduciary for their clients.

Investment professionals and other employees and affiliates of the Adviser (or members of their families) may have direct or indirect financial interests in portfolio companies of collective investment vehicles in which the various Sector Funds have invested. The Adviser, its affiliates, and/or their employees may purchase public securities markets securities of portfolio companies of collective investment vehicles in which the Funds have invested. The General Partner may consult with the Advisory Board with respect to these and other potential conflicts of interest that may arise from time to time in connection with each Fund's activities. Under the Partnership Agreements, a majority of the Advisory Board members will be authorized to consent to, approve of or otherwise resolve any conflict of interest situation presented to the Advisory Board for its consideration, except to the extent such action is prohibited by applicable law.

Initial Investments by General Partner Affiliates

Prior to the Initial Closing, an affiliate of the General Partner (the "**Invesco LP**") may make up to $65 million of limited partner commitments in the aggregate to the Sector Funds for use by the Sector Funds in making commitments to and investments in Portfolio Funds (the "**Invesco LP Commitment**"). The Invesco LP will fund any such commitments when and as called by the General Partner. However, the Invesco LP will be automatically redeemed from each Sector Fund to the extent and at the same time as Limited Partners unaffiliated with the General Partner subscribe for interests in that Sector Fund (directly or through the Global Fund). Specifically, at each closing of a Sector Fund (including through the Global Fund), such Sector Fund will automatically redeem a portion of the Invesco LP Commitment made to such Sector Fund equal to the third party commitments accepted by the General Partner at such subsequent closing, until the Invesco LP Commitment is fully redeemed. Upon any such redemption, the Invesco LP will receive a distribution equal to its contributed capital, if any, with respect to such redeemed interest without interest or any other payment, and regardless of whether the net asset value of the redeemed interest has increased or decreased, which will be funded with capital contributed by the third party investors investing at such closing. By signing the subscription materials, each Limited Partner will be required to expressly consent to such transactions and make certain representations with respect thereto, including that such investment will not result in a non-exempt prohibited transaction under ERISA or the Code. Notwithstanding the foregoing, the General Partner and its affiliates will continue to hold at least 1% of the aggregate commitments made to the Sector Funds as its general partner commitment.

Legal and Tax Matters

Certain Securities Law Matters

Securities Act. The Interests described herein are not and will not be registered under the Securities Act, or any other securities laws, including state securities or blue sky laws and non-U.S. securities laws. Interests will be offered without registration in reliance upon the Securities Act exemption for transactions not involving a public offering. Each investor will be required to make certain representations to each Fund, including that it is acquiring an interest in the Fund for its own account, for investment purposes only and not with a view to its resale or distribution, and that such investor is an accredited investor, as defined in Regulation D under the Securities Act. Further, each investor must be prepared to bear the economic risk of the investment for an indefinite period, since these interests cannot be sold unless they are subsequently registered under the Securities Act or an exemption from such registration is available. It is extremely unlikely that the limited partner interests will ever be registered under the Securities Act.

Restrictions on Transfer. Generally, limited partner interests will not be assignable or transferable without the prior written consent of the General Partner, unless all of the specified requirements set forth in the Partnership Agreement are satisfied. One of the requisites to such consent may be an opinion of the Fund's counsel that such a transfer would not subject the Fund or the General Partner to any regulatory or tax requirements or result in the violation of any applicable law or governmental regulation, the cost of which the transferor and transferee may be required to bear.

Investment Company Act. None of the Funds intends to register as an investment company under the Investment Company Act. Each Fund will rely on the exemption contained in Section 3(c)(1) or 3(c)(7) of the Investment Company Act, which exempts from registration issuers that are not making a public offering of securities and whose outstanding securities are beneficially owned by not more than 100 persons or who meet certain conditions or "qualified purchasers" who meet certain conditions. The Funds will obtain appropriate representations and undertakings (including representations from purchasers who purchase more than 10% of the Interests) in order to assure that the conditions of the exemption are met on an ongoing basis.

Investment Advisers Act. The Adviser is registered as an investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "**IAA**"). The General Partner's carried interest is intended to comply with Rule 205-3 promulgated thereunder. In the event that distributions are made of property other than cash, the amount of any such distribution shall be accounted for at the fair market value of such property as determined by the General Partner. No independent appraisal will be obtained. Investors in the Funds will be required to represent to the Funds that they are "qualified clients" or "qualified purchasers" as such terms are defined under the IAA, and the rules and regulations promulgated thereunder.

U.S. Federal Securities Regulation. In connection with any acquisition of beneficial ownership by a Fund, or by a group that includes a Fund, of more than 5% of any class of the equity securities of a company registered under the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "**Exchange Act**"), such Fund may be required to make certain filings with the U.S. Securities and Exchange Commission. Generally, these filings require disclosure of the identity and background of the purchasers, the source and amount of funds used to acquire the securities, the purpose of the transaction, the purchaser's interest in the securities, and any contracts, arrangements, or undertakings regarding the securities. In certain circumstances, a Fund may be required to aggregate its investment position in a given portfolio company with the beneficial ownership of that company's securities by, or on behalf of, the General Partner and its affiliates or other members of a group that includes the Fund, which could require the Fund, together with such other parties, to make certain disclosure filings or otherwise restrict the Fund's activities with respect to such portfolio company securities.

Also, if the Fund becomes the beneficial owner of more than 10% of any class of the equity securities of a company registered under the Exchange Act, or otherwise becomes an "affiliate" of such a company, the Fund may be subject to certain additional reporting requirements and to liability for short swing profits under Section 16 of the Exchange Act. Each Fund intends to manage its investments so as to avoid the short swing profit liability provisions of Section 16 of the Exchange Act.

Certain Considerations Applicable to U.S. Retirement Plans and Arrangements

Subject to the considerations discussed below, the General Partner may accept subscriptions from investors using the plan assets of U.S. employee benefit plans and retirement arrangements ("**Plans**"), including, without limitation, (i) employee benefit plans subject to the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"); (ii) plans and accounts subject to Section 4975 of the Code (including individual retirement accounts); and (iii) any entity deemed to hold "plan assets" of any such employee benefit plan or other plan (each of (i) through (iii), "**Benefit Plan Investors**"). Fiduciaries of each prospective Plan investor should carefully review the discussion below and should consult with their counsel before determining to invest the assets of a Plan in the Funds.

General Fiduciary Considerations. The fiduciary provisions of ERISA, and the pension codes and other rules and regulations applicable to Plans that are not subject to ERISA, impose certain obligations on Plan investors and may impose limitations on investment in the Funds. In determining whether to make an investment in the Funds, fiduciaries of Plan investors should carefully consider such provisions in consultation with their advisers. Among other factors, such fiduciaries should consider the composition of the Plan's portfolio with respect to diversification; the cash flow needs of the Plan and the illiquidity of an investment in the Funds; the economic terms of the Plan's investment in the Funds and the Plan's funding objectives; the tax effects of an investment in the Funds; and the fact that the objectives of any particular investor will not be taken into account in the management and operation of the Funds.

To the extent the assets of any Sector Fund are deemed to include the "plan assets" of Benefit Plan Investors, as discussed below, the authorized named fiduciary of each Benefit Plan Investor investing (directly or through the Global Fund) in such Sector Fund will be required to appoint the Adviser as an "investment manager" (within the meaning of Section 3(38) of ERISA) with respect to the assets of such Sector Fund. The Adviser will accept such appointment and acknowledge that it will be a fiduciary with respect to the Sector Fund assets that are deemed to be plan assets of such Benefit Plan Investor.

However, none of the General Partner, the Adviser or any of their respective affiliates or employees will act as a fiduciary to any Plan with respect to the decision to invest such Plan's assets in the Funds. The General Partner is offering interests in the Funds solely in its capacity as a seller of such interests and neither the General Partner nor the Adviser is undertaking to provide impartial investment advice with respect to a prospective Plan investor's decision to invest in the Funds. In addition, to the extent that the assets of any Fund are not deemed to include the "plan assets" of Benefit Plan Investors, none of the General Partner, the Adviser or any of their affiliates will act as a fiduciary to any Benefit Plan Investor regarding the operation or investment management of such Fund.

Directed Investment by the Global Fund. As described elsewhere in this Memorandum, the Global Fund is available as a convenience to permit investors to make commitments to all three Sector Funds without the necessity of multiple subscription agreements. As such, the Agreement of Limited Partnership of the Global Fund (the "**Global Fund Agreement**") does not give the General Partner or the Adviser investment discretion with respect to the Global Fund. The Global Fund is required to make investments in the Sector Funds according to the fixed allocation of 45% to the U.S. Private Equity Sector Fund, 25% to the U.S. Venture Sector Fund and 30% to the International Sector Fund. By investing in the Global Fund, each Limited Partner will direct the Global Fund to invest according to such fixed allocation. To the extent that participation by Benefit Plan Investors in the Global Fund is "significant" and the Global Fund is deemed to include "plan assets" of such Benefit Plan Investors, the General Partner intends to act only as a directed custodian and not as a fiduciary of such assets.

However, there is very little authority regarding the application of ERISA and regulations issued thereunder to entities such as the Funds, so there can be no assurance that the DOL or the courts would not take a position or promulgate additional rules or regulations that could significantly impact the "plan asset" status or operations of the Funds.

Prohibited Transactions. In addition to the fiduciary issues discussed above, the fiduciaries of each prospective Plan investor should consider with their advisers whether the Plan's investment in the Funds could constitute a direct or indirect "prohibited transaction" with a "party in interest" as defined by ERISA or a "disqualified person" as defined by Section 4975 of the Code or a violation of similar state, local or other applicable law and if so, whether exemptive relief is available. In making this determination, such fiduciaries should take into account the fact that the General Partner or its affiliates may be significant initial investors in the Sector Funds and that their interests will be automatically redeemed as new Limited Partners invest, as described above in "Certain Investment Considerations - Initial Investments by General Partner Affiliates". As a result, a Sector Fund itself may be a party in interest or a disqualified person with respect to a Benefit Plan Investor or the redemption of all or a portion of the Invesco LP Commitment could be considered an indirect transaction between an investing Benefit Plan Investor and the Invesco LP. Certain statutory and administrative exemptions may be available, depending on the fiduciary making the investment decision and the relationship of the party in interest or disqualified person to the Benefit Plan Investor. Fiduciaries of Benefit Plan Investors should also consider whether an investment in the Funds could involve a prohibited conflict of interest under ERISA or Section 4975 of the Code, which could arise if the fiduciary of the Benefit Plan Investor has an interest in or affiliation with the General Partner or its affiliates that could affect the fiduciary's best judgment.

Each prospective investor will be required to represent that (1) it is not a Plan or (2) its purchase of an Interest does not constitute a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or a violation of similar state, local or other applicable law.

Plan Asset Considerations. The U.S. Department of Labor ("**DOL**") has issued regulations under ERISA (as modified by Section 3(42) of ERISA, the "**Plan Asset Regulations**") that generally provide that when a Benefit Plan Investor acquires an equity interest in an entity, such investor's assets include such equity interest and an undivided interest in each of the underlying assets of such entity, unless Benefit Plan Investor participation is not "significant" or certain other exceptions apply. Benefit Plan Investor participation in an entity is not "significant" if less than 25% of the value of each class of equity interests in such entity is held by Benefit Plan Investors, excluding any interests held by the General Partner, the Adviser and any other party (other than a Benefit Plan Investor) that has discretionary authority or control over or that provides investment advice for a fee (direct or indirect) with respect to the assets of such entity, or any of their affiliates.

The General Partner does not intend at this time to limit investment in the Funds by Benefit Plan Investors, so the Funds may at any time hold "plan assets" subject to ERISA.

Operation of the Funds in Compliance with ERISA. As discussed above, neither the General Partner nor the Adviser will have investment discretion with respect to the Global Fund. To the extent that the assets of any Sector Fund are deemed to include the plan assets of Benefit Plan Investors, however, the General Partner and Adviser will be fiduciaries with respect to such Sector Fund and would generally be prohibited under ERISA and Section 4975 of the Code, absent an exemption, from causing such Sector Fund to engage in any transaction with a person that is a "party in interest" or "disqualified person" to any Benefit Plan Investor that has invested in such Sector Fund. "Parties in interest" and "disqualified persons" include for this purpose, among others: any fiduciary, administrator or employee of a Benefit Plan Investor; any employer whose employees are covered by a Benefit Plan Investor's plan; such employer's subsidiaries and majority owners; any service provider to a Benefit Plan Investor; any union whose members are covered by a Benefit Plan Investor's plan; and certain employees, officers, directors, family members and affiliates of the foregoing individuals and entities.

Certain administrative and statutory exemptions may be available for transactions between a Sector Fund and parties in interest or disqualified persons. Among such exemptions are (i) a statutory exemption under Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code permitting transactions between a Benefit Plan Investor and certain service providers to such Benefit Plan Investor or affiliates of such service provider, if such transactions are for "adequate consideration" and (ii) DOL Prohibited Transaction Class Exemption 84-14, which provides broad relief for transactions negotiated on behalf of a Benefit Plan Investor by a "qualified professional asset manager" ("**QPAM**"). The Adviser expects to qualify as a QPAM for so long as it serves as an adviser to the Sector Funds. Benefit Plan Investors will be required to furnish such information to the General Partner and the Adviser as requested from time to time to permit compliance with ERISA's prohibited transaction requirements and related exemptions.

Compensation of the General Partner. The DOL has indicated that, under certain circumstances, the receipt by a fiduciary of a fee or other compensation may involve a prohibited conflict of interest where the timing or amount of the fee or other compensation may be affected by matters within the discretion of the fiduciary. Fiduciaries of Benefit Plan Investors should consider the compensation payable in connection with the Funds, and must determine whether such compensation is reasonable and appropriately aligns the interests of the General Partner and the Adviser with the interests of the Benefit Plan Investor. By making an investment in the Funds, each Benefit Plan Investor will be deemed to have determined that the compensation to be paid in connection with its investment in the Funds is reasonable and properly aligns the interests of the General Partner and the Adviser with the Benefit Plan Investor, and to have consented to the payment of all fees or other compensation to the General Partner and the Adviser.

ERISA provides a statutory exemption (the "**Multiple Services Exemption**") that permits the payment of a reasonable fee or other compensation for services provided to Benefit Plan Investors, so long as, among other requirements, the contract or arrangement for such services is "reasonable." A "reasonable" contract for such purpose must be terminable without penalty on reasonably short notice under the circumstances, and - pursuant to a recent amendment to the Multiple Services Exemption that may become effective as early as April 2012 - must be entered into only after certain disclosures are made to the contracting Benefit Plan Investor. These disclosures must describe, among other things, the amount of compensation that the relevant service provider (and its affiliates or subcontractors) expects to receive; the manner in which such compensation will be paid; the services to be provided; and the status of such service provider as a fiduciary or as a registered investment adviser. The responsible fiduciary of each prospective investor that is a Benefit Plan Investor must determine that the terms of the governing documents of the Funds satisfies the requirements of this exemption and that the requisite disclosures, to the extent applicable, have been received.

Bonding and Other Administrative Requirements. Section 412 of ERISA requires fiduciaries of plans subject to ERISA to be bonded in favor of such plans to provide protection against loss by reason of acts of fraud or dishonesty on the part of the fiduciary, directly or through connivance with others. To the extent that any of the Funds holds "plan assets" of Benefit Plan Investors, the General Partner will obtain a bond in favor of each Benefit Plan Investor subject to ERISA that has invested in such Fund that is intended to satisfy the requirements of Section 412 of ERISA. In addition, Section 404(b) of ERISA requires that the "indicia of ownership" of all plan assets of plans subject to ERISA be maintained within the jurisdiction of the U.S. district courts. During any time that the assets of any of the Funds include such plan assets, it is likely that the DOL would take the position that such assets are subject to Section 404(b), and the indicia of ownership of such Funds will be maintained in compliance with such requirement.

Reporting Obligations (Form 5500). ERISA and regulations issued thereunder require that fiduciaries of plans subject to ERISA report to the DOL the current value of and other information with respect to the assets of such plans. For the purpose of this annual reporting requirement, fiduciaries must include information with respect to the plans' interests in entities, potentially including the Funds, that are treated as holding plan assets of such plans, unless the entity files such information directly with the DOL in accordance with an alternative reporting procedure. The descriptions contained herein of fees and compensation are intended to satisfy the disclosure requirements for "eligible indirect compensation" for which the alternative reporting option on Schedule C of Form 5500 may be available.

Government Plans. Government sponsored plans are not subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of Section 4975 of the Code. However, applicable laws and regulations may contain fiduciary and prohibited transaction requirements similar to those contained in ERISA and Section 4975 of the Code, and may impose other investment limitations. Fiduciaries of government plans, and any other plans not subject to ERISA or Section 4975 of the Code, should consider, in consultation with their advisers, the requirements applicable to an investment in the Funds.

IRA Investors. Interests in the Funds may be purchased or owned by investors who are investing assets of their individual retirement accounts ("**IRAs**"). In consultation with its advisors, the fiduciary of each prospective investor that is an IRA should carefully consider whether an investment in the Funds is appropriate and permissible under the terms of its governing documents. Fiduciaries of investors that are IRAs should consider in particular that the interests will be illiquid and that it is not expected that a significant market will exist for the resale of the interests, as well as the other general fiduciary considerations described above. Although IRAs are not generally subject to ERISA, they are subject to the provisions of Section 4975 of the Code, which prohibit transactions with "disqualified persons" and investments and transactions involving fiduciary conflicts. A prohibited transaction or conflict of interest could arise, for example, if the fiduciary making the decision to invest has a personal interest in or affiliation with the Funds, the General Partner or any of their affiliates. A prohibited transaction or conflict of interest that involves the beneficiary of the IRA could result in disqualification of the IRA and assessment of penalties.

ACCEPTANCE OF SUBSCRIPTIONS OF ANY PLAN INVESTOR IS IN NO RESPECT A REPRESENTATION BY THE FUNDS, THE GENERAL PARTNER, THE ADVISER OR ANY OTHER PARTY THAT SUCH INVESTMENT MEETS THE RELEVANT LEGAL REQUIREMENTS WITH RESPECT TO THAT PLAN INVESTOR OR THAT THE INVESTMENT IS APPROPRIATE FOR SUCH PLAN INVESTOR. EACH PLAN INVESTOR FIDUCIARY SHOULD CONSULT WITH HIS OR HER OWN LEGAL ADVISORS AS TO THE PROPRIETY OF AN INVESTMENT IN THE FUNDS IN LIGHT OF THE SPECIFIC REQUIREMENTS APPLICABLE TO THAT PLAN INVESTOR.

Legal Counsel

Kirkland & Ellis LLP (the "**Law Firm**") represents the General Partner solely with respect to the specific matters as to which it has been retained and consulted by the General Partner, including certain matters with respect to the Funds. Other matters may exist that could have a bearing on the Funds and their investments and underlying portfolio companies, the General Partner and/or their respective affiliates as to which the Law Firm has been neither retained nor consulted. The Law Firm does not undertake to monitor compliance by the General Partner and its affiliates with the investment program and other investment guidelines and procedures set forth in this Memorandum and the Partnership Agreement, nor does the Law Firm monitor compliance by the Funds, the General Partner and/or their affiliates with applicable laws, unless in each case the Law Firm has been specifically retained to do so. The Law Firm does not investigate or verify the accuracy and completeness of information set forth in this Memorandum concerning the Funds, the General Partner or any of their respective affiliates, personnel, investments or portfolio companies. Furthermore, the Law Firm is not providing any advice, representation, warranty or other assurance of any kind as to any matter to any Limited Partner of the Funds, and Limited Partners will be required to authorize and agree in the subscription materials as to the Law Firm's representation.

Certain Tax Considerations

U.S. Federal Income Tax Matters. This Memorandum does not address all of the material U.S. federal income tax consequences to the Partners of an investment in the Funds and does not address all material state or local tax consequences of an investment to any Partner. This Memorandum also does not address all of the material U.S. tax consequences of any such investment in the Funds to any Partner that is not a U.S. person or entity. Generally, this Memorandum does not address non-U.S. tax consequences of an investment in the Funds to any Partner. Each prospective investor is advised to consult its own tax counsel as to the U.S. federal income tax consequences of an investment in the

Funds and as to applicable state, local, and non-U.S. taxes. Special considerations may apply to prospective investors who are not U.S. persons or entities, and such investors are advised to consult their tax advisors with regard to the U.S. federal, state, local, and non-U.S. tax consequences of an investment in the Funds. No assurance can be given that the U.S. Internal Revenue Service ("**IRS**") or any state or local taxing authority will concur with the following analysis or the tax consequences set forth below. No ruling has been or will be requested by the Funds from the IRS or any state or local taxing authority as to such matters. References throughout this section to "the Fund" apply to each Fund, and should be read to include each of the Funds.

IRS CIRCULAR 230 DISCLOSURE

TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE IRS, WE INFORM YOU THAT ANY TAX ADVICE CONTAINED IN THIS MEMORANDUM WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING TAX-RELATED PENALTIES UNDER THE CODE. TAX ADVICE CONTAINED IN THIS MEMORANDUM WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTION(S) OR MATTER(S) ADDRESSED BY THIS MEMORANDUM. EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

U.S. Tax Status. Subject to the discussion of "publicly traded partnerships" set forth below, under U.S. Treasury regulations, a partnership organized under U.S. law is generally classified as a partnership for U.S. federal income tax purposes unless it elects to be treated as a corporation. An entity that would otherwise be classified as a partnership for U.S. federal income tax purposes may be taxable as a corporation if it is a "publicly traded partnership." If the Fund were determined to be taxable as a corporation, it would be taxable on its earnings at corporate income tax rates, and any distributions to the Partners would be taxable as dividends to the Partners to the extent of the earnings and profits of the Fund. The General Partner intends to operate the Fund so that it will neither elect to be treated as a corporation nor be treated as a "publicly traded partnership." The discussion herein assumes that the Fund will be treated as a partnership for U.S. federal income tax purposes.

The Fund will not pay U.S. federal income taxes, but each Partner will be required to report its distributive share (whether or not distributed) of the income, gains, losses, deductions, and credits of the Fund (which may include the income and other tax items of any partnerships, limited liability companies or other flow through entities in which the Fund invests). It is possible that the Partners could incur income tax liabilities without receiving from the Fund sufficient distributions to pay such tax liabilities. The Fund's taxable year will be the calendar year, or such other year as is required by the Code.

U.S. Treasury regulations require taxpayers to make certain additional disclosures in connection with the filing of any tax return that reflects tax benefits from a "reportable transaction" as defined in the regulations, which include certain transactions that generate losses in excess of threshold amounts. To the extent that the Fund engages in a "reportable transaction," Partners of the Fund may be required to make certain disclosures in connection with their tax returns and may be subject to penalties if such disclosures are not made.

Certain Considerations for U.S. Investors. The following discussion summarizes certain significant U.S. federal income tax consequences to a prospective investor who (i) owns, directly or indirectly through a partnership or other flow through entity, an interest as a Partner; (ii) is, with respect to the United States, a citizen or resident individual, a domestic corporation, an estate the income of which is subject to U.S. federal income taxation regardless of its source, a trust for which a court in the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all substantial decisions, or a trust that has made a valid election to be treated as a U.S. person pursuant to applicable U.S. Treasury Regulations, as such terms are defined for U.S. federal income tax purposes; and (iii) is not tax exempt (a "**U.S. Partner**").

Except as described in the following paragraph, interest on any amount borrowed by a Partner (other than a corporation) to purchase an interest in the Fund or to make a capital contribution to the Fund, which amount is allocable to investments by the Fund in debt instruments and in equity securities of corporate portfolio companies, generally will be "investment interest" and subject to a limitation on deductibility. In general, investment interest is deductible only to the extent of the taxpayer's "net investment income." For this purpose "net investment income" generally includes net income from the Fund and other income from property held for investment (other than, in each case, income treated as business income). However, qualified dividend income, as defined under Section 1(h)(11)(B) of the Code, and long term capital gain are excluded from the definition of net investment income unless the taxpayer makes a special election to treat such dividend income or capital gain as ordinary income. Interest that is not deductible in the year incurred because of the investment interest limitation may be carried forward and deducted in a future year in which the taxpayer has sufficient investment income.

Interest on any amount borrowed by a Partner to purchase an interest in the Fund or to make a capital contribution to the Fund, which amount is allocable to investments by underlying Portfolio Funds in equity securities of portfolio companies that are partnerships or limited liability companies engaged in business, generally will be treated as a passive business activity expense (rather than as "investment interest"). As discussed below, certain categories of Partners are subject to limitations on deducting losses from passive business activities.

Under Section 67 of the Code, non corporate taxpayers may deduct certain miscellaneous expenses (e.g., investment advisory fees, tax preparation fees, unreimbursed employee expenses and subscriptions to professional journals) only to the extent such deductions exceed, in the aggregate, 2% of the taxpayer's adjusted gross income. Each Partner's share of the Management Fee, other Fund expenses and expenses of the underlying Portfolio Funds generally will be included among the miscellaneous expenses potentially subject to the 2% floor on deductions. Accordingly, a Partner who is an individual generally will be permitted to deduct such expenses only to the extent that the sum of such expenses plus the individual's other miscellaneous itemized deductions exceeds 2% of the individual's adjusted gross income. However, the 2% floor does not affect corporate Partners (although the 2% floor does apply to individual shareholders of S corporation Partners). Section 68 of the Code separately imposes limitations on the deductibility of itemized deductions by individuals whose adjusted gross incomes exceed a specified amount, which may also affect the ability of any Partner who is an individual to deduct his or her share of the Management Fee, other Fund expenses and expenses of the underlying Portfolio Funds. A Partner who is an individual also generally is not permitted to deduct his or her share of the Management Fee, other Fund expenses and expenses of the underlying Portfolio Funds that are treated as miscellaneous itemized deductions for purposes of calculating such individual's alternative minimum tax liability.

Non corporate investors (and certain closely held and personal service corporations) are subject to limitations on using losses from passive business activities to offset active business income, compensation income, and portfolio income (e.g., interest, dividends, capital gains from portfolio investments and royalties). The Fund's distributive share of income or losses from an investment in equity securities of a portfolio company that is a partnership, limited liability company or other flow through entity engaged in business generally will be treated as passive activity income or losses. Accordingly, a Partner will be subject to the passive activity loss limitations on the use of any such portfolio company losses, and such losses, together with any other passive activity losses generated by such other investments made by the Partner, can generally be used only to offset the Fund's passive activity income allocable to such Partner and any other passive activity income generated by such other investments. Income and gain of the Fund not treated as passive activity income generally will be treated as portfolio income, and a Partner generally will not be able to use passive activity losses to offset such portfolio income from the Fund.

Potential Delay in Receipt of Tax Information. While the Fund will attempt to provide annual tax information to the Partners on a timely basis, the General Partner expects that information will not be received in respect of all Portfolio Funds in sufficient time to permit the Fund to distribute such information prior to April 15 of each year. As a result, the General Partner expects that the Fund will not file its Federal income tax return for a given year, or distribute such information to the Partners, until after April 15, and the Partners should plan to obtain extensions of time for filing their income tax returns. To the extent practical, the Fund expects to provide estimates of annual tax information to the Partners prior to April 15 of each year in order to assist the Partners in determining if any tax payments must be made on or prior to April 15 notwithstanding the extension of the filing deadline.

Investments in Non-U.S. Corporations. The Fund or underlying Portfolio Funds may invest in securities of corporations and other entities organized outside the United States. Income from such investments, including interest, dividends and gains, may be subject to non-U.S. withholding taxes. Although an income tax treaty in effect between the country of the issuer of securities in which the Fund (or an underlying Portfolio Fund) invests and the country of which a Partner is a resident may reduce or eliminate such non-U.S. withholding taxes, there can be no assurance that the benefit of such an income tax treaty will extend to payments made to the Fund (or the underlying Portfolio Fund). A Partner may be required to claim the benefits of such an income tax treaty, if any, by filing a claim for a refund with the country of the issuer.

U.S. Partners generally will be entitled to a credit against U.S. federal income tax with respect to creditable non-U.S. taxes paid, including non-U.S. withholding taxes, on the income and gains of the Fund. However, there are complex rules contained in the Code which, depending on each U.S. Partner's particular circumstances, may limit the availability or use of non-U.S. tax credits.

Under the "Subpart F" rules of the Code, U.S. Partners may under certain circumstances be required to include as ordinary income for U.S. federal income tax purposes amounts attributable to some or all of the earnings of a portfolio company that is a "controlled foreign corporation" (a "CFC") in advance of the receipt of cash attributable to such amounts. A non-U.S. corporation generally will be classified as a CFC if United States persons (including the Fund or an underlying Portfolio Fund formed in a U.S. jurisdiction) each of which owns, directly or indirectly, at least 10% of the voting stock of such corporation ("**10% U.S. Shareholders**"), own in the aggregate more than 50% of the voting power or value of the stock of such corporation. If the corporation qualifies as a CFC for an uninterrupted period of 30 days or more during the taxable year, then each 10% U.S. Shareholder generally will be required to include in its taxable income its proportionate share of certain types of undistributed income of the CFC (e.g., certain dividends, interest, rents and royalties, gain from the sale of property producing such income and certain income from sales and services) and, in certain circumstances, of earnings of the CFC that are treated as invested in U.S. property. In addition, gain on the sale of the CFC's stock by a 10% U.S. Shareholder (during the period that the corporation is a CFC and thereafter for a five-year period) may be re characterized in whole or in part as dividend income.

Under the "passive foreign investment company" ("**PFIC**") rules of the Code, U.S. Partners may under certain circumstances be required to pay additional tax (and interest) in respect of distributions from, and gains attributable to the sale or other disposition of stock of, a portfolio company that is a PFIC. A non-U.S. corporation is generally a PFIC if (i) 75% or more of its gross income for the taxable year is "passive income" (e.g., certain dividends, interest, rents and royalties, and gain from the sale of property producing such income) or (ii) 50% or more of its assets produce "passive income". A non-U.S. corporation that is both a PFIC and a CFC will not be treated as a PFIC with respect to a 10% U.S. Shareholder of such corporation (i.e., in the event of overlap, the CFC rules trump the PFIC rules). If the Fund (or an underlying Portfolio Fund) were to invest in a PFIC, any gain on the disposition of stock of such corporation, as well as income realized on certain "excess distributions" by the PFIC, would be treated as though realized ratably over the shorter of a U.S. Partner's holding period of its Fund interest or the Fund's direct or indirect holding period for the PFIC. Such gain or income would be taxed as ordinary income and an interest charge would be imposed on the U.S. Partner based on the amount of tax treated as deferred from prior years. Each U.S. person that is a shareholder of a PFIC will be required to report its holdings of PFIC shares each year.

If the Fund were to invest in a PFIC, directly or indirectly through a Portfolio Fund and the Fund or the underlying Portfolio Fund elected to treat the PFIC as a "qualified electing fund" (a "**QEF election**") under the Code, in lieu of the foregoing treatment, the Fund or the underlying Portfolio Fund would be required to include in income each year a portion of the ordinary earnings and net capital gains of the PFIC, even if not distributed to the Fund or the underlying Portfolio Fund. Alternatively, in the case of certain marketable stock in a PFIC, the Fund or the underlying Portfolio Fund could elect to be taxed on an annual mark to market basis (which would result in ordinary income and, subject to certain limitations, loss). The Fund or the underlying Portfolio Fund may be unable to obtain from a PFIC the information required for the Fund or the underlying Portfolio Fund to make and maintain a valid QEF election. There can be no assurance that a non-U.S. portfolio company will not be treated as a PFIC.

Because the Fund's functional currency will be the U.S. Dollar and investments may be made and realized in various different currencies, a Partner may recognize foreign currency gains or losses (treated as ordinary, not capital, gains and losses) in connection with its investment in the Fund.

Tax Exempt Investors. Except as described in the following paragraph, a tax exempt Partner's distributive share of the Fund's income should consist principally of dividends, interest and capital gain from corporate stock and debt instruments – types of income that (subject to the discussion of debt financing below) are expressly excluded from "unrelated business taxable income" within the meaning of Section 512 of the Code ("**UBTI**").

However, the Fund may invest, directly and indirectly through Portfolio Funds, in partnerships, limited liability companies and other flow-through entities that are engaged in business or otherwise generate UBTI. Because of the "flow through" principles applicable to partnerships and limited liability companies, the Fund's direct or indirect investments in equity interests in such entities will give rise to UBTI to the extent such entities generate trade or business income or other income that is treated as UBTI, which the General Partner expects will occur for certain investments. Each tax exempt Partner generally will be subject to U.S. federal income tax on its share of any UBTI earned by the Fund (and the receipt of UBTI could give rise to additional tax liability for certain limited categories of tax exempt investors).

If a tax exempt Partner borrows any amount outside the Fund to fund its capital commitment, a portion of its investment in the Fund may be considered debt-financed as a result and some or all of its distributive share of income from the Fund (including dividends, interest, and capital gains) could be UBTI, in addition to any UBTI described above. Moreover, debt incurred by the Fund, by an underlying Portfolio Fund or through an entity in which the Fund has an indirect investment treated as a partnership, limited liability company or other flow-through entity could cause income from the Fund to be treated as UBTI to a tax exempt Partner. The receipt of UBTI from any of these sources could be taxable to tax exempt Partners and could give rise to additional tax liability for certain limited categories of tax exempt Partners.

Break up fees, closing fees, monitoring fees, directors' fees, or other similar fees from portfolio companies of a given Portfolio Fund (collectively, "Portfolio Company Fees") may be paid directly to the general partner of such Portfolio Fund or its affiliate, which may then, in accordance with the terms of the partnership agreement of such Portfolio Fund, reduce future Management Fees otherwise payable by such Portfolio Fund. A tax exempt investor should not be deemed to have received any portion of such Portfolio Company Fees. There is, however, a risk that the IRS might take the position that a tax exempt investor should be treated as having received a portion of such fees, and if the Portfolio Fund regularly received such fees, the tax exempt investor's share of such fees could be treated as UBTI.

Section 4965 of the Code imposes excise taxes on certain tax-exempt entities and/or their managers if the entity is a party to a "prohibited tax shelter transaction" (as defined in Section 4965 of the Code). Under IRS guidance, a tax exempt Partner and/or its managers may be subject to excise taxes under Section 4965 of the Code as a result of transactions entered into by the Fund only if the Fund enters into a prohibited tax shelter transaction that is facilitated by reason of the tax-favored status of the tax exempt Partner. The Fund does not intend to enter into any prohibited tax shelter transaction that is facilitated by reason of the tax favored status of any tax exempt Partner.

Certain U.S. Tax Considerations for Non-U.S. Investors. The U.S. federal income tax treatment of a nonresident alien, non-U.S. corporation, non-U.S. partnership, non-U.S. estate or non-U.S. trust (a "**non-U.S. Partner**") investing as a Partner in the Fund is complex and will vary depending on the circumstances and activities of such Partner and the Fund. Each non-U.S. Partner is urged to consult with its own tax advisor regarding the U.S. federal, state, local and non-U.S. income, estate and other tax consequences of an investment in the Fund. The following discussion assumes that a non-U.S. Partner is not subject to U.S. federal income taxes as a result of the Partner's presence or activities in the United States (other than as a Partner in the Fund).

A non-U.S. Partner generally will be subject to U.S. federal withholding taxes at the rate of 30% (or such lower rate provided by an applicable tax treaty) on its share of Fund income from dividends, interest (other than interest that constitutes portfolio interest within the meaning of the Code), and certain other income that is not treated as "effectively connected with the conduct of a trade or business within the United States," as defined in Section 864 of the Code ("**ECI**").

A non-U.S. Partner's share of the Fund's gain from the sale of portfolio investments of the Portfolio Funds (other than investments in partnerships, limited liability companies and other flow through entities that are engaged in a U.S. trade or business) generally will not be subject to U.S. capital gains tax unless the investment constitutes a U.S. real property interest (which may include stock in a corporation if 50% or more of the assets of the corporation, by value, were U.S. real property interests at any time during the Fund's direct or indirect ownership of such corporation's securities in the prior 5 years).

The Fund may make investments, directly and indirectly through Portfolio Funds, in partnerships, limited liability companies or other flow through entities that are engaged in a U.S. trade or business; to the extent that it does, the Fund will be deemed to be engaged in the underlying U.S. trade or business conducted by such entity and will recognize ECI. A non-U.S. Partner's share of Fund income and gains that are effectively connected with such a U.S. trade or business of the Fund (including operating income from such a partnership, limited liability company or other flow through entity and gain from sale of equity interests in, or the assets of, such entity) will be subject to tax at normal graduated U.S. federal income tax rates and, if the non–U.S. Partner is a corporation for U.S. federal income tax purposes, may also be subject to U.S. branch profits tax. A non-U.S. Partner generally will be required to file a U.S. federal income tax return with respect to the non-U.S. Partner's share of the Fund's ECI. The Fund will be required to withhold U.S. federal income tax with respect to the non-U.S. Partner's share of Fund income that is ECI.

A non-U.S. Partner also may be treated as if it realized ECI subject to tax at normal graduated U.S. federal income tax rates if the Fund recognizes a gain on the disposition of a corporate portfolio company of a Portfolio Fund that is treated as a U.S. real property interest because 50% or more of its assets, by value, constitute U.S. real property interests at any time during the Fund's indirect ownership of such securities in the prior 5 years. In such case, the non-U.S. Partner may also be required to file a U.S. federal income tax return.

Portfolio Company Fees may be paid directly to the general partner of the applicable Portfolio Fund or its affiliate, which may then, in accordance with the terms of such Portfolio Fund's partnership agreement, reduce future management fees otherwise payable by such Portfolio Fund. A non-U.S. Partner should not be deemed to have received any portion of such Portfolio Company Fees. There is, however, a risk that the IRS might take the position that a non-U.S. Partner should be treated as having received a portion of such fees and that such fees constitute ECI and hence are subject to U.S. federal income tax (including the reporting, branch profits, and withholding rules) as outlined in the prior paragraph.

New Withholding Tax on Certain Payments to Non-U.S. Entities. Legislation enacted on March 18, 2010, generally imposes a new withholding tax of 30% on "withholdable payments" made to a "foreign financial institution" unless the foreign financial institution enters into an agreement with the IRS to collect and provide to the IRS on an annual basis substantial information regarding its U.S. account holders (which includes certain equity and debt holders, as well as certain account holders that are non-U.S. entities with U.S. owners) or an exception applies. A foreign financial institution's obligation to conduct due diligence and verify information regarding its U.S. account holders is subject to implementing Treasury regulations that have not yet been issued. In addition, the agreement with the IRS will require the foreign financial institution to seek a waiver from its account holders of any law that would prevent disclosure of the relevant information to the IRS, or, if such waiver is not obtained, close the relevant account. If a foreign financial institution enters into such an agreement but is unable to obtain the relevant information from its direct and indirect account holders or owners on an annual basis, the foreign financial institution will be required to withhold 30% of any withholdable payment allocable to such account holders, and there is a risk that the IRS may determine that the foreign financial institution is not in compliance with its agreement, resulting in the foreign financial institution becoming subject to the 30% withholding tax on all of the withholdable payments made to it. The term "withholdable payment" includes any payment of (i) interest or dividends (a "**FDAP Payment**"), and (ii) the gross proceeds of a disposition of stock (including a liquidating distribution from a corporation) or debt instruments (a "**Proceeds Payment**"), in each case with respect to any U.S. investment. It is not yet clear whether and to what extent the gross proceeds from the disposition of an interest in a partnership or limited liability company will be treated as a withholdable payment. A "foreign financial institution" is generally any non-U.S. entity that (i) accepts deposits in the ordinary course of business, (ii) holds financial assets for the account of others as a substantial portion of its business, or (iii) is engaged primarily in the business of investing or trading in securities or partnership interests. The legislation will also generally impose a new withholding tax of 30% on withholdable payments made to a non-U.S. entity that is not a foreign financial institution unless such entity provides the withholding agent with a certification identifying the substantial U.S. owners of the entity, which generally includes any U.S. person who directly or indirectly owns more than 10% of the entity, or an exception applies. While the legislation generally is effective for withholdable payments made after December 31, 2012, subject to certain grandfather rules, the IRS recently announced (in Notice 2011-53) that it will provide for a phased implementation of these withholding tax provisions. Specifically, withholding with respect to U.S. source FDAP Payments will begin on January 1, 2014, and withholding with respect to U.S. source Proceeds Payments will begin on January 1, 2015.

After the legislation becomes effective, the Fund generally will be required to withhold 30% of withholdable payments received by the Fund that are distributable to any Limited Partner that is a foreign financial institution or other non-U.S. entity unless such Partner complies with the applicable requirements discussed above. Interest and dividend payments from U.S, portfolio company investments by underlying Portfolio Funds and gross proceeds from the disposition of the stock of such portfolio companies will generally be withholdable payments. Additionally, if a Portfolio Fund is organized outside the United States, persons that make a withholdable payment to such Portfolio Fund generally would be required to impose a withholding tax of 30% on such payment unless the Portfolio Fund complies with the applicable requirements discussed above (including obtaining required information from the investors that invest through the alternative investment vehicle).

A Partner (or, in the case of a Partner that is not the beneficial owner of an interest in the Fund, its ultimate beneficial owner(s)), other than a foreign financial institution that is the beneficial owner of an interest in the Fund, generally will be able to credit the amount of any withholding tax against its actual U.S. tax liability (if any) and claim a refund of any amount of such withholding tax in excess of its actual U.S. tax liability. However, a beneficial owner of an interest in the Fund that is itself a foreign financial institution will not be able to obtain a refund or credit with respect to amounts properly withheld under these new rules except to the extent that the refund or credit relates to a reduced rate of tax pursuant to an applicable treaty. In either case, to claim a refund or credit, a Partner (or, in the case of a Partner that is not a beneficial owner of the interest in the Fund, its ultimate beneficial owner(s)) will be required to (i) file a U.S. tax return establishing that it is entitled to the claimed refund or credit, (ii) obtain a U.S. taxpayer identification number if it does not already have one, and (iii) provide information to the IRS regarding whether it has owners that are U.S. persons.

The new legislation is complicated and only preliminary guidance has been issued by the IRS. The IRS is likely to promulgate rules and regulations regarding the new withholding provisions prior to their effective date; such rules and regulations may change or supplement the requirements set out above.

PROSPECTIVE INVESTORS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS REGARDING THE IMPLICATIONS OF THIS LEGISLATION ON THEIR INVESTMENT IN THE FUND.

U.S. State and Local Tax Matters. In addition to the U.S. federal income tax consequences described above, prospective investors should consider potential U.S. state and local tax consequences of an investment in the Fund. State and local tax laws may differ from U.S. federal income tax laws with respect to the treatment and timing of specific items of income, gain, loss, deduction and credit. A Partner's allocable share of the taxable income or loss of the Fund generally will be required to be included in determining such partner's reportable income for state and local tax purposes in the jurisdiction(s) in which the Partner is subject to taxation.

The Fund itself may also be subject to U.S. state and/or local tax, depending on the location and scope of the Fund's activities. In addition, a state in which a Partner is not a resident, but in which the Fund may be deemed to be engaged in business, may impose a tax on that Partner with respect to its share of the Fund's income derived from that state and, in some cases, the Fund may be required to withhold such taxes. Under some circumstances, a Partner with tax liabilities in more than one state may be entitled to a deduction or credit for taxes paid to one state against the tax liability owed to another.

Prospective tax-exempt investors should be aware that the rules of some U.S. states and localities for computing and/or reporting UBTI may differ from U.S. federal rules.

The tax discussion set forth above is for general information only. Tax consequences may vary based upon the circumstances of a Limited Partner. Prospective Limited Partners are urged to consult their tax advisers with respect to the U.S. federal, state and local and non-U.S. tax consequences of an investment in a Fund.

Additional Information

General Partner Requests for Additional Information. Each Limited Partner will be required to comply promptly with reasonable requests for information made by the General Partner in order for the Funds to satisfy any request for information about such Limited Partner, its commitment and other information regarding its interest in the Funds in connection with the operation of the Funds, including, without limitation, requests made by any U.S. federal, state, local or non-U.S. regulatory authority, agency, committee, court, exchange or self-regulatory organization (e.g., obtaining approvals necessary for the making, holding or disposition of any portfolio investment).

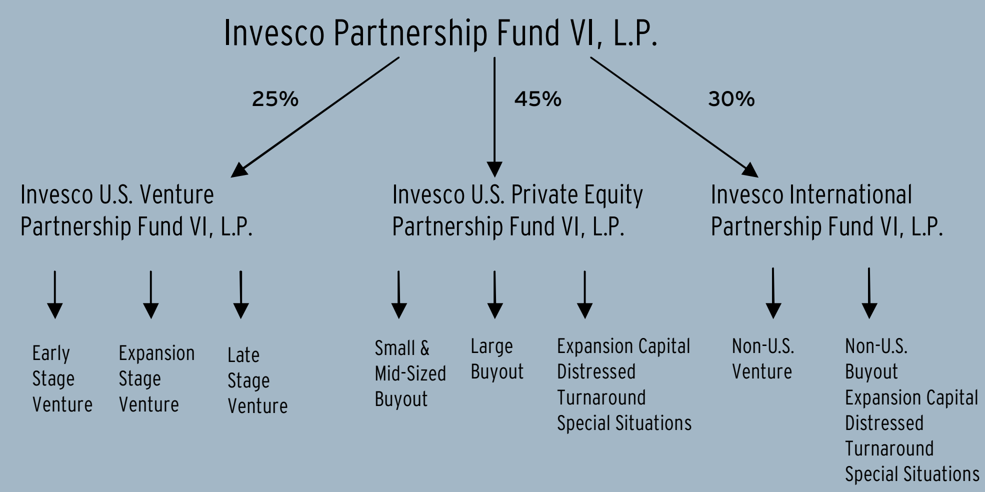
Additional Information Available to Prospective Investors. During the course of the offering and before the sale of any interests, the General Partner will provide to each prospective investor and such investor's representatives and advisors, if any, the opportunity to ask questions and receive answers concerning the terms and conditions of this offering and to obtain any additional information that the Funds may possess or can obtain without unreasonable effort or expense that is necessary to verify the accuracy of the information furnished to such prospective investor. Any such questions should be directed to the General Partner. No other person other than the General Partner has been authorized to give information or to make any representations concerning the Funds or this offering outside of this Memorandum, and if given or made, such other information or representations must not be relied upon as having been authorized by the Funds.

This Memorandum is intended to present a general outline of the policies and structure of the Funds and the General Partner. Each prospective Limited Partner should thoroughly review the Partnership Agreement, which specifies the rights and obligations of the Partners. The Summary of Principal Terms of certain provisions of the Partnership Agreement contained herein is necessarily incomplete and is qualified in its entirety by reference to such agreement. Copies of the Partnership Agreement and subscription agreement will be made available upon request.

Appendix

Appendix A-1

Invesco Partnership Fund VI Fixed Allocations



Appendix A-2

Invesco Private Capital Partnership Composite List from 1996 through Present (through September 30, 2011)		
1981-1995	Available on Request	
1996	Accel V LP	EARLY VENTURE
1996	Apex Investment Fund III, LP	EARLY VENTURE
1996	Berkshire Fund IV	MID LBO (250-999M)
1996	Bruckman Rosser Sherrill & Co LP	MID LBO (250-999M)
1996	Carlyle Partners II LP	LARGE LBO
1996	Claremont Partners II, LP (Secondary)	EARLY VENTURE
1996	Cornerstone Equity Partners IV LP	MID LBO (250-999M)
1996	CVC European Equity Partners, LP	FOREIGN-LARGE LBO
1996	Cypress Merchant Banking Partners LP	LARGE LBO
1996	Geocapital IV LP	LATE VENTURE
1996	Kleiner Perkins Caufield & Byers VIII LP	EARLY VENTURE
1996	KPCB Java Fund (Secondary Interest)	EARLY VENTURE
1996	New Enterprise Associates VII LP	EARLY VENTURE
1996	Questor Partners Fund LP	DISTRESSED
1996	Ripplewood Partners LP	MID LBO (250-999M)
1996	Sevin Rosen Fund V, LP	GENERAL VENTURE
1996	TVG Asian Communications Fund (fka AIF)	FOREIGN-INFRASTR
1996	Worldview Technology Partners I LP	EARLY VENTURE
1997	Abingworth Bioventures II, LP	FOREIGN-EARLY VENT
1997	ABRY Broadcast Partners III LP	SPECIAL SITUATION
1997	Accel III LP (Secondary Interest)	EARLY VENTURE
1997	Battery Ventures IV LP	EARLY VENTURE
1997	Blackstone Capital Partners III LP (A)	LARGE LBO
1997	Blackstone Capital Partners III LP (B)	LARGE LBO
1997	Catterton-Simon Partners III, LP	EARLY VENTURE
1997	CHL Medical Partners	EARLY VENTURE
1997	DLJ Merchant Banking Partners II LP	LARGE LBO
1997	Enterprise Partners IV LP	GENERAL VENTURE
1997	Industri Kapital 1997, LP	FOREIGN-MID LBO
1997	KKR 1996 Fund LP	LARGE LBO
1997	Latin America Capital Partners II LP	FOREIGN-EXP CAPITAL
1997	MD Sass Corporate Resurgence Partners LP	DISTRESSED
1997	Media Communications Partners III LP	GENERAL VENTURE
1997	Oak Investment Partners VII LP	EARLY VENTURE
1997	Olympic Venture Partners-IV	GENERAL VENTURE
1997	One Liberty Fund IV	GENERAL VENTURE
1997	Orchid Asia II, LP	FOREIGN-EXP CAPITAL
1997	Pegasus Related Partners, LP	SMALL LBO
1997	Procuritas Capital Partners II, LP	FOREIGN-SMALL LBO
1997	RSTW Partners III, LP	MEZZANINE
1997	Sierra Ventures VI LP	EARLY VENTURE
1997	Skyline Venture Partners, LP	EARLY VENTURE
1997	Spectrum Equity Investors-II	SPECIAL SITUATION
1997	Swander Pace Capital Fund	SPECIAL SITUATION
1997	Technology Crossover Ventures II	GENERAL VENTURE
1997	Vestar Equity Partners III LP	SMALL LBO
1998	Accel VI LP	EARLY VENTURE
1998	APA Excelsior V	GENERAL VENTURE
1998	Apollo Investment Fund IV, LP	SPECIAL SITUATION

1998	Berkshire Fund V LP	MID LBO (250-999M)
1998	BVP Europe LP	FOREIGN-SMALL LBO
1998	Candover 1997 LP	FOREIGN-LARGE LBO
1998	Charterhouse Equity Partners III LP	LARGE LBO
1998	Essex Woodlands Health Ventures IV	EARLY VENTURE
1998	France Private Equity II LP	FOREIGN-SMALL LBO
1998	Geocapital V LP	LATE VENTURE
1998	Hicks Muse Tate & Furst Lat Amer Fund LP	FOREIGN-MID LBO
1998	Jerusalem Venture Partners II, LP	FOREIGN-EARLY VENT
1998	KPS Special Situations Fund	SPECIAL SITUATION
1998	Mercapital Spanish Private Equity LP	FOREIGN-SMALL LBO
1998	Mohr, Davidow Ventures V	EARLY VENTURE
1998	New Enterprise Associates VIII LP	EARLY VENTURE
1998	Oak Investment Partners VIII, LP	EARLY VENTURE
1998	Pfingsten Executive Fund II, LP	SMALL LBO
1998	RRE Investors Fund, LP	LATE VENTURE
1998	Salix Venture Partners, LP	EARLY VENTURE
1998	Sevin Rosen Fund VI, LP	EARLY VENTURE
1998	Spectrum Equity Investors-III	SPECIAL SITUATION
1998	Summit Ventures V, LP	MID LBO (250-999M)
1998	Technology Crossover Ventures III	LATE VENTURE
1998	Telecom Partners II	GENERAL VENTURE
1998	Thoma Cressey Fund VI	MID LBO (250-999M)
1998	Thomas H. Lee Fund IV, LP	LARGE LBO
1998	TVG Asian Communications (2nd) (fka AIF)	FOREIGN-INFRASTR
1998	Welsh Carson Anderson & Stowe VIII, LP	LARGE LBO
1998	Worldview Technology Partners II LP	EARLY VENTURE
1999	Accel VII LP	EARLY VENTURE
1999	Apax Europe IV-A	FOREIGN-SPEC SIT
1999	APAX Israel II, LP	FOREIGN-EARLY VENT
1999	Apex Investment Fund IV, LP	EARLY VENTURE
1999	Baring Asia Private Equity Fund	FOREIGN-EXP CAPITAL
1999	Battery Ventures V LP	EARLY VENTURE
1999	Brentwood Associates Private Equity III	MID LBO (250-999M)
1999	Clearstone Venture Partners II-A	EARLY VENTURE
1999	Columbia Capital Equity Partners II LP	GENERAL VENTURE
1999	Doll Technology Investment Fund II, LP	EARLY VENTURE
1999	Duff Ackerman & Goodrich QP Fund,	LP SMALL LBO
1999	Duke Street Capital IV, LP	FOREIGN-MID LBO
1999	Edgewater Private Equity Fund III	GENERAL VENTURE
1999	Elderstreet Investment Limited	FOREIGN-LATE VENT
1999	European Financial Services Venture Fund	FOREIGN-EXP CAPITAL
1999	Evergreen Partners Direct Fund III, LP	FOREIGN-GENERAL VENT
1999	Evergreen Partners Partnership Fund III	FOREIGN-FUND OF FUND
1999	Geocapital Eurofund LP	FOREIGN-LATE VENT
1999	Great Hill Equity Partners LP	EXPANSION CAPITAL
1999	Harbour Group Investments IV	MID LBO (250-999M)
1999	Heritage Fund III	MID LBO (250-999M)
1999	ndex Venture I, LP	FOREIGN-LATE VENT
1999	Infinity Capital Venture Fund 1999, LP	EARLY VENTURE
1999	Israel Seed III, LP	FOREIGN-EARLY VENT
1999	Jerusalem Venture Partners III, LP	FOREIGN-EARLY VENT
1999	Kiwi 1 Ventures - Servicos S.A.	FOREIGN-EARLY VENT
1999	Kleiner Perkins Caufield & Byers IX-A LP	EARLY VENTURE
1999	Kleiner Perkins IX-A (Sec)	EARLY VENTURE
1999	Kleiner Perkins IX-A (Secondary)	EARLY VENTURE

1999	KRG Capital Fund I, LP	SMALL LBO
1999	MeriTech Capital Partners	GENERAL VENTURE
1999	Mohr, Davidow Ventures VI	EARLY VENTURE
1999	NeoCarta Ventures	GENERAL VENTURE
1999	Oak Investment Partners IX, LP	GENERAL VENTURE
1999	RRE Investors II, LP	LATE VENTURE
1999	Sevin Rosen Fund VII, LP	EARLY VENTURE
1999	Sierra Ventures VII LP	EARLY VENTURE
1999	Skyline Venture Partners QP Fund II, LP	EARLY VENTURE
1999	Summit Accelerator Fund LP	LATE VENTURE
1999	Sunrise Capital Partners	SPECIAL SITUATION
1999	Technology Crossover Ventures IV	LATE VENTURE
1999	Telecom Partners III, LP	GENERAL VENTURE
1999	Three Arch Partners III	GENERAL VENTURE
1999	Vestar Capital Partners IV, LP	LARGE LBO
1999	Vision Extension	GENERAL VENTURE
1999	Worldview Technology Partners III, LP	EARLY VENTURE
2000	Accel VIII LP	EARLY VENTURE
2000	Adams Capital Management III, LP	EARLY VENTURE
2000	Alloy Ventures 2000, LP	EARLY VENTURE
2000	Apax Europe V-A	FOREIGN-SPEC SIT
2000	Axa Private Equity Fund II Feeder, LP	FOREIGN-SMALL LBO
2000	Baker Communications Fund II, LP	LATE VENTURE
2000	Battery Ventures VI, LP	EARLY VENTURE
2000	Berkshire Fund V Coinvestment Fund	SMALL LBO
2000	Catterton Partners IV, LP	EARLY VENTURE
2000	Clarity Partners, LP	SPECIAL SITUATION
2000	Columbia Capital EP II - Riviera, LP	GENERAL VENTURE
2000	Columbia Capital Partners III, LP	GENERAL VENTURE
2000	CVC Capital Partners Asia Pacific LP	FOREIGN-MID LBO
2000	First Cambridge Gateway, The LP	FOREIGN-EARLY VENT
2000	Focus Ventures II, LP	LATE VENTURE
2000	Francisco Partners, LP	LARGE LBO
2000	FV Investors II QP, LP (Secondary)	LATE VENTURE
2000	Gabriel Venture II, LP (Secondary)	EARLY VENTURE
2000	Gabriel Venture Partners II, LP	EARLY VENTURE
2000	Gemini Israel III, LP	FOREIGN-EARLY VENT
2000	Great Hill Partners II, LP	EXPANSION CAPITAL
2000	HealthCare Ventures VI, LP	EARLY VENTURE
2000	InnoCal II, LP	EARLY VENTURE
2000	Investindustrial, LP (Fka 21 Invest, LP)	FOREIGN-SMALL LBO
2000	Israel Seed IV, LP	FOREIGN-EARLY VENT
2000	KB Partners Venture Fund II, LP	EARLY VENTURE
2000	Kiwi 2 Ventures Servicos S.A.	FOREIGN-EARLY VENT
2000	Kleiner Perkins Caufield & Byers X-A LP	EARLY VENTURE
2000	MD Sass Corporate Resurgence Ptrs II, LP	DISTRESSED
2000	Media Communications Partners V, LP	EARLY VENTURE
2000	Merlin Biosciences Fund, The LP	FOREIGN-LATE VENT
2000	Mohr, Davidow Ventures VII	EARLY VENTURE
2000	New Enterprise Associates 9, LP	EARLY VENTURE
2000	Olympic Venture Partners-V	GENERAL VENTURE
2000	One Liberty Ventures 2000	GENERAL VENTURE
2000	Palladium Equity Partners II, LP	SMALL LBO
2000	Partners Private Equity Limited	FOREIGN-SMALL LBO
2000	Primary Capital II-B, LP	FOREIGN-SMALL LBO
2000	Riverside Capital Appreciation Fund 2000	MID LBO (250-999M)

2000	Salix Ventures II, LP	EARLY VENTURE
2000	Sevin Rosen Fund VIII, LP	EARLY VENTURE
2000	SPC Partners II, LP	SMALL LBO
2000	Spectrum Equity Investors IV, LP	SPECIAL SITUATION
2000	Sterling Investment Partners, LP	SMALL LBO
2000	Thoma Cressey Fund VII	MID LBO (250-999M)
2000	Three Arch Capital, LP	GENERAL VENTURE
2000	TVG Asian Communications Fund II, LP	FOREIGN-EARLY VENT
2000	Venture Strategy Partners II LP	EARLY VENTURE
2000	Welsh Carson Anderson & Stowe IX, LP	LARGE LBO
2001	Abingworth Bioventures III-A LP	FOREIGN-EARLY VENT
2001	ABRY Partners IV, LP	MID LBO (250-999M)
2001	Accel VI-S	EARLY VENTURE
2001	Ampersand 2001	GENERAL VENTURE
2001	Baring Asia Private Equity Fund II, LP	FOREIGN-EXP CAPITAL
2001	Bridgepoint Europe II-A (Fka Second Eur)	FOREIGN-LARGE LBO
2001	Candover 2001 Fund	FOREIGN-LARGE LBO
2001	CHL Medical Partners II	GENERAL VENTURE
2001	Columbia Capital Equity Partners III GMN	GENERAL VENTURE
2001	Genstar Capital Partners III, LP	SMALL LBO
2001	Index Ventures II, LP	FOREIGN-EARLY VENT
2001	Kennet II, L.P.	FOREIGN-EARLY VENT
2001	KRG Capital Fund II, LP	MID LBO (250-999M)
2001	Mercapital Spanish Private Equity II	FOREIGN-MID LBO
2001	Navis Asia Fund III, LP	FOREIGN-EXP CAPITAL
2001	Prism Venture Partners IV	GENERAL VENTURE
2001	RoundTable Healthcare Partners, LP	MID LBO (250-999M)
2001	Skyline Venture Partners QP III, LP	EARLY VENTURE
2001	Summit Ventures VI-B, LP	MID LBO (250-999M)
2001	Vestar-AIV Holdings A (Fka Montpelier)	SMALL LBO
2001	Worldview Technology Partners IV, LP	EARLY VENTURE
2002	Abingworth Bioventures II-A, LP	FOREIGN-EARLY VENT
2002	Alloy Ventures 2002, LP	EARLY VENTURE
2002	Alta-Berkeley VI C.V.	FOREIGN-EARLY VENT
2002	Apex Investment Fund V, LP	EARLY VENTURE
2002	Austin Ventures III-A (Secondary Int)	GENERAL VENTURE
2002	Berkshire Fund VI, LP	LARGE LBO
2002	Blackstone Capital Partners IV, LP	LARGE LBO
2002	BVP Europe II, LP	FOREIGN-SMALL LBO
2002	Close Brothers Private Equity Fund VI	FOREIGN-MID LBO
2002	Duke Street Capital V, LP	FOREIGN-MID LBO
2002	H.I.G. Capital III, LP	MID LBO (250-999M)
2002	KPS Special Situations Fund II, LP	SPECIAL SITUATION
2002	Lake Capital Partners, LP	MID LBO (250-999M)
2002	MatlinPatterson Global Opportunities, LP	DISTRESSED
2002	MUST 4 “B” LP	FOREIGN-EXP CAPITAL
2002	Procuritas Capital Investors III “A” LP	FOREIGN-SMALL LBO
2002	Thompson Street Capital Partners, LP	SMALL LBO
2002	Veritas Venture Partners Fund II, LP	FOREIGN-EARLY VENT
2003	Alta BioPharma Partners III, LP	LATE VENTURE
2003	Astorg III	FOREIGN-MID LBO
2003	Carlyle Europe Partners II, LP	FOREIGN-LARGE LBO
2003	ComVentures VI, LP	EARLY VENTURE
2003	De Novo Ventures II, LP	EARLY VENTURE
2003	Delphi Ventures VI, LP	EARLY VENTURE
2003	Doughty Hanson & Co. IV, LP 3	FOREIGN-LARGE LBO

2003	Edgestone Capital Equity Fund II-US-Inst	MID LBO (250-999M)
2003	GRPE, LP (Greenpark Capital)	FOREIGN-SPEC SIT
2003	Iris Capital Fund II FCPR	FOREIGN-EARLY VENT
2003	Lighthouse Capital Partners V	SPECIAL SITUATION
2003	Pfingsten Executive QP Fund III, LP	MID LBO (250-999M)
2003	Technology Crossover Ventures V	GENERAL VENTURE
2003	Three Arch Partners IV, LP	EARLY VENTURE
2003	Valhalla Partners, LP	EARLY VENTURE
2004	Accel IX, LP	EARLY VENTURE
2004	Battery Ventures VII, LP	EARLY VENTURE
2004	Eden One, LP	FOREIGN-EARLY VENT
2004	Gemini Israel IV, LP	FOREIGN-EARLY VENT
2004	Genstar Capital Partners IV, LP	MID LBO (250-999M)
2004	Granite Global Ventures II, LP	LATE VENTURE
2004	H.I.G Bayside Opportunity Fund, LP	TURNAROUND
2004	VP III Annex, LP	LATE VENTURE
2004	Kleiner Perkins Caufied & Byers XI-A	EARLY VENTURE
2004	Monitor Venture Partners, LP	EARLY VENTURE
2004	Navis Asia Fund IV, LP	FOREIGN-EXP CAPITAL
2004	New Leaf Ventures I, LP (fka Sprout)	GENERAL VENTURE
2004	Oak Investment Partners XI, LP	LATE VENTURE
2004	Orchid Asia III, LP	FOREIGN-EXP CAPITAL
2004	Sentinel Capital Partners III, LP	MID LBO (250-999M)
2004	Sevin Rosen Fund IX, LP	EARLY VENTURE
2004	Sterling Group Partners II, LP	MID LBO (250-999M)
2004	Storm Ventures Fund III, LP	EARLY VENTURE
2004	Union Square Ventures 2004, LP	EARLY VENTURE
2005	ARGUS Capital Partners II-A, LP	FOREIGN-MID LBO
2005	Avalon Ventures VII, LP	EARLY VENTURE
2005	Baring Asia Private Equity Fund III, LP	FOREIGN-MID LBO
2005	BDCM Opportunity Fund II, LP	DISTRESSED
2005	Blackstone Capital Partners V, LP	LARGE LBO
2005	CVC Capital Partners Asia Pacific II, LP	FOREIGN-LARGE LBO
2005	Delphi Ventures VII, LP	EARLY VENTURE
2005	Francisco Partners II, LP	LARGE LBO
2005	Great Hill Equity Partners III, LP	MID LBO (250-999M)
2005	H.I.G Venture Partners II, LP	EARLY VENTURE
2005	Halifax Capital Partners II, LP	SMALL LBO
2005	KRG Capital Fund III, LP	MID LBO (250-999M)
2005	Lake Capital Partners II, LP	MID LBO (250-999M)
2005	Lovell Minnick Equity Partners II, LP	SMALL LBO
2005	Mason Wells Buyout Fund II, LLC	SMALL LBO
2005	Metalmark Capital Partners, LP	LARGE LBO
2005	Mohr, Davidow Ventures VIII, LP	EARLY VENTURE
2005	RoundTable Healthcare Partners II, LP	MID LBO (250-999M)
2005	Spark Capital, LP	EARLY VENTURE
2005	Summit Partners Private Equity VII-A, LP	LARGE LBO
2005	Summit Partners Venture Capital II-A, LP	LATE VENTURE
2005	Vestar Capital Partners V, LP	LARGE LBO
2005	Water Street Capital Partners, LP	MID LBO (250-999M)
2005	Welsh Carson Anderson & Stowe X, LP	LARGE LBO
2006	Apex Investment Fund VI, LP	EARLY VENTURE
2006	Bertram Growth Capital I, LP	LATE VENTURE
2006	Caltius Equity Partners II, LP	SMALL LBO
2006	Craton Equity Partners I, LP	EXPANSION CAPITAL
2006	De Novo Ventures III, LP	EARLY VENTURE

2006	Eureka Growth Capital II, LP	MID LBO (250-999M)
2006	HgCapital 5, LP	FOREIGN-MID LBO
2006	Granite Global Ventures III, LP	LATE VENTURE
2006	M/C Venture Partners VI, LP	LATE VENTURE
2006	Point 406 Ventures I, LP	EARLY VENTURE
2006	PTV Sciences II, LP	EARLY VENTURE
2006	TA Subordinated Debt Fund II, LP	MEZZANINE
2006	TA X, LP	LARGE LBO
2007	Accel X, LP	EARLY VENTURE
2007	Battery Ventures VIII	EARLY VENTURE
2007	Berkshire Fund VII, LP	LARGE LBO
2007	Carlyle Europe III	MID LBO (250-999M)
2007	Foundry Venture Capital 2007, LP	EARLY VENTURE
2007	Genstar V, LP	MID LBO (250-999M)
2007	Mohr, Davidow Ventures IX, LP	EARLY VENTURE
2007	Panorama Capital, LP	GENERAL VENTURE
2007	Spark Capital II	EARLY VENTURE
2007	Spire Capital Partners II, LP	SMALL LBO
2007	Valor Equity Partners II, LP	SMALL LBO
2007	WLR Recovery Fund IV, LP	DISTRESSED
2008	Battery Ventures VIII Side Fund	GENERAL VENTURE
2008	Fairhaven Capital Partners	EARLY VENTURE
2008	HgCapital 6	FOREIGN-MID LBO
2008	Huntington Capital Fund II	MEZZANINE
2008	Lovell Minnick Equity Partners III	SMALL LBO
2008	Monitor Venture Partners I-A, LP	EARLY VENTURE
2008	Physic Ventures, LP	EARLY VENTURE
2008	Pine Brook Capital Partners, LP	MID LBO (250-999M)
2008	Procuritas Capital Investors IV A, L.P.	FOREIGN-SMALL LBO
2008	Relativity Fund, LP	MID LBO (250-999M)
2008	Rembrandt Venture Partners Fund Two, LP	EARLY VENTURE
2008	Target Partners Fund II GmbH & Co. KG	FOREIGN-EARLY VENT
2008	Union Square Ventures 2008, LP	EARLY VENTURE
2008	White Deer Energy, LP	MID LBO (250-999M)
2009	Clearlake Capital Partners II, LP	MID LBO (250-999M)
2009	KPS Special Situations Fund III, LP	SPECIAL SITUATION
2009	Sterling Partners Small Growth 2009, LP	EXPANSION CAPITAL
2010	Bertram Growth Capital II, LP	EXPANSION CAPITAL
2010	Foundry Venture Capital 2010, LP	EARLY VENTURE
2010	Greycroft Partners II, LP	EARLY VENTURE
2010	Riverwood Capital Partners, LP	MID LBO (250-999M)
2010	RoundTable Healthcare Partners III, LP	MID LBO (250-999M)
2011	Altus Capital Partners II, LP	SMALL LBO
2011	Berkshire VIII, LP	LARGE LBO
2011	Edison Ventures VI (secondary)	LATE VENTURE
2011	H.I.G. Growth Buyout & Equity Fund II	EXPANSION CAPITAL
2011	Orchid Asia V	FOREIGN-EXP CAPITAL
2011	Point 406 Ventures II, LP	EARLY VENTURE
2011	Tenex Capital Partners, LP	MID LBO (250-999M)
2011	Union Square Ventures 2011	EARLY VENTURE

The list of investments within Appendix A-2 is a complete list of investments made by IPC from 1996 – 2011 through 9/30/2011. A complete list of investments made from 1981-1995 is available upon request. There are no guarantees that IPC will invest in the same securities in the future or that future selections will have similar results.

Appendix B-1 - Legends for Non-U.S. Investors

PRELIMINARY NOTE: AS USED HEREIN, THE TERM "INTERESTS" SHALL MEAN LIMITED PARTNER INTERESTS IN THE PARTNERSHIP AND THE TERM "GENERAL PARTNER" MEANS THE GENERAL PARTNER OF THE PARTNERSHIP.

NOTICE TO RESIDENTS OF AUSTRALIA

The Fund has not authorized nor taken any action to lodge an Australian law compliant prospectus or product disclosure statement with the Australian Securities and Investments Commission. Accordingly, this Memorandum may not be issued or distributed and the Interests mentioned in it may not be issued or distributed in Australia by the Fund or by any placing agent acting on the Fund's behalf, or to any other person including a subsequent holder of those Interests other than by way of or pursuant to an offer that does not need disclosure under Section 708 or Part 7.9, Division 2 of the Australian Corporations Act 2001. The sections in this Memorandum relating to taxation are general in nature and are not specific or referable to a potential investor's circumstances. Further, they assume that certain proposed taxation laws will be enacted in their current form. Potential investors should seek independent professional advice referable to their particular circumstances.

NOTICE TO RESIDENTS OF AUSTRIA

The product offered pursuant to this document is neither registered for public distribution in Austria nor listed on any Austrian exchange. This document, and any document relating to the product, is for the sole use of the recipient on a private placement basis and cannot be distributed within Austria by way of a public offer, public advertisement or in any other means of public marketing.
Any resale of the product in Austria may only be made in accordance with the applicable laws governing the sale and offering of financial products.

NOTICE TO RESIDENTS OF KINGDOM OF BAHRAIN

The offering of Shares and this Confidential Memorandum have not been licensed or approved by the Central Bank of Bahrain in accordance with its Regulations, with respect to the General Supervision, Operation and Marketing of Collective Investment Schemes. Accordingly, the Shares may not be offered, and this Confidential Memorandum may not be distributed in the Kingdom of Bahrain.

NOTICE TO RESIDENTS OF BELGIUM

The product offered pursuant to this document is neither registered for public distribution with the 'Commission Bancaire, Financière et des Assurance' ('CBFA'), nor listed on any Belgian exchange. This document, and any document relating to the product, is for the sole use of the recipient on a private placement basis and cannot be distributed within Belgium by way of a public offer, public advertisement or in any other means of public marketing.

Any resale of the product in Belgium may only be made in accordance with the laws applicable to the CBFA governing the sale and offering of financial products.

NOTICE TO RESIDENTS OF CANADA

By subscribing for interests in Invesco Partnership Fund VI (the "Fund"), each subscriber (a "Limited Partner") in Canada will be deemed to represent to the Fund, the general partner and Invesco Private Capital, Inc. and to the dealer with whom the subscription was placed, as the case may be, that (i) such Limited Partner is entitled under the securities legislation of the Limited Partner's province of residence to purchase interests without the benefit of a prospectus qualified under such provincial securities laws; (ii) the Limited Partner is an "accredited investor" as that term is defined in National Instrument 45-106 ("NI 45-106"); and (iii) the Limited Partner is purchasing the interests as principal.

Limited Partners resident in Ontario also represent to the Fund and any dealer from whom such purchaser confirmation is received that the Limited Partner has been notified by the Fund (a) that the Fund is required to provide information ("personal information") pertaining to the Limited Partner as required to be disclosed in Schedule I of Form 45-106F1 (including its name, address, telephone number and the number and value of any interests purchased), which is required to be filed by the Fund under NI 45-106; (b) that such personal information will be delivered to the Ontario Securities Commission ("OSC") in accordance with NI 45-106; (c) that such personal information is being collected indirectly by the OSC under the authority granted to it under the securities legislation of Ontario; (d) that such personal information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario; (e) that the public official in Ontario who can answer questions about the OSC's indirect collection of such personal information is the Administrative Support Clerk at the OSC, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario M5H 3S8, Telephone: (416) 593-3684; and (f) by purchasing interests, such Limited Partner has authorized the indirect collection of the personal information by the OSC. Further, the Limited Partner acknowledges that its name, address, telephone number and other specified information, including the number of interests it has purchased and the aggregate purchase price to the Limited Partner, may be disclosed to other Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable laws. By placing an order to purchase interests, the Limited Partner consents to the disclosure of such information.

Limited Partners that are residents of Ontario also acknowledge and agree that: (a) this offering is being made by a non-Canadian issuer using disclosure documents prepared in accordance with non-Canadian securities laws; (b) these requirements under non-Canadian securities laws may differ significantly from those of Ontario; (c) any forward-looking information contained in the memorandum is not material to the offering; and (d) any forward-looking information included or incorporated by reference herein may not be accompanied by the disclosure and explanations that would be required of a Canadian issuer under Ontario securities law.

By virtue of the subscription for interests, each Limited Partner resident in Québec shall be deemed to have required that all documents relating thereto be drawn up in the English language only. En vertu de la souscription d'actions offertes par le présent document, chaque actionnaire qui réside au Québec est réputé avoir requis que tous les documents s'y rattachant soient rédigés en anglais seulement.

Rights of Action for Damages or Rescission

In addition to and without derogation from any right or remedy that a Limited Partner of interests may have at law, securities legislation in certain of the provinces of Canada provides that a Limited Partner has or must be granted rights of rescission or damages, or both, where the memorandum and any amendment thereto contains a misrepresentation. However, such rights must be exercised by the Limited Partner within prescribed time limits.

As used herein, "Misrepresentation" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement in the memorandum or any amendment hereto not misleading in light of the circumstances in which it was made. A "material fact" means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the interests.

The following is a summary of the rights of rescission or damages, or both, available to Limited Partners under the securities legislation of each province of Canada. Limited Partners should refer to the applicable provisions of the securities legislation of their province of residence for the particulars of these rights or consult with a legal adviser.

Every Limited Partner, other than a Québec resident, will be entitled to claim damages or rescission, if the Limited Partner is still the owner of the purchased interests, if there is a Misrepresentation in the memorandum or amendment that is delivered to the Limited Partner (in the case of residents of Manitoba, Nova Scotia and Newfoundland the right to claim damages or rescission arises even if the memorandum or amendment are not delivered to the Limited Partner). Nova Scotia residents will also be entitled to claim damages or rescission where there is a Misrepresentation in advertising or sales literature (as defined in the Securities Act (Nova Scotia)) that is delivered to the Limited Partner.

Limited Partners that are Québec residents will be entitled to claim damages or, without prejudice to their right to damages, rescission or revision of the share price in the memorandum if there is a Misrepresentation in the memorandum or amendment that is delivered to the Limited Partner.

The table below sets out the persons against whom rights of action may be commenced:

Limited Partner's Residence	**Persons, Companies or Fund (collectively, the "Entities") Against Whom Rights of Action may be Commenced**
Ontario and New Brunswick	The Fund
Saskatchewan	• the Fund; • every promoter and director of the Fund (as the case may be); • every signatory to the memorandum; • every person whose consent has been filed respecting the offering but only with respect to reports, opinions or statements that have been made by them; and • every person or company who sells interests on behalf of the Fund

Limited Partner's Residence	Persons, Companies or Fund (collectively, the "Entities") Against Whom Rights of Action may be Commenced
Québec	• the Fund; • every director and officer of the Fund; • the dealer (if any) under contract to the Fund in connection with the sale of these interests; • any person who is required to sign an attestation in the memorandum; and • any expert whose opinion, containing a Misrepresentation, appeared, with the expert's consent, in this memorandum at the date of this memorandum
All other provinces	• the Fund; • every director of the Fund at the date of the memorandum; and • every signatory to the memorandum

Limitation Period for Rights of Rescission

The table below sets out the time periods beyond which Limited Partners may not commence an action for rescission (or revision of price in the case of Québec residents):

Limited Partner's Residence	Time Period beyond which Actions for Rights of Rescission (or Revision of Price in the case of Québec residents) may not be Commenced
Nova Scotia	More than 120 days after the date on which (a) payment was made for the interests; or (b) the initial payment was made.
Québec	More than 3 years after the date of the purchase.
All other provinces	More than 180 days after the date of the transaction that gave rise to the cause of action.

Limitation Period for Rights to Claim Damages or Any Other Action

The table below sets out the time periods beyond which Limited Partners may not commence an action for damages or any other action other than rescission:

Limited Partner's Residence	Time Period beyond which Actions for Damages or Any Other Action other than Rescission may not be Commenced
New Brunswick and Saskatchewan	The earlier of (i) 1 year after the Limited Partner first had knowledge of the facts giving rise to the cause of action; and (ii) 6 years after the date of the transaction that gave rise to the cause of the action.
Manitoba	The earlier of (i) 180 days after the Limited Partner first had knowledge of the facts giving rise to the cause of action; and (ii) 2 years after the date of the purchase.
Québec	The earlier of (i) 3 years after the Limited Partner first had knowledge of the facts giving rise to the cause of action (except on proof that tardy knowledge is imputable to the negligence of the Limited Partner); and (ii) 5 years after the filing of this memorandum with the Autorité des marchés financiers.
Nova Scotia	More than 120 days after the date on which (i) payment was made for the interests; or (ii) the initial payment was made.
All other provinces	The earlier of (i) 180 days after the Limited Partner first had knowledge of the facts giving rise to the cause of action; and (ii) 3 years after the date of purchase.

Defences to Rights of Action

The table below sets out the defences to the rights of action which the Entity may raise against a Limited Partner:

Limited Partner's Residence	**Defences to Rights of Action**
All provinces	The Entity will not be liable if it proves that the Limited Partner purchased the interests with knowledge of the Misrepresentation.
All provinces except Québec	In an action for damages, the Entity will not be liable for all or any portion of the damages that it proves does not represent the depreciation in value of the interests as a result of the Misrepresentation relied upon.
All provinces except Québec	In no case shall the amount recoverable exceed the price at which the interests were sold (or in the case of Newfoundland residents, offered) to the Limited Partner.
All provinces except Newfoundland	The Entity will not be liable for a Misrepresentation in forward-looking information if the Entity proves that: (a) the memorandum contains, proximate to the forward-looking information, reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and a statement of material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and (b) the Entity had a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the forward-looking information.
Ontario	The rights of action do not apply if the Limited Partner is (a) a Canadian financial institution (as defined in NI 45-106) or a Schedule III bank; (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or (c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.
All provinces except Ontario, New Brunswick and Québec	No Entity (excluding the Fund) will be liable if the Entity proves that: (a) the memorandum was delivered to the Limited Partner without the Entity's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable notice ("written notice" in the case of British Columbia residents) to the Fund that it was delivered without the Entity's knowledge or consent; (b) on becoming aware of any Misrepresentation in the memorandum, the Entity withdrew its consent to the memorandum and gave reasonable notice ("written notice" in the case of British Columbia residents) to the Fund of the withdrawal and the reason for it. For residents of Nova Scotia and Saskatchewan, this defence is only applicable if the consent is withdrawn before the purchase of interests by the Limited Partner; or (c) with respect to any part of the memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the Entity had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, or the relevant part of the memorandum did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert.
All provinces except Ontario, New Brunswick and Québec	No Entity (excluding the Fund) will be liable with respect to any part of the memorandum not purporting to be made on the authority of an expert, or to be a copy of, or an extract from, a report, opinion or statement of an expert unless the Entity failed to conduct a reasonable investigation ("investigation" in the case of residents of Alberta and Manitoba) to provide reasonable grounds for a belief that there had been no Misrepresentation, or believed that there had been a Misrepresentation.
Québec	In an action for damages, a person (excluding the Fund) will not be liable if that person acted prudently and diligently.

Saskatchewan	A Limited Partner who has entered into an agreement for the purchase of interests, which has not yet been completed, and who receives an amendment to the memorandum that discloses (a) a material change in the affairs of the Fund; (b) a proposal that the terms or conditions of the offering described in the memorandum be altered; or (c) securities are to be distributed that are in addition to the interests described herein, may within 2 business days of receiving the amendment deliver a notice to the Fund or agent through whom the interests are being purchased indicating the Limited Partner's intention not to be bound by the purchase agreement.
All provinces except Ontario, Québec, New Brunswick and Saskatchewan	If a Misrepresentation is contained in a record incorporated by reference in, or deemed to be incorporated into, this memorandum, the Misrepresentation is deemed to be contained in this memorandum.

Taxation and Eligibility for Investment

Any discussion of taxation and related matters contained in the memorandum does not address Canadian tax considerations. Canadian Limited Partners should consult with their own legal and tax advisers with respect to the tax consequences of an investment in the interests in their particular circumstances and with respect to the eligibility of the interests for investment by such Limited Partner under applicable tax and other laws in Canada.

NOTICE TO RESIDENTS OF CHILE

The Interests offered pursuant to this prospectus have not been registered in Chile and in consequence, no public offering can be made in Chile.

NOTICE TO RESIDENTS OF DENMARK

This product is neither registered for public distribution with the Danish Financial Supervisory Authority (‘Finanstilsynet’ – ‘FSA’), nor listed on any Danish exchange. This document and any document relating to the product, is for the sole use of the recipient on an unsolicited basis (i.e. further to a prior request of an investor at the investor’s own initiative) and must not be re-distributed within Denmark.

NOTICE TO RESIDENTS OF FINLAND

This product is neither registered for public distribution with the Finnish Financial Supervision Authority (‘Finanssivalvonta’), nor listed on any Finnish exchange. This document and any document relating to the product, is for the sole use of the recipient on an unsolicited basis (i.e. further to a prior request of an investor at the investor’s own initiative) and must not be re-distributed within Finland.

NOTICE TO RESIDENTS OF FRANCE

This product is neither registered for public distribution with the French Financial Markets Authority (‘Autorité des Marchés Financiers’ – ‘AMF’), nor listed on any French exchange. This document and any document relating to the product, is for the sole use of the recipient on an unsolicited basis (i.e. further to a prior request of an investor at the investor’s own initiative) and must not be re-distributed within France.

NOTICE TO RESIDENTS OF GERMANY

The product offered pursuant to this document is neither registered for public distribution with the Federal Financial Supervisory Authority (‘Bundesanstalt für Finanzdienstleistungsaufsicht’ – ‘BaFin’), nor listed on any German exchange. This document, and any document relating to the product, is for the sole use of the recipient on a private placement basis and cannot be distributed within Germany by way of a public offer, public advertisement or in any other means of public marketing.
Any resale of the product in Germany may only be made in accordance with the laws applicable to the BaFin governing the sale and offering of financial products.

NOTICE TO RESIDENTS OF GREECE

This product is neither registered for public distribution with the Greek Capital Market Commission (‘CMC’), nor listed on any Greek exchange. This document and any document relating to the product, is for the sole use of the recipient on an unsolicited basis (i.e. further to a prior request of an investor at the investor’s own initiative) and must not be re-distributed within Greece.

NOTICE TO RESIDENTS OF HONG KONG

The Fund has not been authorized by the Securities and Futures Commission and, accordingly, this Memorandum must not be issued, circulated or distributed in Hong Kong other than (1) in circumstances which do not constitute an offer or sale of Interests to the public in Hong Kong, or (2) to a professional investor as defined in the Securities and Futures Ordinance and the Securities and Futures (Professional Investor) Rules. Unless permitted by the securities laws of Hong Kong, no person may issue in Hong Kong, or have in its possession for issue in Hong Kong, this Memorandum or any other advertisement, invitation or document relating to the Interests other than to a professional investor as defined in the Securities and Futures Ordinance and the Securities and Futures (Professional Investor) Rules.

You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Memorandum, you should obtain independent professional advice.

NOTICE TO RESIDENTS OF ITALY

This product is neither registered for public distribution with the 'Commissione Nazionale per le Società e la Borsa' ('CONSOB'), nor listed on any Italian exchange. This document and any document relating to the product, is for the sole use of the recipient on an unsolicited basis (i.e. further to a prior request of an investor at the investor's own initiative) and must not be re-distributed within Italy.

NOTICE TO RESIDENTS OF JAPAN

No public offering of Interests is being made to investors resident in Japan. Interests are being offered only to a limited number of investors in Japan pursuant to exemptions from the registration requirements of the Financial Instruments and Exchange Law. Neither the Fund nor any of its affiliates is or will be registered as a "financial instruments firm" pursuant to the Financial Instruments and Exchange Law. Neither the Financial Services Agency of Japan nor the Kanto Local Finance Bureau has passed upon the accuracy or adequacy of this Memorandum or otherwise approved or authorized the offering of Interests to investors resident in Japan.

For Japanese Qualified Institutional Investors. Please note that there is a limited number of investors (nine investors in total) that can invest into the Fund from Japan. In addition, Japanese investors can only invest up to one third of the Aggregate Subscriptions of the Fund. There are also distinctions between different types of institutional investors. This will be assessed at the point of sale by Invesco Japan.

NOTICE TO RESIDENTS OF LUXEMBOURG

The product offered pursuant to this document is neither registered for public distribution with the 'Commission de Surveillance du Secteur Financier' ('CSSF'), nor listed on any Luxembourg exchange. This document, and any document relating to the product, is for the sole use of the recipient on a private placement basis and cannot be distributed within the Grand Duchy of Luxembourg by way of a public offer, public advertisement or in any other means of public marketing.
Any resale of the product in the Grand Duchy of Luxembourg may only be made in accordance with the laws applicable to the CSSF governing the sale and offering of financial products.

NOTICE TO RESIDENTS OF THE NETHERLANDS

The product offered pursuant to this document is neither registered for public distribution with the Authority for the Financial Markets ('Autoriteit Financiële Markten' – 'AFM'), nor listed on any Dutch exchange. This document, and any document relating to the product, is for the sole use of the recipient on a private placement basis and cannot be distributed within the Netherlands by way of a public offer, public advertisement or in any other means of public marketing.

Any resale of the product in the Netherlands may only be made in accordance with the laws applicable to the AFM governing the sale and offering of financial products.

NOTICE TO RESIDENTS OF NEW ZEALAND

In making application to participate in the Fund and in entering into an agreement to invest in the Fund the participant warrants and confirms that the participant is not "a member of the public" for the purposes of the New Zealand Securities Act 1978 s3(2)(a), being one or more of the following persons:

• a person whose principal business is the investment of money or who in the course of and for the purposes

of their business, habitually invests money pursuant to section 3(2)(a)(ii) of the Securities Act 1978; or

• a person who, in all circumstances, can properly be regarded as having been selected otherwise than as a member of the public.

The participant acknowledges that the warranty contained above is of critical importance to the Fund and hereby indemnifies the Fund against any loss, cost, claim, liability, damage or expense which the Fund may suffer, sustain or incur in the event that the warranty contained above shall be found to be untrue.

This Private Placement Memorandum does not constitute and should not be construed as an offer of, invitation or proposal to make an offer for, recommendation to apply for, an opinion or guidance on Interests to members of the public in New Zealand. Applications or any requests for information from persons who are members of the public in New Zealand will not be accepted.

By subscribing for Interests, each New Zealand investor is deemed to agree that:

· if the Interests are found to have been offered in New Zealand to persons who are members of the public, they will provide their consent to the making of a relief order under the New Zealand Securities Act 1978, in accordance with the procedure prescribed by that Act; and

· they are not acquiring Interests with a view to offering them for sale to members of the public in New Zealand, and that if in the future they elect to sell any of the Interests, they will not do so in any manner which will, or is likely to, result in the Interests being subject to the New Zealand Securities Act or may result in the issuer or any of its directors or related bodies corporate incurring any liability whatsoever

NOTICE TO RESIDENTS OF NORWAY

This product is neither registered for public distribution with the Norwegian Financial Supervisory Authority ('Finanstilsynet'), nor listed on any Norwegian exchange. This document and any document relating to the product, is for the sole use of the recipient on an unsolicited basis (i.e. further to a prior request of an investor at the investor's own initiative) and must not be re-distributed within Norway.

NOTICE TO RESIDENTS OF OMAN

The product offered pursuant to this document and any associated offering materials are not registered for public distribution in Oman. It is only being sent at the request of an investor in Oman and should not be distributed to any person in Oman other than to its intended recipient with the prior consent of the Capital Market Authority and then only in accordance with any terms and conditions of such consent. No transaction will be concluded in Oman and any inquiries regarding the Shares should be made outside of Oman.

NOTICE TO RESIDENTS OF PANAMA

Neither the Fund nor any offering, sale or transaction involving the Interests offered pursuant to this prospectus has been registered with the National Securities Commission. The Interests may not be offered or sold in any public offering within Panama, except in certain private transactions exempt from registration requirements of Panama's Securities Law.

NOTICE TO RESIDENTS OF PERU

The Interests offered pursuant to this prospectus have not been registered in Peru under the *Decreto Supremo Nº 093-2002-EF: Texto Único Ordenado del Decreto Legislativo No. 861 - Ley del Mercado de Valores*- and are being offered and sold only to institutional investors (as defined in Article 8 of the Peruvian Securities Law and the regulations enacted thereunder) pursuant to a private placement. The Interests offered and sold in Peru may not be sold or transferred (a) to any person other than an institutional investor or (b) unless (i) such sale or transfer is made after such Interests have been held by institutional investors for a cumulative period of twelve months, (ii) such Interests have been registered with the *Registro Público del Mercado de Valores* kept by the *Comisión Nacional Supervisora de Empresas y Valores* in Peru or (iii) such sale or transfer is made pursuant to a private placement.

NOTICE TO RESIDENTS OF PORTUGAL

The product offered pursuant to this document is neither registered for public distribution with the Portuguese Securities Market Commission ('Comissão do Mercado de Valores Mobiliários' - 'CMVM'), nor listed on any Portuguese exchange. This document, and any document relating to the product, is for the sole use of the recipient on a private placement basis and cannot be distributed within Portugal by way of a public offer, public advertisement or in any other means of public marketing.
Any resale of the product in Portugal may only be made in accordance with the laws applicable to the CMVM governing the sale and offering of financial products.

NOTICE TO RESIDENTS OF QATAR

The product offered pursuant to this document is not an investment company authorised or licensed by the Qatar Central Bank or the Qatar Financial Centre Regulatory Authority to conduct investment business in the State of Qatar or the Qatar Financial Centre. Accordingly, the Fund cannot make shares available to the public in Qatar. The Fund has not made and undertakes that it will not make any invitations to the public in the State of Qatar and undertakes that neither these private placement terms nor any other offering material relating to the shares will be issued or made available to the public generally in Qatar and will only be made available to a limited number of targeted investors.

NOTICE TO RESIDENTS OF SINGAPORE

This Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore, This offer is made in reliance on the exemption under Section 274 of the Securities and Futures Act. It is not made in or accompanied by a prospectus that is registered with the Monetary Authority of Singapore and the scheme is not authorised or recognised by the Authority. This document, and any document relating to the product, is for the sole use of the recipient on a institutional offer basis and cannot be distributed within Singapore by way of a public offer, public advertisement or in any other means of public marketing.

NOTICE TO RESIDENTS OF SPAIN

The product offered pursuant to this document is neither registered for public distribution with the Spanish Securities Market Commission ('Comisión Nacional del Mercado de Valores' – 'CNMV'), nor listed on any Spanish exchange. This document, and any document relating to the product, is for the sole use of the recipient on a private placement basis and cannot be distributed within Spain by way of a public offer, public advertisement or in any other means of public marketing.

Any resale of the product in Spain may only be made in accordance with the laws applicable to the CNMV governing the sale and offering of financial products.

NOTICE TO RESIDENTS OF SWITZERLAND

The product offered pursuant to this document is neither registered for public distribution with the Swiss Financial Market Supervisory Authority ('Autorité Fédérale de Surveillance des Marchés Financiers' - 'FINMA'), nor listed on any Swiss exchange. This document, and any document relating to the product, is for the sole use of the recipient on a private placement basis and cannot be distributed within Switzerland by way of a public offer, public advertisement or in any other means of public marketing.
Any resale of the product in Switzerland may only be made in accordance with the laws applicable to the FINMA governing the sale and offering of financial products.

NOTICE TO RESIDENTS OF SWEDEN

This product is neither registered for public distribution with the Swedish Financial Supervisory Authority ('Finansinspektionen'), nor listed on any Swedish exchange. This document and any document relating to the product, is for the sole use of the recipient on an unsolicited basis (i.e. further to a prior request of an investor at the investor's own initiative) and must not be re-distributed within Sweden.

NOTICE TO RESIDENTS OF UNITED ARAB EMIRATES

The information contained in this Confidential Memorandum does not constitute a public offer of securities in the United Arab Emirates in accordance with the Commercial Companies Law (Federal Law No. 8 of 1984 (as amended)) or otherwise and is not intended to be a public offer and is addressed only to persons who are sophisticated investors. The product is only offered to a limited number of investors in the UAE who are willing and able to conduct an independent investigation of the risks involved in an investment of this nature. The Private Placement Memorandum does not constitute an offer to the public and is for the use of the named addressee only and should not be given or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof). No transaction will be concluded in the UAE and any inquiries regarding the shares should be made outside the UAE.

NOTICE TO RESIDENTS OF UNITED KINGDOM

The product offered pursuant to this document is an unregulated investment scheme, the promotion of which is restricted in the UK by Section 238 of the Financial Services and Markets Act 2000 (FSMA). Shares may not be offered or sold by an authorised person in the UK by means of this confidential memorandum other than to persons authorised to carry on investment business under the FSMA, persons whose ordinary business involves the acquisition and disposal of property of the same kind as the property or a substantial part of the property in which the product invests or a person classified as an exempt person or professional client. This confidential memorandum is being distributed on the basis that each recipient in the UK to whom this confidential memorandum is issued is a person of a kind described in the FSA's Conduct of Business Sourcebook Chapter 4.12.1 rules or to whom this Confidential Memorandum may otherwise lawfully be distributed.

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Invesco

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NEPC, LLC

Firm: Invesco Advisers, Inc. (“the firm”)

Strategy/Product: Invesco Mortgage Recovery Fund I & II (“IMRF I” “IMRF II” or the “Fund”)

Client: Massachusetts Water Resources Authority Retirement System

NEPC Manager Due Diligence Questionnaire - Update

Instructions
In support of our upcoming meeting we ask that you please complete this due diligence questionnaire. Please provide your responses in the form of brief descriptions, lists or tables added directly to this Word document.

Thank you for taking the time to complete this questionnaire. Please note that all materials submitted in relation to MWRA Retirement System may be subject to disclosure consistent with Massachusetts Public Record laws.

Firm/Organization

1. Have there been any changes in ownership or management in the past year?

Invesco Advisers, Inc. is an indirect, wholly owned subsidiary of Invesco Ltd. Invesco Ltd. is a publicly owned company whose shares are listed on the New York Stock Exchange under the symbol “IVZ” and is a constituent of the S&P 500 Index.

Invesco Real Estate (“IRE”)—the investment center ultimately responsible for day-to-day management of the fund—is the institutional real estate investment unit of Invesco Advisers, Inc., which in turn is an indirect, wholly-owned subsidiary of Invesco Ltd.

There have been no changes in ownership or management relating to The Invesco Mortgage Recovery Fund I & II. Additionally, there have been no changes to Invesco's ownership (public firm) over the past year.

2. List firm AUM, net flows and accounts gained/lost for the past 5 years.

Collectively, Invesco Ltd.'s specialized investment teams manage $1,610.9 billion (as of December 31, 2021) in assets under management globally across a diversified set of distinct investment strategies spanning major equity and fixed income asset classes, asset allocation, and alternatives, including real estate, private equity and commodities.

These capabilities are delivered through multiple distinct investment centers and teams designed around specific asset classes, styles, or regional expertise. Each investment team adheres to clearly defined investment philosophies and processes aligned with client expectations. Each of the firm's investment teams employs local investment risk oversight, which is augmented by regional and global risk management policies, practices, and procedures.

Of the approximate $1,610.9 billion managed by Invesco Ltd., Invesco Real Estate manages approximately $88.0 billion in direct real estate and public securities strategies globally as of December 31, 2021.

Provided below are firm level AUM and net flows for the past 5 years as of December 31:

Year	AUM (US $ Billions)	Long-term inflows (US $ Billions)	Long-term outflows (US $ Billions)	Long-term net flows (US $ Billions)
2017	$937.60	$183.3	$(178.8)	$4.5
2018	$888.20	$209.8	$(248.8)	$(39.0)
2019**	$1,226.17	$227.5	$(261.9)	$(34.4)
2020	$1,349.92	$310.9	$(326.6)	$(15.7)
2021	$1,610.91	$426.8	$(345.4)	$81.4

***Invesco acquired Oppenheimer Funds on May 24, 2019 resulting in an increase of AUM of approximately $224.4 billion*

Provided in the table below are firm level accounts gained/lost for the past 5 years:
As a reference, at the firm level, accounts reflect separately managed accounts, mutual funds, ETFs and commingled vehicles. Accounts do not include gain/loss of participants within mutual fund, ETFs or commingled vehicles.

TOTALS		
Year	**GAINS (#)**	**LOSSES (#)**
2021	284	306
2020	232	304
2019	195	234
2018	222	125
2017	271	159

3. **Have there been any new or discontinued products in the past year?**

Invesco Ltd. continues to execute the firm's long-term strategy, which further improves the firm's ability to serve clients. The firm conducts an annual strategic planning process in which senior leaders assesses the macro environment and opportunities within the markets in which the firm operates, together with the growth, needs and budgets of the firm's business operations around the world. The firm takes a disciplined approach to managing the company, and allocates resources to the opportunities that will best benefit clients and its global business over the long term. Long-term strategic priorities are outlined below, along with key steps Invesco is taking to achieve them.

Invesco Ltd. regularly reviews its existing product line and works to bring quality investments to clients in different regions or channels. The firm offers a comprehensive product line by investment asset class, geography, and investment vehicle. From time-to-time, there exist opportunities to expand the product offering. To facilitate this process, product introductions are vetted carefully through an overall development process which is a combination of a global committee, coupled with regional product development forums. These committees and forums are in place to ensure investment and operational merit of a new product, and include a collection of leaders within Product Development, Investments, Operations, Legal and Compliance. This approach enables the firm to introduce investment strategies that are aligned with client expectations, represent the best of the firm, and will have longevity in their ability to achieve their stated investment processes and philosophy.

Please refer to the below information regarding new or discontinued products during the past year (2021):

New Products

- On September 30, 2021, the first of the V.I. Defined Outcome fund suite were launched, Invesco® S&P 500 Buffer Fund–September and Invesco® Nasdaq 100 Buffer Fund–September. The funds were available for NSCC trading for PacLife clients on October 1, 2021.
- The Invesco Peak Retirement 2010 Fund launched on April 30, 2021.

Merged Products

Previous Fund	**New Fund**	**As of**
Invesco Endeavor Fund	Invesco Main Street Mid-Cap Fund	4/23/2021
Invesco Pacific Growth Fund	Invesco Greater China Fund	4/23/2021
Invesco Select Companies Fund	Invesco Main Street Small Cap Fund	4/23/2021

Invesco Senior Floating Rate Plus Fund	Invesco Senior Floating Rate Fund	4/23/2021

Liquidated Products

- Invesco Premier Tax-Exempt Portfolio
- Invesco Master Event-Linked Bond Fund
- Invesco Balanced-Risk Retirement 2020 Fund
- Invesco Balanced-Risk Retirement 2030 Fund
- Invesco Balanced-Risk Retirement 2040 Fund
- Invesco Balanced-Risk Retirement Now Fund
- Invesco MLP SMA

4. Are any products capacity constrained?

The following US Mutual Funds are currently in limited offering:

- Invesco Developing Markets Fund
- Invesco International Small-Mid Company Fund
- Invesco MSCI World SRI Index Fund
- Invesco Discovery Fund
- Invesco Small Cap Growth Fund
- Invesco High Yield Municipal Fund

5. Describe any current or pending regulatory, compliance or litigation issues and the expected business impact.

From time to time, Invesco Advisers, Inc., which has and maintains robust compliance programs and practices that comply with Rule 206(4)-7 under the Investment Advisers Act of 1940 and Rule 38a-1 of the Investment Company Act of 1940, may receive formal or informal requests from governmental or regulatory bodies about their activities. No requests currently pending are expected to result in any matter that could have a material adverse impact on the business or operations.

From time to time, Invesco's US registered investment advisers may be involved in legal proceedings. No legal proceedings currently pending are expected to have a material impact on the business or operations of any such advisers.

6. Describe your diversity, equity and inclusion efforts with regard to the firm and its employees.

Invesco's commitment to diversity, equity and inclusion in the workplace is demonstrated in numerous ways across the organization, from the most fundamental principles regarding equal opportunity and non-discrimination to our ongoing commitment to attract and retain diverse talent through inclusive recruitment, hiring, and professional development initiatives. Our Employee Handbook details our Equal Employment Opportunity, Anti-Discrimination policies and Diversity & Inclusion policies. While this document is for internal use only, we have provided relevant excerpts below.

Equal Employment Opportunity
Invesco's culture of inclusivity and its commitment to diversity in the workplace are demonstrated through our people practices. We are proud to be an equal opportunity employer. All qualified applicants will receive consideration for employment without regard to race, creed, color, religion, sex, gender, gender identity, sexual orientation, marital status, national origin, citizenship status, disability, age, or veteran status. Our equal opportunity employment efforts comply with all applicable U.S. state and federal laws governing non-discrimination in employment.

In accordance with the Americans with Disabilities Act (ADA), Invesco will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship to the organization.

Our equal opportunity employment policies govern all aspects of employment, including selection, job assignment, compensation, promotions, discipline, termination, and access to benefits and training. Employees with questions about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their managers or local HR representative.

Employees can raise concerns and make reports without fear of reprisal. Employees can also contact their department head or compliance official if they are uncomfortable speaking to their manager or your local HR representative. Anyone found to be engaging in any type of unlawful discrimination or retaliation will be subject to disciplinary action up to and including termination of employment.

Anti-Discrimination Policy
Invesco is committed to providing a work environment free of sexual or any form of unlawful harassment or discrimination. Harassment or discrimination against individuals on the basis of race, religious creed, color, national origin, age, ancestry, physical and/or mental disability (including HIV and AIDS), medical condition, genetic information, marital status, sex (childbirth, breastfeeding and medical conditions relating to pregnancy, childbirth or breastfeeding), gender, gender identity, gender expression, age, sexual orientation, and military and/or veteran status, and/or any other classification protected by state, including California's Fair Employment and Housing Act, or federal laws is illegal and prohibited by Invesco policy.

Anyone interacting with an employee—including co-workers, supervisors, managers, and third parties— is prohibited from engaging in any discriminatory, harassing, or retaliatory conduct. Such conduct by or towards any employee, co-worker, contract worker, customer, vendor, supervisor, manager, or anyone else who does business with Invesco will not be tolerated. Any employee or contract worker who violates this policy will be subject to disciplinary action, up to and including termination of his/her employment or engagement. Invesco will also take appropriate corrective action in the event that a customer, vendor, or other person with whom we do business engages in unlawful harassment or discrimination.

In furtherance of this commitment, the company provides harassment and discrimination training to its employees. New supervisors must complete the sexual harassment training within six months of assuming a supervisory position, with ongoing refresher training based on regional regulatory requirements.

Diversity and Inclusion

Workforce Diversity is a business imperative that will impact our growth in markets around the world, our ability to attract and retain talented staff successfully, and ultimately, the value of our brand equity. As a global firm serving clients around the world, we believe a culture of inclusiveness is critical to our long term success. Consistent with our business principle that "working together, we achieve more", we promote a collaborative culture that respects individuality and rewards teamwork. Valuing our inherent diversity of cultures, experiences and perspectives gives all of our employees the opportunity to contribute their best work, be recognized for their unique abilities and contribute to Invesco's success. We accomplish this goal by:

- Building diversity awareness through relevant communications and training programs.
- Recruiting and retaining a workforce reflecting the communities in which we operate.
- Where practical, working with vendors representative of the local markets in which we operate.
- Implementing human resource management policies and practices to create an environment that optimizes the full potential of our employees
- Offering support to community and charitable organizations. It is expected that all Invesco managers appreciate the differences in perspectives that our employees bring to the table, that all of those employees are treated professionally, with respect, and are encouraged and supported in pursuing opportunities to maximize their full potential on the job.

It is expected that all Invesco managers appreciate the differences in perspectives that our employees bring to the table, that all of those employees are treated professionally, with respect, and are encouraged and supported in pursuing opportunities to maximize their full potential on the job.

Additionally, Invesco's Global Code of Conduct takes a clear stance on all types of harassment and discrimination and provides detailed guidance on how to report violations of the Code.

Portfolio Management Team

1. **Have there been any changes in the portfolio management team in the past year?**

   No. There have been no changes to the investment team as of December 31, 2021.

2. **Are there any expected changes to the team in the future (planned additions or departures)?**

   To the best of our knowledge, there are not any expected changes to the Portfolio Management Team responsible for the Invesco Mortgage Recovery Fund I & II in the near future.

Process

1. **Have there been significant changes in any of the areas below in the past year?**
   - **Identification of investment ideas**

     No.
   - **Process for exploring and vetting ideas**

     No.
   - **Portfolio trading practices including buy/sell rules**

     No.
   - **Approach to portfolio monitoring and risk management**

     No.

Philosophy

1. Describe recent changes in investment philosophy, if any.

While enhancements have been made as transparency in the industry has improved, IRE’s basic philosophy has not changed since the Fund's inception.

Portfolio

1. **If not included in your meeting presentation, provide portfolio holdings, sector exposure, geographic exposure and common characteristics (yield, duration, market cap, P/E, etc.).**

   This information will be included in the meeting presentation.

2. **List strategy AUM, net flows and accounts gained/lost for the past 5 years.**

   This is a closed end fund. There have been no changes.

3. **Describe investor concentration for the strategy and note the percent of AUM attributable to the top five investors.**

   This is a closed end fund. There have been no changes.

Performance / Market Outlook

1. **If not included in your meeting presentation, provide trailing returns as of the most recent quarter-end and calendar year returns for the past 10 years, both relative to benchmark.**

   It is very difficult for benchmarks and/or peer universes to be established within an opportunistic investment strategy due to timing of fund raises/deployment of capital (economic environment of purchases/sales) and variation of strategies among different managers.

   The most recently reported quarter-end, since inception and projected internal rates of return and equity multiples are included in the meeting presentation materials.

2. **Briefly discuss recent performance trends and identify environments in which the strategy is likely to be in or out of favor.**

   This commentary is included in the quarterly reports for both IMRF I & II, please see Attachment - IMRF I Quarterly Report Attachment and IMRF II Quarterly Report.

3. **Describe your market outlook and how strategy positioning is impacted by your views.**

   This commentary is included in the quarterly reports for IMRF I and II, please see Attachment - IMRF I Quarterly Report Attachment and IMRF II Quarterly Report.

4. **Could you please include a slide in your presentation that sows the MWRA's account history, initial contribution, cumulative subsequent contributions, cumulative subsequent distributions, gain/loss and current value.**

   Yes, this is included in our presentation.

Important Disclosure

<u>For Existing Invesco Mortgage Recovery Fund I & II Investors in the US. Please do not redistribute this document without permission from Invesco Advisers Inc.</u>
<u>NOT FDIC Insured, May Lose value, No Bank Guarantee</u>

<u>Important Information</u>
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This document contains confidential information, is for informational purposes only and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security. For complete information on the Invesco Mortgage Recovery Fund II, please refer to the Private Placement Memorandum (PPM). The PPM will contain all material information in respect of any securities offered thereby and any decision to invest in such securities should be made solely in reliance upon such Private Placement Memorandum.

Furthermore, this document does not constitute an offer or solicitation in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. This does not constitute a recommendation of any investment strategy or product for a particular investor. Investors should consult a financial professional before making any investment decisions. This document does not take into account individual objectives, taxation position or financial needs and should not be relied upon as the sole factor in an investment making decision. Nor does this constitute a recommendation of the suitability of any investment strategy for a particular investor. Investment returns and principal value will fluctuate (this may partly be the result of exchange rate fluctuations) so that when redeemed, an investor may not get back the full amount invested. Current tax levels and reliefs may change. Depending on individual circumstances, this may affect investment returns. As with all investments, there are associated inherent risks, please obtain and read all information carefully before you decide to invest. If investors are unsure if this fund is suitable for them, they should seek advice from an advisor. In the event of any inconsistency between this document and the PPM, the PPM will govern. Asset management services are provided by Invesco in accordance with appropriate local legislation and regulations.

For important information on risks associated with this IMRF, see the Risk Factors and Conflicts of Interest sections of the PPM, on pages 35-59 of the Private Placement Memorandum.

For important information on risks associated with this IMRF II, see the Risk Factors and Conflicts of Interest sections of the PPM, on pages 47-59 of the Private Placement Memorandum.

All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. It is not our intention to state, indicate or imply in any manner that current or past results are indicative of future profitability or expectations. The opinions expressed herein are based on current market conditions and are subject to change without notice.

Invesco makes no representation or warranty, expressed or implied, regarding any prospective investor's legal, tax or accounting treatment of the matters described herein, and Invesco is not responsible for providing legal, regulatory or accounting advice to any prospective investor.

These materials may contain statements that are not purely historical in nature but are "forward-looking statements." These include, among other things, projections, forecasts, estimates of income, yield or return, future performance targets, sample or pro forma portfolio structures or portfolio composition, scenario analysis, specific investment strategies and proposed or pro forma levels of diversification or sector investment. These forward-looking statements can be identified by the use of forward looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “estimate,” “intend,” “continue,” “target,” “believe,” the negatives thereof, other variations thereon or comparable terminology. Forward looking statements are based upon certain assumptions, some of which are described herein. Actual events are difficult to predict, are beyond the Issuer’s control, and may substantially differ from those assumed. All forward-looking statements included herein are based on information available on the date hereof and Invesco assumes no duty to update any forward-looking statement. Some important factors which could cause actual results to differ materially from those in any forward-looking statements include, among others, the actual composition of the portfolio of Underlying Assets, any defaults to the Underlying Assets, the timing of any defaults and subsequent recoveries, changes in interest rates, and any weakening of the specific obligations included in the portfolio of Underlying Assets. Other detailed risk factors are also described in the Private Placement Memorandum. Accordingly, there can be no assurance that estimated returns or projections can be realized, that forward-looking statements will materialize or that actual returns or results will not be materially lower than those presented.

Restrictions on Distribution

This information is being delivered to the types of investors listed on the cover in order to assist them in determining whether they have an interest in the type of fund described herein. It has been prepared solely for information purposes. The distribution and offering of the Fund in certain jurisdictions may be restricted by law. Persons into whose possession this document may come are required to inform themselves about and to comply with any relevant restrictions. Persons interested in acquiring funds should inform themselves as to (i) the legal requirements in the countries of their nationality, residence, ordinary residence or domicile; (ii) any foreign exchange controls and (iii) any relevant tax consequences.

United States

In the US, further information can be obtained from Invesco Advisers, Inc., Two Peachtree Pointe
1555 Peachtree Street, N.E. Suite 1800 Atlanta, Georgia 30309.

NOT FDIC Insured, May Lose Value, No Bank Guarantee

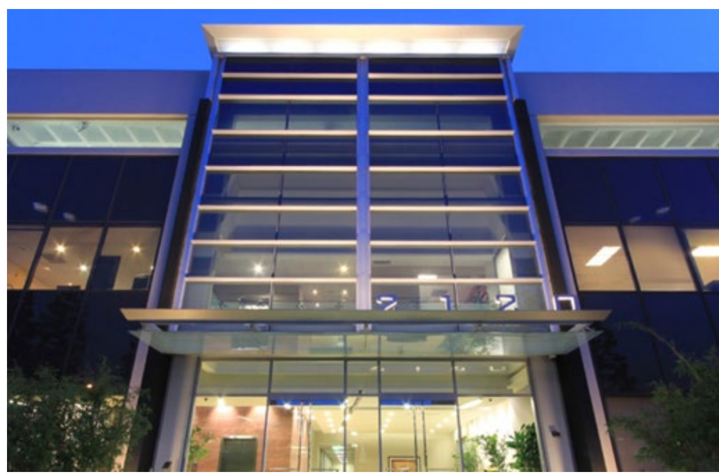
Invesco Advisers, Inc. is an investment adviser; it provides investment advisory services to individual and institutional clients and does not sell securities. Invesco Distributors, Inc. is the placement agent for the fund. Both are indirect, wholly owned subsidiaries of Invesco Ltd.

Invesco

Invesco Mortgage Recovery Loans AIV, L.P.

Quarterly Report

Third Quarter 2021



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Cover Photos:			
	Top	***Circle Star Plaza*** *San Carolos, CA (Left)*	***Ritz-Carlton Ft. Lauderdale*** *Ft. Lauderdale, FL (Right)*
	Middle	***Dumbo Heights*** *New York, NY (Left)*	***Apollo at Rosecrans*** *El Segundo, CA (Right)*
	Bottom	***1 Hotel*** *Miami, FL (Right)*	***Fifth Street Towers*** *Minneapolis, MN (Right)*

Invesco Mortgage Recovery Loans AIV, L.P.

Quarterly Report
September 30, 2021

General Partner

WLR / IVZ Mortgage Recovery Associates LLC

Investment Committee

Scott Dennis
James B. Lockhart III
Stephen J. Toy
Bert Crouch

Independent Certified Public Accountants

PricewaterhouseCoopers LLP
300 Madison Avenue
New York, NY 10017

Custodian

Citizens Bank/RBS
53 State Street
Boston, MA 02109

Dear Fellow Partners,

We are pleased to present the Quarterly Report of Invesco Mortgage Recovery Loans AIV, L.P. (the "Fund") for the quarter ended September 30, 2021.

Portfolio Performance

The Net Fund IRR since inception is 13.67%. Effective April 1, 2019, the GP is no longer charging management fees for this Fund.

Investment Remaining

There are no remaining active investments in the Fund. The only investments left are passive positions such as escrow accounts and/or tax receivables.

Fund Status & Next Steps

The Fund matured on September 30, 2017, and as previously communicated, the Fund is no longer in active business and has entered into the "wind-up" period.

As communicated during the 2020 Annual Meeting, the Fund has escrows and cash reserves established for various timeframes (with the latest through 2025) as required under certain purchase and sales agreements or state statutes for both IMRF Hotel Member, LLC and WLR Lefrak (Northwest), LLC. The Fund team is assessing end-of-Fund-life alternatives, which will allow investors to benefit from the remaining investment interests (i.e. release of cash escrows, etc.) without incurring the high costs associated with the maintaining the Fund structure through at least year-end 2025. Additionally, with the sale of the remaining condominium, the Fund team has initiated the collapse of a number of Fund entities.

Should you have any questions on the reports, please contact WLR Investor Relations at WLRInvestorRelations@invesco.com or 212-826-1100. Finally, please be reminded that this quarterly report is subject to confidentiality.

Best regards,

Invesco Mortgage Recovery Fund

Invesco Mortgage Recovery Loans AIV, L.P.

UNAUDITED Financial Statements
As of September 30, 2021

Invesco Mortgage Recovery Loans AIV, L.P.
Statement of Financial Condition (UNAUDITED)

As of September 30, 2021

Assets	
Investment in Invesco Mortgage Recovery Master Loans AIV, L.P., at fair value	$8,031,621
Due from broker	6,301,800
Due from affiliate	828
Total Assets	**$14,334,249**

Liabilities and Partners' Capital	
Liabilities:	
Total Liabilities	**$-**
Partners' Capital:	
General Partners	$2,111,348
Limited Partners	12,222,901
Total Partners' Capital	**$14,334,249**
Total Liabilities and Partners' Capital	**$14,334,249**

Invesco Mortgage Recovery Loans AIV, L.P.
Statement of Operations (UNAUDITED)

For the Three and Nine Months Ended September 30, 2021

Investment Statement		
Net investment income allocated from Invesco Mortgage Recovery Master Loans AIV, L.P:	Current Quarter	Year to Date
Interest income	$1,053	$3,792
Other expenses	(2,062)	(2,108)
Professional fees	(25,247)	(27,195)
Net investment (loss) allocated from Invesco Mortgage Recovery Master Loans AIV, L.P.	**$(26,256)**	**$(25,511)**
Partnership Net Investment loss:		
Interest Income	$157	$419
Professional fees	(835)	(835)
Other expenses	(449)	(449)
Partnership net investment (loss)	**$(1,128)**	**$(865)**
Net investment (loss)	**$(27,384)**	**$(26,376)**
Net realized gain and net change in unrealized appreciation on investment allocated from Invesco Mortgage Recovery Master Loans AIV, L.P.		
Net realized gain on investment	$769,398	$698,372
Net change in unrealized appreciation on investment	(740,351)	(537,174)
Net realized gain and net change in unrealized appreciation on investment allocated from Invesco Mortgage Recovery Master Loans AIV, L.P.	29,047	161,198
Net increase in partners' capital resulting from operations	**$1,663**	**$134,822**

Invesco Mortgage Recovery Loans AIV, L.P.
Statement of Changes in Partners' Capital (UNAUDITED)

Invesco

For the Nine Months Ended September 30, 2021

	Limited Partners	General Partner	Total
Partners' capital, December 31, 2020	$12,165,602	$2,090,560	$14,256,161
Net investment loss	(21,089)	(5,287)	(26,376)
Net realized gain on investment	558,360	140,012	698,372
Net change in unrealized appreciation on investment	(429,479)	(107,695)	(537,174)
Capital distributions	(50,493)	(6,241)	(56,734)
Partners' capital, September 30, 2021	**$12,222,901**	**$2,111,348**	**$14,334,249**

Disclosures

This report is intended for current investors in the Fund and their designated representatives only. Pursuant to the relevant provisions in the Limited Partnership Agreement you agree to keep this report confidential and not redistribute it without the prior written consent of WL Ross. Any offer or solicitation of an investment may be made only by delivery of the Fund's confidential offering documents to qualified investors. If you are not a current investor in this Fund, you received this report only because you are a qualified investor or investment professional, and have requested it and understand that this report is current as of the date noted for informational purposes only and should not be relied upon when deciding whether to invest in the Fund. While some information used in this report has been obtained from various published and unpublished sources considered to be reliable, WL Ross does not guarantee its accuracy or completeness and accepts no liability for any direct or consequential loss arising from its use.

Past performance is not a guarantee of future results. Actual results may vary. An investment in the Fund may result in a loss. The statements contained in this report that are not historical facts are forward-looking statements. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which the Fund operates, and WL Ross's beliefs and assumptions. Words such as "expects," "targeted," "anticipates," "should," "intends," "plans," "believes," "seeks," "estimates," "forecasts," "projects" and variations of such words and similar expressions are intended to identify such forward-looking statements. An example would be the targeted and projected returns to investors. These statements do not guarantee future performance and involve certain risks, uncertainties and assumptions which are difficult to predict. As such, actual outcomes and returns may differ materially from what is expected or forecasted in such forward-looking statements.

******

Gross Asset Level IRR – Reflects cash flows to and from portfolio positions and is gross of all Fund level expenses, management fees, and any applicable Fund carried interest.

Gross Fund IRR – Reflects cash flows to and from limited partners and is gross of management fees and any applicable carried interest, and net of all Fund level expenses as well as any operating and organizational expenses and commissions.

Net Fund IRR – Reflects cash flows to and from limited partners that is net of all Fund level expenses, management fees, and any applicable carried interest as well as any expenses and commissions.

All returns shown are for the Fund as a whole. An individual investor's returns may be greater or less than the returns shown, based on its negotiated terms.

The above Gross Asset Level IRR, Gross Fund IRR, and Net Fund IRR, are based on current performance.

*****

Invesco Mortgage Recovery Master Fund, L.P. & Invesco Mortgage Recovery Master Loans AIV, L.P.

Quarterly Report
September 30, 2021

General Partner

WLR / IVZ Mortgage Recovery Associates LLC

Investment Committee

Bert Crouch
James B. Lockhart III
Scott Dennis
Stephen J. Toy

Advisory Board Representation

Navyug Patel, *State of New York Common Retirement Fund*
Raynald Leveque, *State of Connecticut Retirement Plans and Trust Funds*
Matthew Worley, *State Teachers Retirement System of Ohio*
Garret Wofford, *State Teachers Retirement System of Ohio*
Craig Demko, *State of North Carolina*
Ronald Funderburk, *State of North Carolina*
John Grubenman, *Texas Permanent School Fund*
Kathryn Gernert, *Texas Permanent School Fund*
David Klauka, *State of Michigan*

Independent Certified Public Accountants

PricewaterhouseCoopers LLP
300 Madison Avenue
New York, NY 10017

Custodian

Citizens Bank/RBS
53 State Street
Boston, MA 02109

Dear Fellow Partners,

We are pleased to present the Quarterly Report of Invesco Mortgage Recovery Master Fund and Invesco Mortgage Recovery Loans AIV, L.P. (the "Fund") for the quarter ended September 30, 2021.

Portfolio Performance

The Gross Asset Level IRR (Gross IRR) and Net Fund IRR since inception is 18.0% and 17.2%, respectively. This is the aggregate master fund and therefore excludes fees and expenses at the respective feeder funds.

Investment Remaining

There are no remaining active investments in the Fund. The only investments left are passive positions such as escrow accounts and/or tax receivables.

Fund Status & Next Steps

The Fund matured on September 30, 2017, and as previously communicated, the Fund is no longer in active business and has entered into the "wind-up" period.

As communicated during the 2020 Annual Meeting, the Fund has escrows and cash reserves established for various timeframes (with the latest through 2025) as required under certain purchase and sales agreements or state statutes for both IMRF Hotel Member, LLC and WLR Lefrak (Northwest), LLC. The Fund team is assessing end-of-Fund-life alternatives, which will allow investors to benefit from the remaining investment interests (i.e. release of cash escrows, etc.) without incurring the high costs associated with the maintaining the Fund structure through at least year-end 2025. Additionally, with the sale of the remaining condominium, the Fund team has initiated the collapse of a number of Fund entities.

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Best regards,

Invesco Mortgage Recovery Fund

Dear Fellow Partners,

We are pleased to present the Quarterly Report of Invesco Mortgage Recovery Master Fund and Invesco Mortgage Recovery Loans AIV, L.P. (the "Fund") for the quarter ended September 30, 2021.

Portfolio Performance

The Gross Asset Level IRR (Gross IRR) and Net Fund IRR since inception is 18.0% and 17.2%, respectively. This is the aggregate master fund and therefore excludes fees and expenses at the respective feeder funds. The table below provides a summary of the portfolio activities and performance as of September 30, 2021. (See Portfolio Summary for individual investments.)

$MM	# of Investments	Invested Capital	Proceeds Received	Fair Value	Total Value	Gross IRR	MOIC
Realized Investments	17	$1,505.6	$2,001.2	$0.7	$2,001.9	18.2%	1.33x
Partially Realized Investments	1	$101.5	$175.4	$6.9	$182.3	15.9%	1.80x
Total	18	$1,607.1	$2,176.6	7.6	$2,184.2	18.0%	1.36x

Should you have any questions on the reports, please contact WLR Investor Relations at WLRInvestorRelations@invesco.com or 212-826-1100. Finally, please be reminded that this quarterly report is subject to confidentiality.

Best regards,

Invesco Mortgage Recovery Fund

Portfolio Summary

Summary of Investment Activity
From Inception through September 30, 2021

Investments	Investment Date	Invested Capital	Proceeds[1]	Fair Value	Total Value	MOIC[2]	Gross IRR[3]
Realized							
PPIP Securities	Oct-2009	$499.5	$615.7	$0.0	$615.7	1.23x	18.0%
WLR Lefrak (Northwest), LLC	Oct-2009	$32.1	$64.1	$0.7	$64.8	2.02x	18.6%
Circle Star Member, LLC	Jun-2010	$26.0	$32.8	$0.0	$32.8	1.26x	39.9%
Residential Whole Loans	Jun-2010	$120.9	$118.5	$0.0	$118.5	0.98x	-1.0%
Market Square Member, LLC	Sep-2010	$27.7	$39.7	$0.0	$39.7	1.43x	12.5%
Credit Default Swap	Dec-2010	$52.5	$79.9	$0.0	$79.9	1.52x	22.2%
Indiana Retail Member, LLC	Apr-2011	$52.5	$72.0	$0.0	$72.0	1.37x	18.4%
Brickell Bayview Investor, LLC	May-2011	$38.9	$43.9	$0.0	$43.9	1.13x	16.3%
IMRF Loan Portfolio Member, LLC	Sep-2011	$308.6	$369.6	$0.0	$369.6	1.20x	18.1%
Broomfield Hotel Investor, LLC	Nov-2011	$8.9	$12.3	$0.0	$12.3	1.38x	15.1%
Colfin Milestone North Funding, LLC	Nov-2011	$8.7	$14.2	$0.0	$14.2	1.63x	17.3%
IMRF Fifth Street Member, LLC	Apr-2012	$106.0	$130.7	$0.0	$130.7	1.23x	17.5%
IMRF Watchtower Member, LLC	Jul-2013	$70.9	$123.7	$0.0	$123.7	1.74x	22.1%
IMRF Resort Member, LLC	Jul-2013	$18.4	$33.2	$0.0	$33.2	1.80x	36.7%
Park Place Apollo Investor, LLC	Mar-2013	$56.6	$144.7	$0.0	$144.7	2.56x	47.2%
IMRF Industrial Member, LLC	Oct-2013	$43.7	$78.2	$0.0	$78.2	1.79x	32.5%
Shackleford Crossings Member, LLC	May-2011	$33.7	$28.0	$0.0	$28.0	0.83x	-16.7%
Total Realized Investments		$1,505.6	$2,001.2	$0.7	$2,001.9	1.33x	18.2%
Partially Realized							
IMRF Hotel Member, LLC	Feb-2012	$101.5	$175.4	$6.9	$182.3	1.80x	15.9%
Total Partially Realized Investments		$101.5	$175.4	$6.9	$182.3	1.80x	15.9%
GRAND TOTAL		$1,607.1	$2,176.6	$7.6	$2,184.2	1.36x	18.0%

1 Includes all proceeds from Investment including operating income and sale proceeds.
2 MOIC = Total Value/Invested Capital.
3 Represents cash flows to and from portfolio positions and is gross of management fees, operating expenses and carried interest.

Held Investments

IMRF Hotel Member, LLC
Miami, Florida

Transaction Highlights	
Investment Date	February 2012
Investment Type	Hotel
Property Size	337 keys, 265 condo units, 90,000 SF retail
Invested Capital	$101.5M
Proceeds	$175.4M
Exit Date	February 2019
Gross Sales Price	$610M
IRR / MOIC	15.9% / 1.80x
JV Partner/(% Equity Co-Invest)	The Lefrak Organization / (25%) & Starwood Capital / (50.0%)

Investment Thesis at Acquisition

- Acquire the foreclosed mezzanine position of Credit Suisse secured by a beachfront mixed-use project, including a 337 room hotel (Gansevoort Hotel South Beach), 92 condo-hotel rental units, 173 for-sale condominium units (Paradiso Condominiums) and 90,000 square feet of retail space in partnership with Starwood Capital (50.0%) and The LeFrak Organization (25.0%)
- Restructure existing first mortgage with Banco Inbursa to provide for an A- and B-Note
- Complete capital works in connection with the 40-year recertification of the structure required by the City of Miami
- Upgrade and reposition the entire property and re-launch under Starwood's eco-concept 1 Hotel brand
- Re-tenant the retail space to create an amenity package better suited to the residents and guests of the upgraded project

Execution Results

- Hotel was sold to Host Hotels & Resorts (NYSE:HST) in February 2019 for $610 million, which equates to more than $1.2 million per key
- Transaction price represents one of the largest hotel sales worldwide over the past 12 months on both an absolute and price per key basis. The investment team is very pleased with this outcome, particularly when compared to expectations in 2016/2017
- In July 2021, the team sold the last remaining unit at 1 Hotel.
- All condo units are held unlevered

Invesco Mortgage Recovery Master Fund, L.P & Invesco Mortgage Recovery Master Loans AIV, L.P.

Combined Financial Statements
(UNAUDITED)
As of September 30, 2021

Invesco Mortgage Recovery Master Fund, L.P &
Invesco Mortgage Recovery Master Loans AIV, L.P.
Combined Statement of Assets, Liabilities and Partners' Capital (UNAUDITED)

As of September 30, 2021

Assets	
Investments, at fair value (cost $0)	$8,347,378
Due from broker	4,508,720
Due from affiliates	423,578
Other assets	22,636
Total Assets	**$13,302,312**
Liabilities and Partners' Capital	
Liabilities:	
Due to affiliates	$13,365
Accrued expenses	69,009
Total Liabilities	**$82,374**
Partners' Capital:	
General Partners	$--
Limited Partners	12,058,181
Non-Controlling Interests in the Group	1,161,757
Total Partners' Capital	**$13,219,938**
Total Liabilities and Partners' Capital	**$13,302,312**

Invesco Mortgage Recovery Master Fund, L.P & Invesco Mortgage Recovery Master Loans AIV, L.P. Combined Statement of Operations (UNAUDITED)

For the Nine Months Ended September 30, 2021

Investment Income:	Current Quarter	Year to Date
Interest income	$1,891	$6,826
Total income	**$1,891**	**$6,826**
Expenses:		
Professional fees and other expenses	$67,498	$70,494
Other expenses	3,756	3,756
Total Expenses	**$71,254**	**$74,250**
Net investment income/(loss)	$(69,363)	$(67,424)
Net realized gain on investments net change in unrealized appreciation/depreciation on investments		
Net realized gain on investments	$1,269,434	$1,147,263
Net change in unrealized appreciation/(depreciation) on investments	(1,217,288)	(914,669)
Net realized gain on investments and net change in unrealized appreciation/depreciation on investments	**$52,146**	**$232,594**
Net increase/(decrease) attributable to non-controlling interests	**$(8,250)**	**$8,887**
Net increase/(decrease) in partners' capital resulting from operations	**$(25,467)**	**$174,057**

Invesco Mortgage Recovery Master Fund, L.P &
Invesco Mortgage Recovery Master Loans AIV, L.P.
Combined Statement of Changes in Partners' Capital (UNAUDITED)

For the Nine Months Ended September 30, 2021

	Limited Partners	General Partner	Non-Controlling Interests in the Fund	Total
Partners' capital, December 31, 2020	$11,861,489	$-	$1,170,644	$13,032,133
Capital contributions	22,635	-	-	22,635
Net increase/(decrease) in partners' capital resulting from operations	174,051	-	(8,887)	165,164
Realized gain on investment	6	-	-	6
Partners' capital, September 30, 2021	**$12,058,181**	**$-**	**$1,161,757**	**$13,219,938**

As of September 30, 2021

Security	Cost Basis	Fair Value	Unrealized Gain/(Loss)
WLR LeFrak Northwest LLC	$--	$527,549	$527,549
IMRF Hotel Member, LLC	--	7,819,829	7,819,829
Total:	**$--**	**$8,347,378**	**$8,347,378**

Invesco Mortgage Recovery Master Fund, L.P & Invesco Mortgage Recovery Master Loans AIV, L.P.

Combining Financial Statements
(UNAUDITED)
As of September 30, 2021

Invesco Mortgage Recovery Master Fund, L.P &
Invesco Mortgage Recovery Master Loans AIV, L.P.
Combining Statement of Financial Condition (UNAUDITED)

As of September 30, 2021

Assets

	Invesco Mortgage Recovery Master Fund, L.P.	Invesco Mortgage Recovery Master Loans AIV, L.P.	Total
Investments at fair value (cost $0, and $00)	$--	$8,347,378	$8,347,378
Due from broker	6,347	4,502,373	4,508,720
Due from affiliates	--	423,578	423,578
Other assets	22,636	-	22,636
Total Assets	**$28,983**	**13,273,329**	**13,302,312**

Liabilities and Partners' Capital

	Invesco Mortgage Recovery Master Fund, L.P.	Invesco Mortgage Recovery Master Loans AIV, L.P.	Total
Liabilities:			
Due to affiliates	$-	$13,365	$13,365
Accrued expenses	28,983	40,026	69,009
Total Liabilities	**$28,983**	**$53,391**	**$82,374**
Partners' capital:			
Limited Partners	$-	$12,058,181	$12,058,181
General Partners	--	--	--
Non-Controlling Interests in the Fund	--	1,161,757	1,161,757
Total Partners' Capital	**$-**	**$13,219,938**	**$13,219,938**
Total Liabilities and Partners' Capital	**$28,983**	**$13,273,329**	**$13,302,312**

Invesco Mortgage Recovery Master Fund, L.P &
Invesco Mortgage Recovery Master Loans AIV, L.P.
Combining Statement of Operations (UNAUDITED)

For the Nine Months Ended September 30, 2021

Investment Statement			
	Invesco Mortgage Recovery Master Fund, L.P.	Invesco Mortgage Recovery Master Loans AIV, L.P.	Total
Investment income			
Interest income	$1	$6,825	$6,826
Total investment income	**$1**	**$6,825**	**$6,826**
Expenses			
Professional fees and other expenses	$29,664	$40,830	$70,494
Other expenses	-	3,756	3,756
Total Expenses	**$29,664**	**$44,586**	**$74,250**
Net investment income/(loss):	(29,663)	(37,761)	(67,424)
Net realized gain on investments and net change in unrealized appreciation/depreciation on investments			
Net realized gain on investments:	$6	$1,147,257	$1,147,263
Net change in unrealized appreciation/(depreciation) on investments:	-	(914,669)	(914,669)
Net realized gain on investments and net change in unrealized appreciation/(depreciation) on investments	**$6**	**$232,588**	**$232,594**
Net increase attributable to non controlling interests	$-	**$8,887**	**$8,887**
Net increase/(decrease) in partners' capital resulting from operations	**$(29,657)**	**$203,714**	**$174,057**

Invesco Mortgage Recovery Master Fund, L.P &
Invesco Mortgage Recovery Master Loans AIV, L.P.
Combining Statement of Changes in Partners' Capital (UNAUDITED)

For the Nine Months Ended September 30, 2021

Invesco Mortgage Recovery Master Fund, L.P.		
	Limited Partners	General Partner
Balance - Beginning	$7,022	$-
Capital contributions	22,635	-
Net increase / (decrease) in partners' capital resulting from operations	(29,663)	-
Realized gain on investment	6	-
Balance - Ending	**$-**	**$-**

Invesco Mortgage Recovery Master Loans AIV, L.P.			
	Limited Partners	General Partner	Non-Controlling Interests in the Fund
Balance - Beginning	$11,854,467	$--	$1,170,644
Capital contributions	-	-	-
Net increase/ (decrease) in partners' capital resulting from operations	203,714	-	(8,887)
Realized gain on investment	-	-	-
Balance - Ending	**$12,058,181**	**$-**	**$1,161,757**

Total				
	Limited Partners	General Partner	Non-Controlling Interests in the Fund	Total
Balance - Beginning	$11,861,489	$-	$1,170,644	$13,032,133
Capital contributions	22,635	-	-	22,635
Net increase/ (decrease) in partners' capital resulting from operations	174,051	-	(8,887)	165,164
Realized gain on investment	6	-	-	6
Balance - Ending	**$12,058,181**	**$-**	**$1,161,757**	**$13,219,938**

Invesco Mortgage Recovery Master Fund, L.P &
Invesco Mortgage Recovery Master Loans AIV, L.P.
Combining Schedule of Investments(UNAUDITED)

As of September 30, 2021

Security	Cost Basis	Fair Market Value	Unrealized Gain/(Loss)
WLR LeFrak Northwest LLC	$-	$527,549	$527,549
IMRF Hotel Member, LLC	--	7,819,829	7,819,829
Total:	**$-**	**$8,347,378**	**$8,347,378**

Disclosures

This report is intended for current investors in the Fund and their designated representatives only. Pursuant to the relevant provisions in the Limited Partnership Agreement you agree to keep this report confidential and not redistribute it without the prior written consent of WL Ross. Any offer or solicitation of an investment may be made only by delivery of the Fund's confidential offering documents to qualified investors. If you are not a current investor in this Fund, you received this report only because you are a qualified investor or investment professional, and have requested it and understand that this report is current as of the date noted for informational purposes only and should not be relied upon when deciding whether to invest in the Fund. While some information used in this report has been obtained from various published and unpublished sources considered to be reliable, WL Ross does not guarantee its accuracy or completeness and accepts no liability for any direct or consequential loss arising from its use.

Past performance is not a guarantee of future results. Actual results may vary. An investment in the Fund may result in a loss. The statements contained in this report that are not historical facts are forward-looking statements. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which the Fund operates, and WL Ross's beliefs and assumptions. Words such as "expects," "targeted," "anticipates," "should," "intends," "plans," "believes," "seeks," "estimates," "forecasts," "projects" and variations of such words and similar expressions are intended to identify such forward-looking statements. An example would be the targeted and projected returns to investors. These statements do not guarantee future performance and involve certain risks, uncertainties and assumptions which are difficult to predict. As such, actual outcomes and returns may differ materially from what is expected or forecasted in such forward-looking statements.

******

Gross Asset Level IRR – Reflects cash flows to and from portfolio positions and is gross of all Fund level expenses, management fees, and any applicable Fund carried interest.

Gross Fund IRR – Reflects cash flows to and from limited partners and is gross of management fees and any applicable carried interest, and net of all Fund level expenses as well as any operating and organizational expenses and commissions.

Net Fund IRR – Reflects cash flows to and from limited partners that is net of all Fund level expenses, management fees, and any applicable carried interest as well as any expenses and commissions.

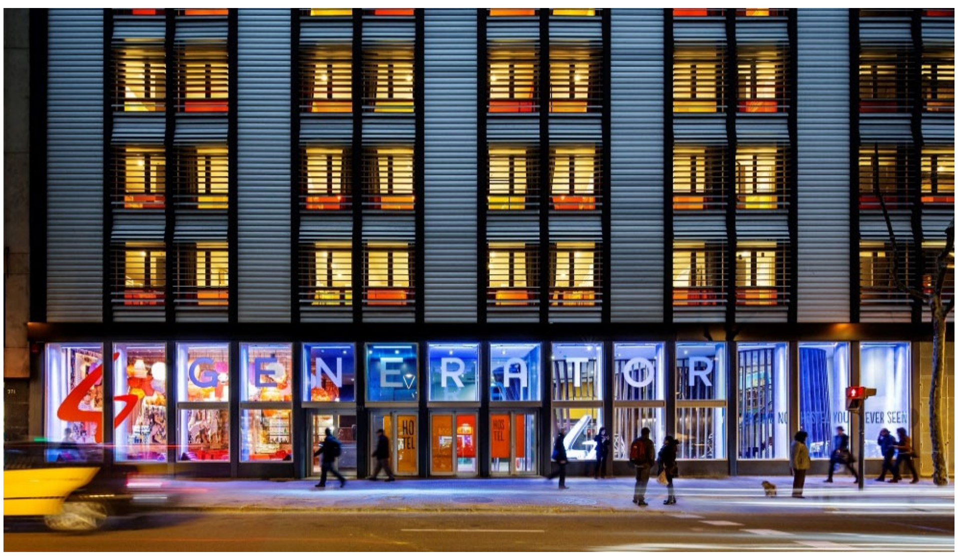
All returns shown are for the Fund as a whole. An individual investor's returns may be greater or less than the returns shown, based on its negotiated terms.

The above Gross Asset Level IRR, Gross Fund IRR, and Net Fund IRR, are based on current performance.

*****

Invesco Mortgage Recovery Fund II
Quarterly Report

Third Quarter 2021



Rendering

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North America: Dallas ▪ San Francisco ▪ Newport Beach ▪ New York ▪ Atlanta
Europe: London ▪ Paris ▪ Munich ▪ Prague ▪ Madrid ▪ Luxembourg ▪ Warsaw ▪ Milan
Asia: Hong Kong ▪ Shanghai ▪ Tokyo ▪ Seoul ▪ Singapore ▪ Sydney ▪ Beijing ▪ Hyderabad

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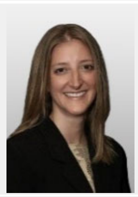

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Cover Photos:

Cover Photos:	***Top***	***Ames Hotel*** *Boston, MA (Left)*	***Emblem*** *Paris, France (Right)*
	Middle	***Generator*** *Pan-European (Left)*	
	Bottom	***Frascati*** *Dublin, Ireland (Left)*	***Exposition Boulevard*** *Los Angeles, CA (Right)*

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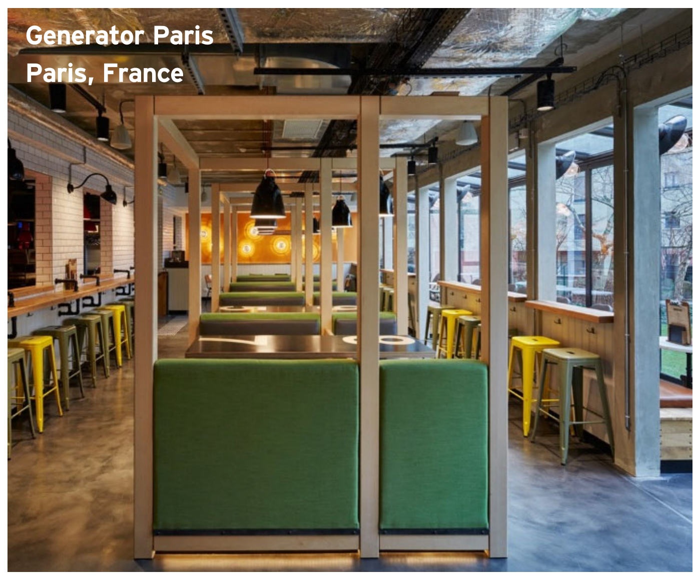
Executive Summary

Invesco

Vintage Year	**2014**
Fund Size (1)	**$334**
Investments (Total / % Fund) (2)	**12 / 115%**
Realizations (Total / % Fund)	**9 / 73%**
Fund Leverage (LTC)	**59%**
Gross Capital Called	**$360 / 108%**
Distributions	**$301 / 90%**
Net Capital Invested	**$59 / 18%**
Fund Maturity / Extended	**Oct-2021** **Oct-2022**

Frascati
Dublin, Ireland


Generator Paris
Paris, France

Performance	Projected (Pure Gross) (3)(4)		Since Inception (Pure Gross) (3)(5)		Since Inception (Net) (5)(6)	
	IRR	TVPI	IRR	TVPI	IRR	TVPI
Fund Level	10.3% - 10.5%	1.3x	9.5%	1.2x	6.5%	1.1x
Realized Investments	17.0%	1.5x	16.9%	1.5x	--	--
Unrealized Investments	1.5%	1.0x	-10.8%	0.7x	--	--
Total Investment Level	10.5%	1.3x	8.0%	1.2x	--	--

As of quarter end, the Fund is in compliance with the Investment Restrictions of the Limited Partnership Agreement.

*Amounts in millions. [1] Includes the GP's $50 million commitment. [2] Barba Portfolio Investments (Sareb and Gregorio Benitez) are reflected as one investment. The Fund has a total of 12 investments comprising 26 assets. [3] Pure gross returns are before Fund expenses, management, and incentive fees. Projected and since inception IRR after Fund expenses, but before management and incentive fees is 8.9% - 9.1% and 7.7%, respectively. [4] Projected equity multiple is calculated as whole dollar profit over peak equity. [5] Since inception equity multiples calculated consistent with TVPI methodology. [6] Management fees and carried interest are recorded at the Fund level only.

Fund Overview

Invesco Mortgage Recovery Fund II ("IMRF II" or the "Fund") is a $334 million (before accounting for pre-approved co-investments) continuation of the opportunistic real estate fund series with a stated objective and related track record of achieving outsized risk-adjusted returns via real estate-themed, strategic investments throughout the capital structure in both private and, to a lesser extent, public markets. The Fund committed 115% of its aggregate capital commitments (including redeployed capital) to twelve (12) investments, comprised of twenty-six (26) assets.

As of quarter-end, eight (8) investments have been fully realized, and one (1) investment (Barba) is substantially realized (all invested equity was returned as of June 2019), representing 73% of committed capital and resulting in a 17.0% IRR and 1.5x equity multiple.

Fund Execution

The Fund team currently estimates a gross Fund return of 10.3% - 10.5% IRR / 1.3x equity multiple, with the variability largely a function of the capital markets pricing vs business plan execution. Overall, IMRF II took a concentrated approach around high-conviction investment themes and invested within both debt and equity structures. Each business plan provided optionality, specifically when faced with adverse regulations or sector headwinds.

As of 3Q 2021, 43% of total equity commitments remain, with the majority concentrated in two (2) European investments. The Fund team remains acutely focused on the related strategic reviews and disposition timelines while simultaneously managing through the ever-evolving pandemic and region-specific impacts. Below is a summary of current projected performance and disposition timing for the remaining investments based on reforecasts as of quarter-end.

Reforecast Summary Held Investments			Fund Equity Commitment		Investment Targets [1]			
Investment	**Property Type/Strategy**	**US/EU**	**$**	**% of Fund [2]**	**Hold Period (Mo.)**	**Estimated Exit**	**IRR**	**TVPI**
Realized			**$243**	**73%**	**36**		**17.0%**	**1.5x**
Unrealized								
LUHRS CITY CENTER (Phoenix, AZ)	Mixed-Use (Opportunistic)	US	$16	5%	78	2Q 2022	-18.7%	0.3x
FRASCATI (Dublin, Ireland)	Retail (Rescue Capital)	EU	$67	20%	88	4Q 2022	0.4%	1.0x
EMBLEM (Paris, France)	Office (Opportunistic)	EU	$60	18%	60	4Q 2022	8.4%	1.3x
Unrealized Subtotal / Wtd. Avg.			**$142**	**43%**	**75**		**1.5%**	**1.0x**
Total / Wtd. Avg.			**$385**	**115%**	**51**		**10.5%**	**1.3x**

*Amounts in millions. Totals may not foot due to rounding. [1] Unrealized metrics based on base case investment reforecasts as of quarter-end. [2] Based on Fund size of $334.0 million.

Fund Execution (continued)

An outline of the strategy and monetization timeline for the remaining investments is provided below:

- Luhrs City Center:
  - Transient parking continues to improve and move towards pre-COVID levels. Leasing activity has picked up, and two (2) new leases are expected to be executed prior to year end.
  - In October 2021, a one-year loan extension was executed to allow for additional time for the parking and market recovery.
  - The Fund will closely monitor recovery of revenue and overall liquidity in the market in anticipation of a sale in 1H 2022.
- Frascati:
  - COVID-related restrictions were lifted in July 2021 providing for non-essential retailers and restaurants to re-open and construction to commence. Approximately 70% of units are open and operating. The 3Q 2021 rent collection rate increased to just over 80%.
  - Progress continues with the repositioning of the asset to a prime mixed-use "town center" scheme, where the majority of the underlying value (60%+) will reside in the residential for-rent component and the two (2) long-leased grocery anchors.
  - Phase 1 residential (45 units) is well advanced and scheduled for completion in 1Q 2022, with the initial units being handed over following practical completion in November 2021.
  - Two planning applications were submitted to deliver approximately 140 residential units over two (2) phases of additional residential (40 units in Phase 2 & 100 units in Phase 3).
  - Seven (7) new tenancy agreements were completed during the third quarter. Additionally, terms were agreed with Home Store & More to occupy the basement unit of the former Debenhams store.
- Emblem:
  - Renovation program is near completion with expected delivery during 4Q 2021; 95% of the budget has been invested.
  - The project has been delivered on-budget and on-time.
  - Overall, Emblem is well-placed to capture leasing and investment demand due to the high-quality specifications and strong ESG credentials, and despite challenges facing the office sector.
  - Disposition is anticipated in 4Q 2022 when the asset is projected to be stabilized.

Fund Maturity

The Fund's initial maturity date, October 14, 2021, was extended in 3Q 2021 to October 14, 2022. This will allow for the completion of business plans and exit strategies that were predominately disrupted by the global pandemic (as detailed in previous quarterly reports).

Capital Management

As noted on the Executive Summary and detailed in the Capital Management section on page 10, the Fund has called 108% of LP capital to-date, including recallable capital, and distributed 90%, resulting in net invested LP capital of 18%. During 3Q 2021, the Fund called $23M due to the protracted investment exit timelines, resulting from the pandemic, and to allow for business plan completion.

Go-Forward Hedging Strategy

As noted in the previous quarterly report, the Fund reduced its current hedge positions in 3Q 2021 by approximately 50% (from €103.6 million to ~€52.0 million) given the Fund's initial maturity and liquidation status. The Fund will continue to dynamically manage the remaining positions.

Thank you for your valued partnership with Invesco Real Estate, and please do not hesitate to reach out to any of the Fund team members identified on the Contact Information page herein.

Best regards,

Bert Crouch
Portfolio Manager

Rivka Altman
Associate Portfolio Manager

Courtney Popelka
Director of Fund Operations

Portfolio Summary

Investment	Property Type (Strategy)	SF / Units	Investment / Exit Date	Hold Period (Mths)	LTC [1]	Equity Commitments $USD	Equity Commitments % of Fund [2]	Equity Flows [3] Contrib.	Equity Flows [3] Distrib.
Realized / Partially Realized									
U.S.									
CROWN HEIGHTS [4] (Brooklyn, NY)	LAND (As-of-Right) (High Yield Credit)	168,000	Apr-15 Dec-16	20	37%	$8.2	2%	$8.2	$10.2
BAYSIDE SQUARE (Newport Beach, CA)	OFFICE (Opportunistic)	34,943	Nov-15 Oct-18	35	52%	$11.1	3%	$11.1	$10.1
AMES HOTEL (Boston, MA)	HOSPITALITY (Opportunistic)	114	Dec-15 Sep-19	45	62%	$24.0	7%	$24.0	$26.9
EXPOSITION BOULEVARD (Los Angeles, CA)	OFFICE (High Yield Credit)	70,785	Jun-17 Nov-19	29	20%	$13.9	4%	$13.9	$19.4
5801 CHRISTIE AVENUE (Emeryville, CA)	OFFICE (Opportunistic)	120,689	Mar-15 May-21	74	--	$14.3	4%	$14.3	$30.6
Subtotal				*43*		*$71.4*	*21%*	*$71.4*	*$97.3*
Europe									
102 CHAMPS-ÉLYSÉES (Paris, France)	RETAIL (Opportunistic)	7,373	Sep-15 Mar-17	18	73%	$24.0	7%	€21.5	€41.8
GENERATOR [5] (Pan-European Portfolio)	HOSPITALITY (Rescue Capital)	8,700	Nov-14 May-17	30	39%	$75.2	23%	€64.0	€97.1
SPIGA [6] (Milan, Italy)	RETAIL (Rescue Capital)	84,220	Mar-16 Jun-19	39	62%	$60.9	18%	€54.8	€73.2
BARBA PORTFOLIO [7] (Madrid, Spain)	RESIDENTIAL (Distressed/NPL)	117,983	Jul/Oct-15 Various	63	60%	$11.2	3%	€10.0	€14.1
Subtotal				*34*		*$171.3*	*51%*	*€150.3*	*€226.1*
Realized / Part. Realized Total (in USD)				**36**		**$242.7**	**73%**	**$242.7**	**$346.9**
Unrealized									
U.S.									
LUHRS CITY CENTER [8] (Phoenix, AZ)	MIXED-USE (Opportunistic)	158,500	Dec-15 --	69	61%	$15.8	5%	$15.8	--
Subtotal				*69*		*$15.8*	*5%*	*$15.8*	--
Europe									
FRASCATI (Dublin, Ireland)	RETAIL (Rescue Capital)	175,000	Aug-15 --	73	55%	$66.8	20%	€56.6	--
EMBLEM [6][9] (Paris, France)	OFFICE (Opportunistic)	316,000	Dec-17 --	45	64%	$59.8	18%	€44.4	--
Subtotal				*60*		*$126.6*	*38%*	*€101.0*	--
Unrealized Total (in USD)				**61**		**$142.5**	**43%**	**$133.0**	**-**
Grand Total (in USD)				**45**		**$385.2**	**115%**	**$375.7**	**$346.9**

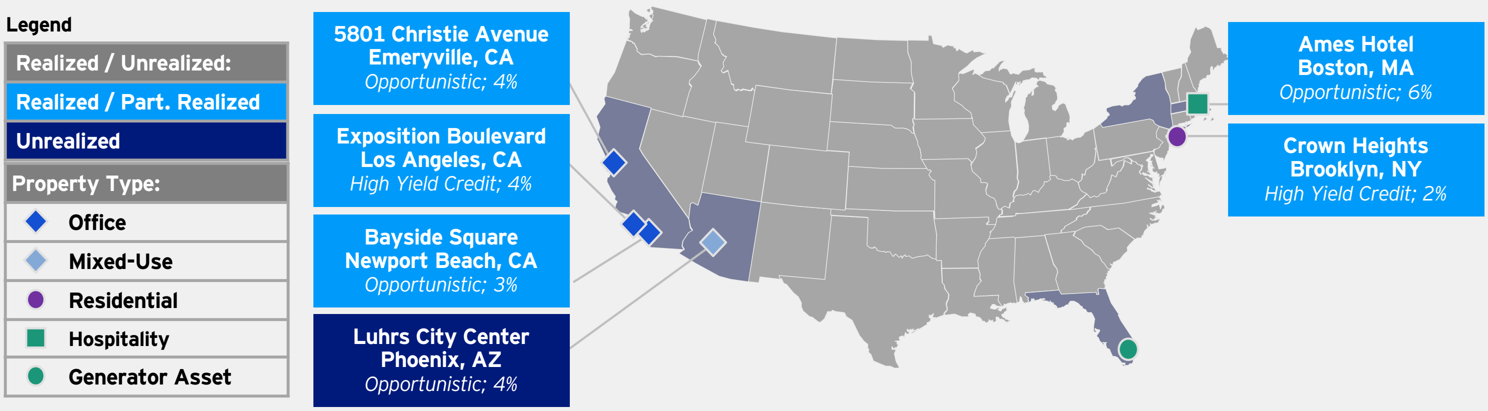
*Amounts in millions and EUR amounts are translated to USD at the transaction date. Total Equity Commitments of $385.2 million is inclusive of redeployed capital. Totals may not foot due to rounding. Additional footnotes can be found on pages 18-19.

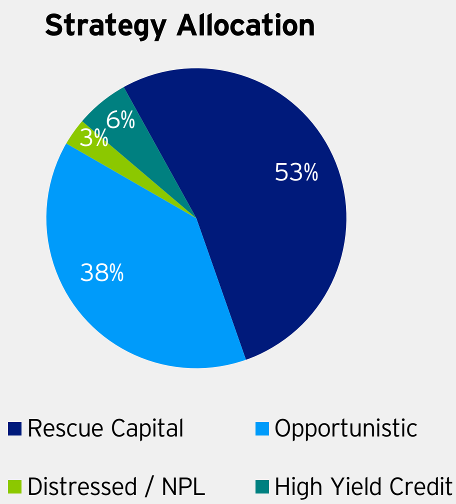
Portfolio Summary

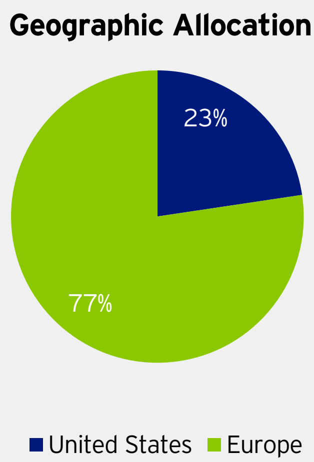
		Valuation			Fund Ownership [12]		Performance [13]			
							Since Inception		Projected	
Investment	Total Capitalization	Cost Basis [10]	GAV [10]	NAV [11]	Cost Basis / Cap Stack	Market Value	IRR	TVPI	IRR	TVPI
Realized / Partially Realized										
U.S.										
CROWN HEIGHTS [4] (Brooklyn, NY)	$20.3	$20.3	$44.6	--	95% / 35%	95%	17.5%	1.3x	17.5%	1.3x
BAYSIDE SQUARE (Newport Beach, CA)	$23.2	$23.2	$23.3	--	90%	90%	-3.0%	0.9x	-3.0%	0.9x
AMES HOTEL (Boston, MA)	$59.4	$59.4	$63.5	--	80%	100%	3.6%	1.1x	3.6%	1.1x
EXPOSITION BOULEVARD (Los Angeles, CA)	$47.2	$47.2	$90.5	--	100% / 12%	100%	15.5%	1.4x	15.5%	1.4x
5801 CHRISTIE AVENUE (Emeryville, CA)	$13.6	$13.6	$31.0	--	95%	91%	15.2%	2.2x	15.2%	2.2x
Subtotal	*$163.8*	*$163.8*	*$252.9*				*9.5%*	*1.4x*	*9.5%*	*1.4x*
Europe										
102 CHAMPS-ÉLYSÉES (Paris, France)	€63.9	€63.9	€115.0	--	89%	89%	60.2%	1.8x	60.2%	1.8x
GENERATOR [5] (Pan-European Portfolio)	€338.9	€338.9	€450.0	--	24%	25%	20.4%	1.5x	20.4%	1.5x
SPIGA [6] (Milan, Italy)	€134.2	€134.2	€211.9	--	69%	71%	12.2%	1.4x	12.2%	1.4x
BARBA PORTFOLIO [7] (Madrid, Spain)	€29.2	€29.2	€39.0	--	90%	90%	14.6%	1.4x	17.2%	1.4x
Subtotal	*€566.1*	*€566.1*	*€815.9*	*--*			*20.9%*	*1.5x*	*21.0%*	*1.5x*
Realized / Part. Realized Total (in USD)	**$777.2**	**$777.2**	**$1,138.3**	**--**			**16.9%**	**1.5x**	**17.0%**	**1.5x**
Unrealized										
U.S.										
LUHRS CITY CENTER [8] (Phoenix, AZ)	$50.8	$50.8	$37.0	$7.7	95%	95%	-12.1%	0.5x	-18.7%	0.3x
Subtotal	*$50.8*	*$50.8*	*$37.0*	*$7.7*			*-12.1%*	*0.5x*	*-18.7%*	*0.3x*
Europe										
FRASCATI (Dublin, Ireland)	€140.9	€133.9	€98.8	€25.9	100%	100%	-23.8%	0.5x	0.4%	1.0x
EMBLEM [6][9] (Paris, France)	€222.4	€217.0	€213.1	€40.6	48%	48%	0.4%	1.0x	8.4%	1.3x
Subtotal	*€363.3*	*€350.9*	*€311.9*	*€66.5*			*-10.5%*	*0.7x*	*3.8%*	*1.1x*
Unrealized Total (in USD)	**$471.8**	**$457.4**	**$398.5**	**$87.7**			**-10.8%**	**0.7x**	**1.5%**	**1.0x**
Grand Total (in USD)	**$1,249.0**	**$1,234.6**	**$1,536.9**	**$87.7**			**8.0%**	**1.2x**	**10.5%**	**1.3x**

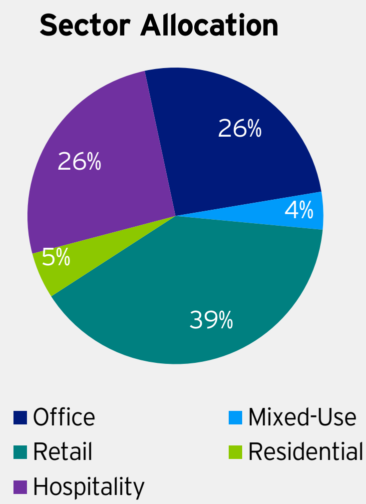
*Amounts in millions and EUR amounts are translated to USD at the transaction date with the exception NAV, which are translated using the exchange rate at the balance sheet date. Totals may not foot due to rounding. Additional footnotes can be found on pages 18-19.

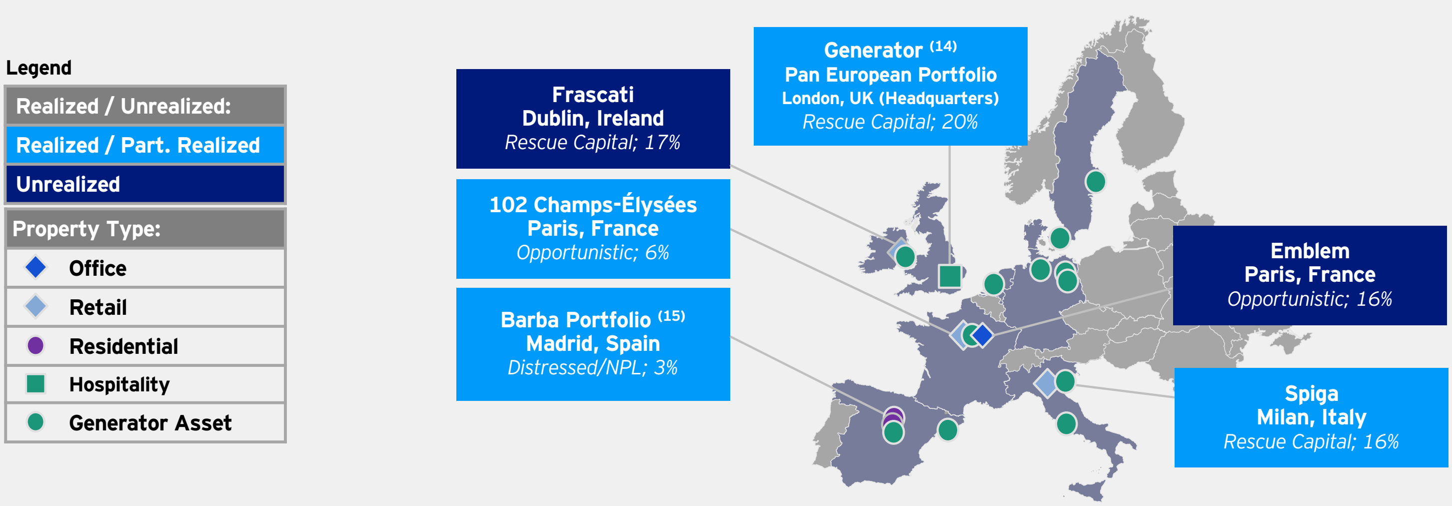
Portfolio Construction











Note: Maps and charts based on the Fund's committed equity of $385 million (inclusive of redeployed capital). Utilizing total Fund commitments of $334 million, European exposure on the remaining asset base is 38% (33% invested) as of quarter-end. At no one time has European exposure exceeded the 65% Fund limitation. Additional footnotes can be found on pages 18-19.

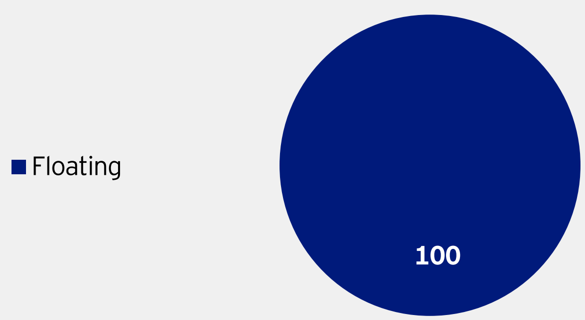
Debt Summary

Investment	Lender	Loan Commitment (16)	Loan Balance at Exit (16)	Average LTC	Weighted Average Interest Rate
Realized					
U.S.					
CROWN HEIGHTS	Bank of the Ozarks	$9.9	$9.9	37%	4.08%
BAYSIDE SQUARE	Realty Finance	$10.8	$10.8	52%	5.64%
AMES HOTEL	MetLife	$41.3	$36.0	62%	5.84%
EXPOSITION BOULEVARD	Bank of the Ozarks	$19.7	$11.7	20%	4.82%
Europe (18)					
GENERATOR	Various	€32.6	€32.6	39%	2.83%
102 CHAMPS-ÉLYSÉES	ING	€44.3	€41.3	73%	1.78%
SPIGA	Natixis	€81.7	€65.3	62%	2.13%
BARBA - GREGORIO	Banco Popular	€3.3	€3.0	57%	2.38%
Realized Total / Wtd. Avg. (19)		**$259.9**	**$224.6**	**57%**	**3.16%**

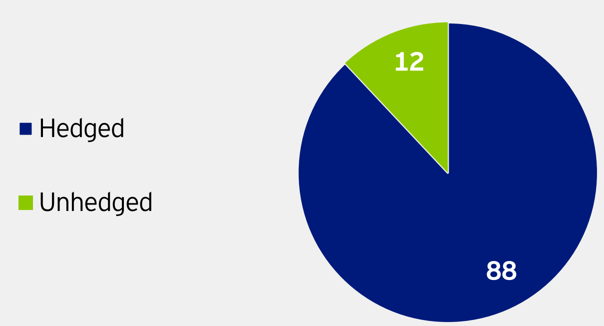
Annual Avg. Interest Rates (17)	LIBOR ("L")	EURIBOR ("E")
2014	0.16%	0.13%
2015	0.20%	-0.07%
2016	0.57%	-0.34%
2017	1.11%	-0.37%
2018	2.02%	-0.37%
2019	2.22%	-0.40%
2020	0.52%	-0.50%
3Q21	0.09%	-0.56%

Investment	Lender	Loan Commitment (16)	Current Loan Balance (16)	LTC	Wtd. Avg. Pricing (20)	Interest Rate	Maturity Date	Extension Option
Unrealized								
U.S.								
LUHRS CITY CENTER	Bank of America	$14.3	$14.3	61%	L + 2.15%	2.23%	Oct-22	--
Europe (18)								
FRASCATI	Bank of Ireland	€78.2	€73.5	55%	E + 2.64%	2.60%	Apr-23	--
BARBA - SAREB	Ibercaja Bank	€20.5	€4.8	60%	E + 2.85%	2.65%	Jul-47	--
EMBLEM	Societe Générale	€78.5	€66.4	64%	E + 2.20%	2.20%	Dec-22	1 (2) Yr
Investment Level Total / Wtd. Avg. (19)(21)		**$205.4**	**$182.0**	**59%**	**2.42%**	**2.40%**		

Interest Rate Composition (%)



Interest Rate Hedge (%) (22)



*Amounts in millions and EUR amounts are translated to USD at the transaction date except for unrealized investments, which are translated using the exchange rate at the balance sheet date. Totals may not foot due to rounding. Additional footnotes can be found on pages 18-19.

Foreign Currency Hedging Summary

To-date, the Fund has hedged all non-U.S. investments so as not to speculate on foreign currency movements. Forwards are the Fund's preferred method of hedging currency exposure as they offer lower costs and better liquidity than options. Notional has been sized to the Fund's equity investment plus a portion of the anticipated profits, which has been managed dynamically throughout the life of the investment.

The Fund reduced its hedged notional by approximately 50% in 3Q 2021 (and will no longer hedge future fundings to non-U.S. investments) to reduce the risk of potential margin calls due to lower counterparty thresholds, resulting from the Fund's current financial / liquidation status.

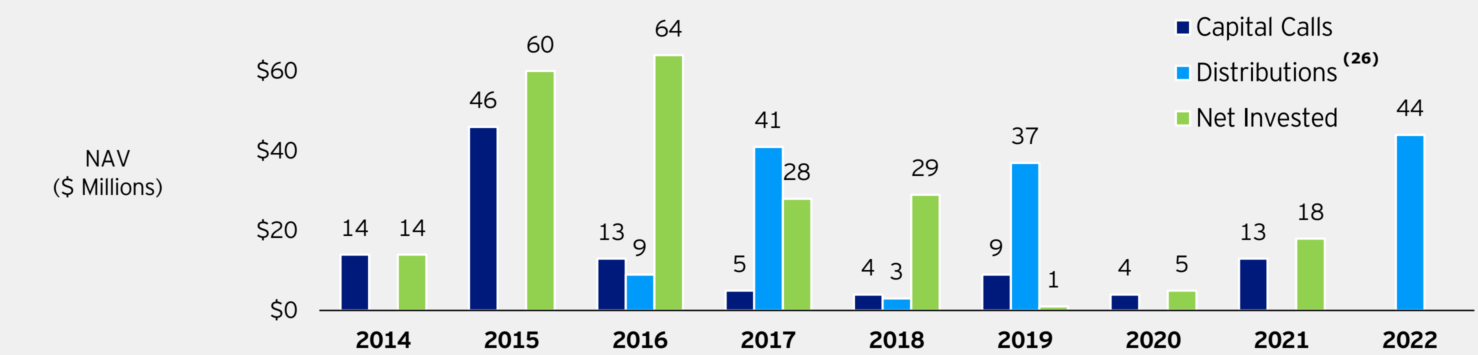
Overall, the Fund has benefited from this hedging strategy, recognizing net realized hedging gains of $15.4 million; the majority of which have been distributed to the LPs. As of quarter-end, the current hedge positions are in $3.8 million net gain position.

Investment	Forward Position (23)		Counterparty	Maturity Date (24)
FRASCATI	Short EURUSD	€26.0	Macquarie	6/30/22 12/30/22
SAREB (25)	Short EURUSD	€0.1	Canadian Imperial Bank of Commerce	04/29/22
EMBLEM	Short EURUSD	€25.7	Macquarie	11/30/22
Total Notional Outstanding		**€51.8**		

*Amounts in millions. Totals may not foot due to rounding. Additional footnotes can be found on pages 18-19.

Capital Management

Return of Capital / Profit Distribution

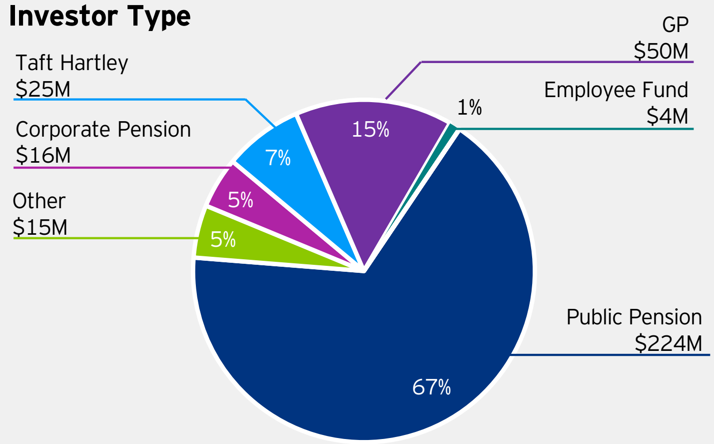


Fund Year	1	2	3	4	5	6	7	8	9
YE Net Invested Capital	14%	60%	64%	28%	29%	1%	5%	18%	0%
Profit Distribution	0%	0%	0%	0%	0%	0%	0%	0%	26%
% Realized (27)	0%	0%	2%	32%	35%	68%	68%	73%	115%

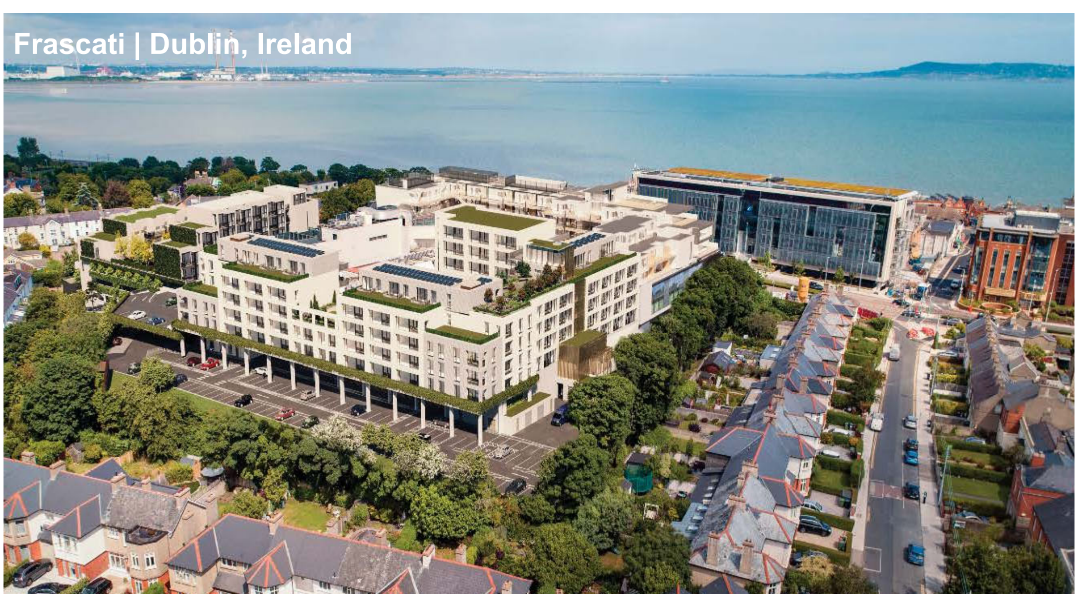
Capital Activity

- The Fund called capital in September 2021 to complete the remaining business plans; the capital call equated to approximately 7% of committed capital.
- The Fund does not anticipate any future capital calls going forward.
- Estimated distribution (assuming full monetization) in 2H 2022 is $148 million (44%); full return of capital + profit.

Investor Type

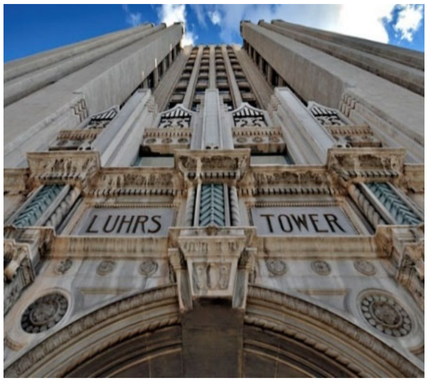


*Amounts in millions. Totals may not foot due to rounding. Additional footnotes can be found on pages 18-19.


Frascati | Dublin, Ireland


Emblem | Paris, France

Luhrs City Center
Phoenix, Arizona
Mixed-Use / Opportunistic

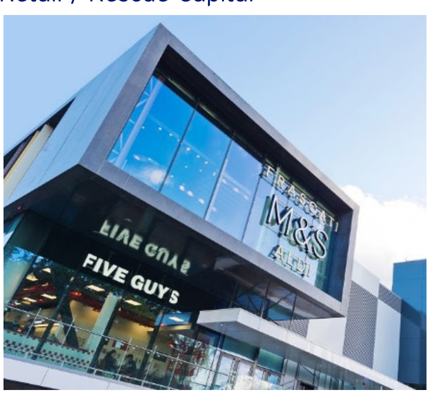


Investment Thesis at Acquisition

- The asset is comprised of two 1920's vintage office towers connected by ground floor retail, and an adjacent six-story parking garage
- The buildings were previously undermanaged by an out-of-state hotel developer who lacked the expertise needed to maximize value
- The property benefits from the six-story parking garage as a significant revenue generator along with the property's prime location adjacent to the Phoenix Light Rail and Cityscape development
- Business plan entails minor leasing over 24 months to demonstrate proof of concept, particularly in the street-level retail; targeted capital improvements will include upgrading the common areas and additional renovation to the building exterior

Transaction Highlights			
Acquisition Date	December 2015	Fund Equity Commitment / %	$15.8M / (5%)
Sub-market	CBD	Leverage (LTC)	61%
Property Size	158,500 SF	Stabilized Basis / Yield	$50.4M / 7.5%
Leased (%) – Bldg./Arc./Tower	100% / 81% / 56%	JV Partner / % Equity Co-Invest	Lincoln Property Company / (5%)

Frascati
Dublin, Ireland
Retail / Rescue Capital



Investment Thesis at Acquisition

- Off-market acquisition of a fully-leased shopping centre located in one of the wealthiest suburbs of Dublin working with established local operating partner
- Opportunity to add value with planning consent recently granted for a 68,000 SF retail expansion and ability to improve upon consented scheme to include mixed use including residential
- Projected stabilized yield on cost of 6.5% for the enlarged scheme after completion of the expansion, compared to an estimated exit cap in the low-5% range
- The Dublin residential market is strong and there may be an opportunity to add a residential component during the hold period via one or more phases

Transaction Highlights			
Acquisition Date	August 2015	Fund Equity Commitment / %	$66.8M / (20%)
Sub-market	Blackrock	Leverage (LTC)	55%
Property Size	175,000 SF	Stabilized Basis / Yield	€145.6 / 4.8%
Leased (%)	54%	JV Partner / % Equity Co-Invest	Burlington Real Estate Ltd / (0%)

Emblem
Paris, France
Office / Opportunistic

Investment Thesis at Acquisition

- €164.5 million purchase price corresponds to an 8.0% cap rate on in-place income, a 7% discount to CBRE's purchase valuation and below replacement cost
- 100% leased to EDF; the rolling tenant break option from Y2 presents two potential business plan options, both with similar return profiles (16%-17% IRR, 1.7x-2.0x EM)
- If EDF remains in occupation, the Fund would enjoy a strong cash yield and have the opportunity to negotiate the extension of the EDF tenancy on a longer-term lease
- In the event EDF vacates, a full refurbishment would be undertaken to create a Grade A office tower, delivering an expected stabilized cap rate of 6.5%, or an expected unlevered profit margin of ~28%

Transaction Highlights			
Acquisition Date	December 2017*	Fund Equity Commitment / %	$59.8M / (18%)
Sub-market	La Défense	Leverage (LTC)	64%
Property Size	316,000 SF	Stabilized Basis / Yield	€218.6M / 5.7%
Leased (%)	0%	JV Partner / % Equity Co-Invest	EVAF (Invesco) / (47.5%); Red Tree Capital / (5%)

**Investment was under contract prior to the expiration of the investment Period in October 2017.*

Sold Investments

Crown Heights
Brooklyn, New York
Land / High Yield Credit

Investment Thesis at Acquisition

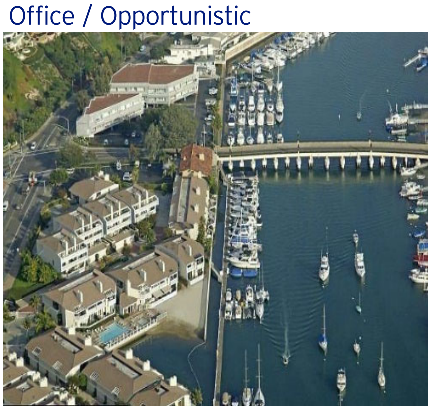
- $18.9 million senior loan origination for the refinancing of a matured/defaulted loan secured by two lots in the Crown Heights neighborhood of Brooklyn, NY
- Underutilized collateral consists of three vacant industrial buildings, and as-of-right zoning allows for the development of four residential buildings (3x FAR = 168,000 SF and ~209 units)

Execution Results

- Loan was funded in April 2015 and $10.5 million of debt-on-debt financing was secured in May 2015 from a relationship balance sheet lender
- Investment repaid at par (via refinance) in December 2016

Transaction Highlights			
Acquisition Date	April 2015	Exit Date	December 2016
Fund Equity Commitment / %	$8.2M / (2%)	Repayment (Par)	$18.9
Property Size / Leased	168,000 SF / 0%	Profit	$2.0
Leverage (Avg LTC)	37%	IRR / TVPI	17.5% / 1.3x
JV Partner / % Equity Co-Invest	Hudson Realty Capital / (5%)	Buyer / Type	Refinanced by Institutional Private Equity Group

Bayside Square
Newport Beach, California
Office / Opportunistic



Investment Thesis at Acquisition

- Acquisition of two boutique office buildings located on a prime waterfront site in Newport Beach, adjacent to Balboa Island and the Newport Beach Yacht Club
- Attractive risk-return profile with downside protection and optionality from as-of-right commercial use with outperformance achieved from securing entitlements

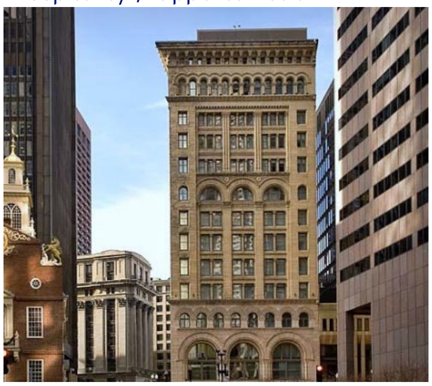
Execution Results

- The Partnership opted to stop the re-entitlement effort given a surprise ruling by the California Coastal Commission on a nearby project; to continue the process would require substantial equity for consultants and architectural drawings
- Sale to a private buyer closed in October 2018 with substantially all capital returned

Transaction Highlights			
Acquisition Date	November 2015	Exit Date	October 2018
Fund Equity Commitment / %	$11.1M / (3%)	Gross Sales Price / Cap Rate	$23.3 / 3.6%
Property Size / Leased	34,943 SF / 89%	Net Profit / Loss	($1.0)
Leverage (Avg LTC)	52%	IRR / TVPI	-3.0% / 0.9x
JV Partner / % Equity Co-Invest	Shopoff Realty Investments / (10%)	Buyer / Type	Private Individual / (1031 Buyer)

Sold Investments

Ames Hotel
Boston, Massachusetts
Hospitality / Opportunistic



Investment Thesis at Acquisition

- Preferred equity investment to reposition a boutique hotel located in Boston's financial district
- Business plan called for replacing management, light renovations focused on meeting space, and adding guest technology, new F&B offerings, and lobby renovation

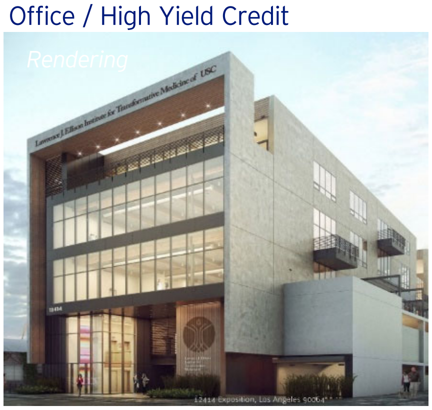
Execution Results

- Through last full month of ownership (August 2019), RevPAR increased $8.93 (3.5%) over same period in 2018 vs. the competitive set increase of $15.92 (6.3%)
- While the investment underperformed original underwriting expectations, the preferred equity structure preserved equity and returned capital to investors

Transaction Highlights

Acquisition Date	December 2015	Exit Date	September 2019
Fund Equity Commitment / %	$24.0M / (7%)	Gross Sales Price / Cap Rate	$63.5 / 3.4%
Property Size / Leased	114 Keys / 88%	Net Profit / Loss	$3.0
Leverage (Avg LTC)	62%	IRR / TVPI	3.6% / 1.1x
JV Partner / % Equity Co-Invest	Gencom & Gemstone Hotels / (20%)	Buyer / Type	Suffolk University / (Private)

Exposition Boulevard
Los Angeles, California
Office / High Yield Credit



Investment Thesis at Acquisition

- Preferred equity investment for the ground-up development of a five-story office building
- Project is fully-entitled and "shovel-ready", with drawings 100% complete and permitting nearly finalized

Execution Results

- Sponsor successfully executed a lease with University of Southern California on behalf of Lawrence Ellison Institute of Transformative Medicine for the entire building
- At payoff, stabilized valuation of the investment by a third party was $91.7 million ($1,295 PSF; 4.30% cap rate) implying sub-60% LTV to the Fund's investment

Transaction Highlights

Acquisition Date	June 2017	Exit Date	November 2019
Fund Equity Commitment / %	$13.9M / (4%)	Repayment (Pref)	$13.8
Property Size / Leased	70,785 SF / 100%	Profit	$5.5
Leverage (Avg LTC)	20%	IRR / TVPI	15.5% / 1.4x
JV Partner / % Equity Co-Invest	--	Buyer / Type	Refinanced by California Bank & Trust

Sold Investments

102 Champs-Élysées
Paris, France
Retail / Opportunistic

Investment Thesis at Acquisition

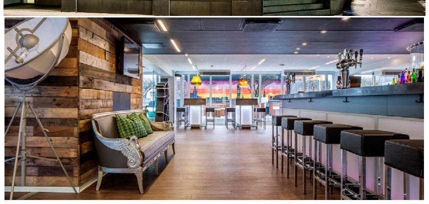
- Off-market acquisition of a 7,373 SF retail jewel box in Paris, France with prime street frontage along the prestigious Avenue des Champs-Élysées
- Business plan involved converting the space into a flagship retail asset within the "Golden Triangle" of Paris, with a leasing strategy focused on a single tenant

Execution Results

- Single tenant lease agreement executed in 4Q 2016 with Kiko, a well-known European cosmetics retailer. Lease terms slightly exceeded underwriting
- Property was marketed for sale in early 2017 and investor demand was both strong and diverse. Closing occurred in March 2017 well above an independent valuation

Transaction Highlights			
Acquisition Date	September 2015	Exit Date	March 2017
Fund Equity Commitment / %	$24.0M / (7%)	Gross Sales Price / Cap Rate	€115.0 / 2.8%
Property Size / Leased	7,373 SF / 100%	Net Profit / Loss	€20.2
Leverage (Avg LTC)	73%	IRR / TVPI	60.2% / 1.8x
JV Partner / % Equity Co-Invest	Thor Equities / (11%)	Buyer / Type	AEW / (European Fund)

Generator
Pan-European Portfolio
Hospitality / Rescue Capital



Investment Thesis at Acquisition

- Rescue capital injection of €60.0 million in a pan-European hospitality company in partnership with Patron Capital, a leading institutional PERE fund sponsor
- Portfolio consisted of 14 assets: Amsterdam, Barcelona, Berlin (2), Copenhagen, Dublin, Hamburg, London, Madrid, Paris, Rome, Venice, Miami and Stockholm

Execution Results

- During the hold period, Generator consistently outperformed budgeted revenue and EBITDA
- Patron engaged Lazard to sell the company in 2H 2016. The company was sold to an institutional investor at a valuation well in excess of the Fund's projections

Transaction Highlights			
Acquisition Date	November 2014	Exit Date	May 2017
Fund Equity Commitment / %	$75.2M / (23%)	Gross Sales Price / Cap Rate	€450.0 / 6.0%
Property Size / Leased	8,700 Units / --	Net Profit / Loss	€33.1
Leverage (Avg LTC)	39%	IRR / TVPI	20.4% / 1.5x
JV Partner / % Equity Co-Invest	Patron Capital / (76%)	Buyer / Type	Queensgate / (Private Institution)

Sold Investments

Spiga
Milan, Italy

Retail / Rescue Capital

Investment Thesis at Acquisition

- Acquisition of a mixed-use property with high-street retail frontage in the heart of Milan's world-renowned fashion district on via della Spiga
- Business plan calls for increasing the retail space vertically to create a flagship location for at least two luxury retailers and refurbishing the residential floors

Execution Results

- Corporate restructuring completed in 2017, allowing for greater optionality and liquidity at resale, and capital gains tax of €26 million was crystallized
- After delivering vacant possession and a building permit for a full refurbishment of the asset, the sales transaction was completed at 15% above valuation in June 2019

Transaction Highlights			
Acquisition Date	March 2016	Exit Date	June 2019
Fund Equity Commitment / %	$60.9M / (18%)	Gross Sales Price / Cap Rate	€211.9 / 3.6%
Property Size / Leased	84,220 SF / 0%	Net Profit / Loss	€18.4
Leverage (Avg LTC)	62%	IRR / TVPI	12.2% / 1.4x
JV Partner / % Equity Co-Invest	Thor Equities (13%) / Fund LP (18%)	Buyer / Type	PGGM & Hines / (Insitutional)

5801 Christie Avenue
Emeryville, California

Office / Opportunistic

Investment Thesis at Acquisition

- Acquisition of a well-located, two-building commercial property in the "gateway" of Emeryville, a creative epicenter in the Bay Area
- Business plan involves finalizing all planning/permitting requirements (no entitlement risk involved) for redevelopment as a residential/mixed-use project, then exiting the "shovel-ready" site to a developer

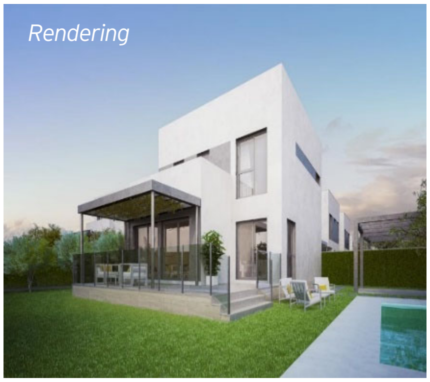
Execution Results

- Cleanest execution was ultimately not completing any pre-redevelopment work and bringing a near vacant building to the market
- Investment sold to a national life science firm for the future redevelopment into a mixed-use campus

Transaction Highlights			
Acquisition Date	March 2015	Exit Date	May 2021
Fund Equity Commitment / %	$14.3M / (4%)	Gross Sales Price / Cap Rate	$31.0 / N/A
Property Size / Leased	120,689 SF / 35%	Net Profit / Loss	$16.4
Leverage (Avg LTC)	--	IRR / TVPI	15.2% / 2.2x
JV Partner / % Equity Co-Invest	Harvest Properties / (5%)	Buyer / Type	Oxford Properties / (Global Investor)

Sold Investments

Barba Portfolio
Madrid, Spain
Residential / Distressed/NPL



Investment Thesis at Acquisition

- Programmatic partnership with Barba, an experienced local operator with unique access to non-performing loans held in Spain's "bad bank" SAREB
- First transaction consists of nine units in a wealthy suburb of northern Madrid; project was 100% pre-sold cost. Second transaction consists of three non-performing loans sold by SAREB

Execution Results

- Realized value in various exit structures, including full development of parcels, land sales, and loan sales near or at par
- All developed or to be developed homes, land parcels, and loans sold by June 2021

Transaction Highlights

Acquisition Date	July / October 2015	Exit Date	September 2017 – June 2021
Fund Equity Commitment / %	$11.2M / (3%)	Net Profit / Loss	€4.1
Leverage (Avg LTC)	57%	IRR / TVPI	17.2% / 1.4x
JV Partner / % Equity Co-Invest	Barba Group / (10%)	Buyer / Type	Various / (Private)

Footnotes

Portfolio Summary

1. Total realized loan to cost ("LTC") is a weighted average based on loan balance at exit. Total unrealized LTC reflects the total debt balance divided by the total cost basis as of quarter-end. Refer to Footnote 8 in the Additional Information / Fund Disclosures section for more information.

2. Based on total Fund size of $334.0 million (includes the GP's $50 million commitment).

3. Represents contributions and distributions (in functional currency) to/from underlying investments.

4. "As of right" refers to developable square footage, uses, etc. that are permitted by the property's existing zoning and entitlement.

5. Generator investment was made prior to the Fund's Final Closing date and was in compliance with the Fund's single portfolio investment limitation.

6. These investments have co-investors (see individual investment pages herein for details).

7. Barba Portfolio investments (Sareb & Gregorio Benitez) combined due to JV structure. As of June 30, 2019, all invested capital had been returned to the Fund. The Fund projects the investment to continue to distribute proceeds through 2021 as the remainder of the business plan is completed. LTC reflects the unrealized portion only. Gross Asset Value ("GAV"), Cost Basis and return metrics are shown aggregate for the entire investment.

8. The Luhrs Building was sold in December 2019. The Luhrs Arcade (retail) and Tower remain. GAV, Cost Basis and return metrics are shown aggregate for the entire investment.

9. Investment was under contract prior to the expiration of the Investment Period in October 2017.

10. For equity investments, GAV and Cost Basis for realized investments reflect the sales price and cost basis at disposition, respectively. GAV and Cost Basis for unrealized equity investments reflect the underlying property's fair market value and cost basis, respectively, as of quarter-end. For realized debt investments, GAV and Cost Basis reflect the appraised value of the collateral and total debt, including the Fund's debt position and third-party financing, plus accrued interest, respectively, at loan payoff. GAV and Cost Basis for unrealized debt investments reflect the estimated total capitalization and estimated total (fully funded) debt, including the Fund's debt position and third-party financing, plus accrued interest. Amounts are shown in functional currency and at 100% ownership.

11. Net asset value ("NAV") shown in functional currency and is the Fund's share of the investment as of quarter-end.

12. Percentage of Fund ownership: Cost basis represents contractual ownership at acquisition/closing. Capital Stack ("Cap Stack") is included for debt investments and represents the Fund's position in the overall cap stack. Market value represents the Fund's effective ownership at exit or quarter-end.

13. Internal rates of return ("IRR") shown are calculated using gross investment level returns denominated in USD and include realized or unrealized gains/losses from foreign currency hedging. Since inception equity multiples are calculated consisted with the TVPI methodology; projected equity multiples (for unrealized/partially realized investments) are calculated as whole dollar profit over peak equity.

Portfolio Construction

14. Generator investment was made prior to the Fund's Final Closing date and was in compliance with the Fund's single portfolio investment limitation.

Footnotes

15. As of June 30, 2019, all invested capital had been returned to the Fund. The Fund projects the investment to continue to distribute proceeds through 2021 as the remainder of the business plan is completed.

Debt Summary

16. Represents the Fund's effective ownership percentage of loan commitment and loan balance at exit or quarter-end.

17. Average one-month LIBOR (USD) and EURIBOR rates.

18. Amounts presented in functional currency.

19. Amounts translated to USD using the exchange rate at exit or the balance sheet date.

20. Pricing excludes any hedges that may be included in the weighted average interest rate.

21. Leverage is limited to 65% of the aggregate cost of investments (and 75% of any single investment).

22. Floating (unhedged) debt is limited to Luhrs City Center and Barba - Sareb.

Foreign Currency Hedging Summary

23. Hedge positions are marked-to-market monthly by Chatham.

24. Maturity dates are aligned with anticipated realization dates of underlying Fund investments and near-term maturities will be rolled and extended as necessary.

25. Barba Portfolio investment.

Capital Management Summary

26. Distribution percentages are shown net of realized and projected fees.

27. Based on total Fund commitments of $334.0 million.

Additional Information / Fund Disclosures

1. Invesco Mortgage Recovery Fund II is an opportunistic, cross-border, closed-end fund with an initial seven (7) year life (following the Initial Closing Date of October 14, 2014). The Fund may be extended for a one-year period at the sole discretion of the General Partner and an additional one-year period with Advisory Board consent. The initial maturity date is October 14, 2021. In October 2021, the fund was extended for a one-year period to October 14, 2022.
2. The Fund's vintage year is 2014 as defined by Global Investment Performance Standards ("GIPS").
3. Fund-level gross and net IRRs are pre-tax internal rates of return based on actual quarterly cash flows (contributions and distributions) and the estimated terminal value as of the most recent quarter end. Pure gross IRRs are before all fund-level expenses, management and incentive fees; gross IRRs are after fund-level expenses, but before management and incentive fees, and net IRRs are after all fund-level expenses, management and incentive fees. Fund-level since inception net returns are exclusive of the General Partner's $50 million capital commitment.
4. Investment-level IRRs are presented gross as management fees and fund-level incentive fees are calculated and recorded at the Fund-level. The IRR for a realized investment is as of the quarter of disposition. Post-disposition cash flows (if any) are also reflected in the quarter of disposition.
5. Since inception equity multiples are presented based on TVPI methodology: distributions / contributions. Projected equity multiples are calculated as whole dollar profit over peak equity.
6. An individual investor's return may differ from the returns shown based on the timing of their specific cash flows and management fees and/or incentive fee allocation.
7. Operating results of the Fund are presented on a fair value basis of accounting in conformity with U.S. GAAP. Further, in accordance with GAAP, the Fund qualifies as an investment company. Please refer to the condensed notes to the financial statements for further information.
8. The Fund's investments in real estate (per the financial statements) consist of equity and debt interests in the underlying real estate assets. As such, for purposes of calculating the Fund's Loan-to-Cost ("LTC") ratio, the investment level loan balances and acquisition cost (at the Fund's effective ownership) are utilized. Leverage (excluding the credit facility) is limited to 65% of the aggregate acquisition cost of investments, with a 75% limitation on individual investments.

   The Fund utilized a subscription facility (collateralized by LP unfunded capital commitments) primarily for cash management purposes. The facility was provided by Wells Fargo and was retired in May 2021.
9. Real estate investments are carried at cost (subject to adjustment for material events) for the twelve months following acquisition. Thereafter, each investment is valued on an annual basis. Refer to the Valuation Policy included herein.
10. Certain information contained in this report constitutes forward-looking statements, which can be identified by use of forward-looking terminology such as "may", "seek", "should", "expect", "anticipate", "project", "estimate", "intend", "continue", or "believe" or the negatives thereof or other variations thereon or comparable terminology. While we believe that such statements and information are based upon reasonable estimates and assumptions, due to various risks and uncertainties, actual events or results or the actual performance may differ materially from those reflected or contemplated in such forward-looking statements.
11. This report is intended primarily for Fund investors. This report contains confidential and proprietary information of the Fund, Invesco Ltd. and/or their affiliates. You agree to keep this report confidential and not distribute or disclose all or any part of this report without the prior written consent of Invesco. All material presented is compiled from sources believed to be reliable and current, but accuracy and completeness cannot be guaranteed, and we accept no liability for any loss arising from this report's use. It is not our intention to state, indicate or imply in any manner that current or past results are indicative of future profitability or expectations. This report is not to be construed as an offer to buy or sell any financial instrument. Any such offer may be made only pursuant to the Fund's confidential offering documents delivered to qualified investors. If you are not a current investor in this Fund, you may have received this report only because you are a qualified investor or investment professional, and have requested it and understand that this report is current as of the date noted for informational purposes only and should not be relied upon when deciding whether to invest in the Fund. As with all investments there are associated inherent risks.
12. Other Fund Disclosures: During 3Q 2021, the Fund's General Partner exercised the Fund's first extension thereby extending the Fund's maturity date from October 14, 2021 to October 14, 2022.

Fund Governance Log

Date	Description / Action
February 18, 2014	Fund Inception – Limited Partnership Agreement
October 14, 2014	First Close Amended and Restated Limited Partnership Agreement -Reflect withdrawal of Limited Partner and admission of certain Limited Partners
December 19, 2014	Second Close
March 19, 2015	Third Close
June 8, 2015	Fourth Close
August 6, 2015	First Amendment to the Amended and Restated Limited Partnership Agreement -No more than 5% of capital commitments reserved for Fund Expenses for purposes of determining the Successor Fund threshold of 80%; RMBS restricted; 10% limitation on CMBS; 65% EU allocation; 75% leverage limitation on single Portfolio Investment; 20% single Portfolio Investment limitation; investment restrictions from Initial to Final Close based on greater of actual Subscriptions and $600M; 20% limitation on follow-on investments post-investment period; deficiency drawdown limited to 25%; change of address for notices; change from Blaine Smith to Bert Crouch as contact; Wilbur Ross & Kevin Grundy replaced Blaine Smith & Josh Seegopaul as IMRF Principals.
September 8, 2015	Fifth Close
April 14, 2016	Final Close
July 15, 2016	Second Amendment to the Amended and Restated Limited Partnership Agreement -Clarification of operating and organizational expenses
March 7, 2017	Advisory Committee approval received to (1) replace Rich King with Mario Clemente as an Investment Committee Member; and (2) replace Wilbur Ross with Stephen Toy as an IMRF Principal and Investment Committee Member
June 28, 2018	Third Amendment to the Amended and Restated Limited Partnership Agreement -Added language regarding Advisory Board meeting locations (in the US or Europe); corrected the "catch up" provision in the distribution waterfall
December 13, 2019	Advisory Committee approval received to waive the related party conflict related to the assignment of the Tax Indemnity Obligation from Ital Investment Fondo to IMRF II HoldCo S.à.r.l. and IMRF II HoldCo S.à.r.l.'s assumption thereof in order to accelerate the wind down and liquidation of the Spiga investment.
October 14, 2021	The Fund's maturity date was extended for a period of one year to October 14, 2022.

**Notes on the Limited Partnership Agreement ("LPA") amendments are intended to provide an overview of primary changes, and do not reflect all edits. Please refer to the most current LPA for details.*

Consolidated Statement of Assets, Liabilities, and Partners' Capital
As of September 30, 2021

Assets		
Investments in real estate, at fair value (cost basis of $132,995,367)	$	88,225,464
Cash and cash equivalents		14,793,739
Accounts receivable, net		7,805,418
Total assets	$	110,824,621
Liabilities		
Investment management fees payable	$	274,697
Accrued expenses and other liabilities		143,336
Total liabilities		418,033
Partners' capital		
General partners		18,044,668
Limited partners		92,361,920
Total partners' capital		110,406,588
Total liabilities and partners' capital	$	110,824,621

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Operations
For the Three and Nine Months Ended September 30, 2021

	Three Months	Nine Months
Investment Income		
Interest income	$ 1,556	$ 1,556
Total investment income	1,556	1,556
Expenses		
Interest and financing fees, including amortization of deferred financing costs	2,874	192,597
Investment management fees	274,697	764,707
General and administrative	110,177	232,353
Total expenses	387,748	1,189,657
Net investment income	(386,192)	(1,188,101)
Net realized and unrealized gain (loss) on real estate investments		
Realized gain (loss) on disposed investment	79,622	13,299,557
Reversal of previously recorded unrealized (gain) loss on disposed investment	(29,478)	(14,115,083)
Unrealized gain (loss) on Investments	2,516,006	7,833,550
Net realized gain (loss) on foreign currency transactions	47,900	77,095
Net unrealized foreign currency gain (loss)	436,927	2,513,733
Net income (loss)	$ 2,664,785	$ 8,420,751

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Changes in Partners' Capital
For the Nine Months Ended September 30, 2021

	General Partners	Limited Partners	Total
Partners' capital, beginning of period	$ 9,737,662	$ 46,748,175	$ 56,485,837
Contributions	6,904,282	38,595,718	45,500,000
Net income (loss)	1,402,724	7,018,027	8,420,751
Partners' capital, end of period	$ 18,044,668	$ 92,361,920	$ 110,406,588

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Cash Flows
For the Three and Nine Months Ended September 30, 2021

Cash flows from operating activities:	Three Months	Nine Months
Net income	$ 2,664,785	$ 8,420,751
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Investment fundings	(8,142,140)	(29,100,755)
Investment redemptions	134,536	27,649,800
Realized gain on investments	(79,622)	(13,299,557)
Reversal of previously recorded unrealized gain on investments	29,478	14,115,083
Unrealized gain on investments	(2,516,006)	(7,833,550)
Net realized gain on foreign currency transactions	(47,900)	(77,095)
Net unrealized foreign currency gain	(436,927)	(2,513,733)
Amortization of deferred financing costs	2,874	64,868
Change in operating assets and liabilities:		
Accounts receivable	(7,677,677)	(7,585,418)
Investment management fees payable	18,113	70,358
Accrued expenses and other liabilities	(18,759)	(254,762)
Net cash flows provided by operating activities	(16,069,245)	(10,344,010)
Cash flows from financing activities:		
Contributions from partners	22,500,000	45,500,000
Proceeds from line of credit	-	4,300,000
Repayment on revolving line of credit	-	(32,800,000)
Payment of deferred financing costs	(2,874)	(6,262)
Net cash flows used in financing activities	22,497,126	16,993,738
Effect of currency exchange rate changes on cash and cash equivalents	(7,698)	(36,010)
NET CHANGE IN CASH AND CASH EQUIVALENTS	6,420,183	6,613,718
CASH AND CASH EQUIVALENTS-Beginning of period	8,373,556	8,180,021
CASH AND CASH EQUIVALENTS- End of period	$ 14,793,739	$ 14,793,739
Supplemental disclosure of cash flow information		
Cash paid for interest and fees	$ -	$ 138,173

The accompanying notes are an integral part of these financial statements.

Invesco

Fund Level Expenses
As of September 30, 2021

		Year-to-Date		Inception-to-Date
Dead Deal Costs	$	-	$	163,577
Audit & Tax		75,607		2,858,833
Other General & Administrative Costs [1]		156,746		2,306,257
Investment Management Fees		764,707		8,072,971
Interest & Financing Costs		192,597		7,407,944
Organizational Costs		-		1,362,674
Total Fund Level Expenses	$	1,189,657	$	22,172,256

[1] Other General & Administrative Costs primarily consist of accounting payroll, travel and entertainment.

Condensed Notes to Financial Statements

Organization and Business

Invesco Mortgage Recovery Fund II, L.P. (IMRF II), and Invesco Mortgage Recovery Fund II ESC L.P. (ESC), both Delaware limited partnerships, and Invesco Mortgage Recovery Fund II AIV, L.P. (AIV), a Cayman limited partnership, were formed with the objective of making investments in opportunistic and distressed real estate opportunities in the U.S. and Europe. Invesco Mortgage Recovery Master Associates II, LLC, a Delaware limited partnership serves as the general partner of the IMRF II and ESC. Invesco Mortgage Recovery Master Associates II AIV, L.P., a Cayman limited partnership, serves as the general partner of AIV. Limited partners hold the remaining interests.

IMRF II, ESC and AIV are collectively referred to herein as the Fund. The accompanying financial statements are presented on a combined basis because of common ownership. The Fund will terminate on October 14, 2021, unless it is otherwise extended or dissolved earlier in accordance with the terms of the partnership agreement.

Principles of Reporting

In the opinion of management, the unaudited combined financial statements reflect all adjustments necessary for a fair presentation of the Fund's financial position and unaudited results of operations in accordance with U.S. generally accepted accounting principles (GAAP). Further, in accordance with GAAP, the Fund qualifies as an investment company. Certain information and footnote disclosures normally included in the annual audited combined financial statements have been condensed or omitted. All significant intercompany balances and transactions have been eliminated.

Investments

The Fund's investments consist of equity and debt interests in underlying real estate assets. Earnings from investments are recognized to the extent cash has been received or dividends have been declared to the extent they result from operations of underlying investments. Income from loans is recognized as earned on an accrual basis and is reflected in investments on the statement of assets, liabilities and partners' capital. The "investments" balance in the accompanying financial statements reflects the Fund's allocable share of the fair value of the underlying assets.

Underlying real estate investments owned by the Fund contain certain expense payments made by Invesco Advisers, Inc. to third-party vendors that directly relate to the ongoing management/operations of the properties. These expenses include costs for third-party legal, software, tenant relations, property management assessment, regulatory compliance and IT support. They are typically billed back to the properties by Invesco twice per year but at least on an annual basis. Invesco has an established process for how these expenses are tracked and allocated to properties under management for each real estate product.

Investments are carried at cost (subject to adjustment for material events) for the twelve months following acquisition. Thereafter, each investment is valued on an annual basis. An intra-year valuation may be done for an investment if warranted due to material changes at the property or market level. Development investments are carried at cost if there have been no material changes to the initial investment premise as it is assumed that costs incurred to date are the best estimate of fair value. If it is determined that there has been a material change to the initial investment premise, a valuation will be performed.

The Fund generally bases the fair value of investments on discounted cash flow techniques for which the significant inputs are the amount and timing of expected future cash flows (generated by certain key assumptions including forecasted income, expenses, capital expenditures, and terminal value) and market yields required by investors for the risk profile.

Since the resulting valuations are based on estimates, the values reflected in the financial statements may materially differ from the values that would be determined by negotiations held between parties in a sales transaction.

Foreign Currency Translation

The Fund uses the currency of the primary economic environment in which it operates (its functional currency) for investments held outside of the U.S. Assets and liabilities are translated to U.S. dollars using exchange rates at the balance sheet date. Revenues and expenses are translated to U.S. dollars using average exchange rates during the year. The Fund does not isolate that portion of the result of operations resulting from changes in foreign exchange rates on investments from the fluctuation arising from changes in the value of its investments held.

Foreign Currency Forward Contracts

The Fund enters into foreign currency forward contracts with various counterparties to hedge against foreign currency exchange risk on its non-U.S. denominated investments or to facilitate settlement of a foreign currency denominated transaction. Foreign currency forward contracts are over-the-counter contracts for delayed delivery of currency in which the buyer and seller agree to buy/sell and deliver a specified currency at a specified price on a specified date. The foreign currency forward contracts are valued by an independent third-party who estimates the future values of the two currency tranches using forward exchange rates that are based on traded forward points and calculates a present value of the net amount using a discount factor based on observable traded interest rates. When a foreign currency forward contract is closed, through either delivery or offset by entering into another foreign currency forward contract, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was entered into and the value of the contact at the time it was closed.

Foreign currency forward contracts involve elements of the market risk in excess of the amounts reflected in the statement of assets, liabilities and partners' capital. The Fund bears the risk of the unfavorable change in the foreign exchange rate underlying the foreign currency forward contract. Risks may also arise upon entering into these contracts from the potential inability of the counterparties to meet the terms of their contracts. The Fund does not enter derivative contracts for speculative purposes.

Partner Capital

Contributions: The Fund's final closing occurred on April 14, 2016. The investors have committed up to $334,018,854 of capital to the Fund. The partnership agreement calls for capital to be contributed by the investors in proportion to their respective committed capital amounts.

Distributions: The partnership agreement provides for distributions disproportionate to the investor's capital balance in the event that the preferred return, as defined, has been paid and all invested capital has been returned. Thereafter, incentive distributions will be made to the general partner in accordance with the terms of the partnership agreement. As of quarter-end, no incentive distribution would be due to the general partner if the Fund was liquidated.

Income Taxes

Since the Fund is structured as a partnership, no provision for income taxes is reflected in the accompanying combined financial statements of the Fund as the Fund's investors are responsible for reporting their allocable shares of the Fund's income or loss on their individual tax returns.

Valuation Policy

I. Overview – Internal Valuations

Invesco Real Estate employs a "mark-to-market" philosophy concerning the valuation of all investments. Inherent to this philosophy is the timely valuation of each asset such that significant fluctuations in market value are captured.

I. Timing & Frequency

- Initial Valuation - Investments are carried at cost (subject to adjustment for material events) in the first year following acquisition.
- Annual Valuations - Beginning with calendar year-end following the first anniversary of an investment's acquisition, each investment is valued in the fourth quarter of each calendar year during its holding period. Annual valuations are typically commissioned from third party appraisers, but alternative valuation methodologies may be employed in special circumstances.
- Intra-year Valuation – An investment will be valued, as warranted, due to material changes at the property or market level. Intra-year valuations may be performed by third party appraisers, internally by Invesco investment professionals, or by alternative methods deemed appropriate for the investment.

II. Methodology

- Third Party Valuations - Appraisers engaged by Invesco shall be unbiased and free from any conflicts of interest. An appraiser must be qualified to appraise the type of investment held in the portfolio, shall hold the appropriate licenses and/or designations to do so, and shall have been actively engaged in the appraisal of such real estate in the market in which the properties are located for an acceptable period of time. Invesco awards appraisal assignments based upon several factors, including: the amount of experience in the geographic area, experience with the property type, resource capacity at the time of the assignment, and competitive pricing. Upon completion of a draft, Invesco reviews the draft for adherence to professional guidelines, errors and omissions. Each appraisal report is required to conform to applicable valuation standards for the jurisdiction in which they are located.
- Internal Valuations - Internal valuations utilize the approaches and methodologies that are most applicable to value the type of investment. Upon completion of the internal valuations, the valuation is reviewed with the Invesco investment professionals and any adjustments that are deemed appropriate are made. Once the internal valuation is finalized with the portfolio/fund team, it is formally booked with accounting.
- Special Circumstances – For situations where the investment's complexity or uniqueness makes a third party valuation unfeasible, alternative methodologies may be employed, including utilizing an internal model that captures the complexity, or using the valuation performed by a partner in the investment which is then reviewed by Invesco. These valuation methodologies used in these special circumstances will be reviewed and approved by the IMRF II auditor.

Invesco Real Estate U.S. Fund VI, L.P.

Q4 2021

For One-on-One Use with Qualified Institutional Investor Only. This presentation must be accompanied or preceded by the Invesco Real Estate U.S. Fund VI, L.P. Private Placement Memorandum.

Invesco Real Estate U.S. Fund VI, L.P.
Risk warnings

For complete information on risks, refer to the legal documents.

Investment in Interests involves significant risks due to, among other things, the nature of the Fund's investments. Prospective investors should have the financial ability and willingness to accept the risks and lack of liquidity that are characteristic of the investment described herein. There will be no public market for Interests and no such market is expected to develop in the future.

For important information on risks associated with the Invesco Real Estate U.S. Fund VI, L.P., see the “Risk Factors and Conflicts of Interest” section of the PPM, which begins on page 65 of the Private Placement Memorandum. An investment in the Sector Funds and the Feeder Funds involves certain risks, including risks relating to the investments. Prospective investors should carefully consider the risk factors, in addition to the matters set forth elsewhere in the Memorandum, prior to investing in the Sector Funds or the Feeder Funds.

There can be no assurance that the Fund will meet its investment objectives or otherwise be able to successfully carry out its investment program. The Fund's returns will be unpredictable. An investor should only invest in the Fund as part of an overall investment strategy and only if the investor is able to withstand a total loss of its investment. Prospective investors should not construe the performance of earlier investments by Invesco as providing any assurances regarding the future performance of the Fund.

Prospective investors should carefully consider, among other items, the matters described below, each of which could have an adverse effect on the value of the Interests. As a result of these matters, as well as other risks inherent in any investment there can be no assurance that the Fund will meet its investment objective or otherwise be able to successfully carry out its investment program. The Fund’s returns will be unpredictable. An investor should only invest in the Fund as part of an overall investment strategy and only if the investor is able to withstand a total loss of its investment. Prospective investors should not construe the performance of earlier investments by Invesco as providing any assurances regarding the future performance of the Fund. Please see the PPM for a more comprehensive discussion of risks associated with this fund starting on page 65.

The Fund may be unable to find a sufficient number of investment opportunities to meet its investment objective.

The Fund’s investment program will concentrate on value-add and opportunistic real estate investment opportunities that have risks as a result of business, financial, market or legal uncertainties. There can be no assurance that the Fund, the General Partner or the Investment Manager will correctly evaluate the nature and magnitude of the various factors that could affect the value of returns on the Fund’s investments.

Generally, real estate assets are illiquid in nature. Although certain investments are expected to generate current income, the return of capital and the realization of gains, if any, from an investment will often occur upon the partial or complete disposition of such investment.

The Fund may make investments that continue later than the date which the Fund will be dissolved, either by expiration of the Fund’s term or otherwise.

Portfolio investments may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labor strikes).

The Fund will engage in a variety of interest rate management techniques that seek to mitigate the influence of interest rate changes on the costs of liabilities and help the Fund achieve its risk management objective.

Investing in Real Estate Will Expose the Fund to a High Degree of Risk.

All real estate investments are speculative in nature and the possibility of partial or total loss of capital will exist.

A tenant of one or more of the Fund’s investments may experience, from time to time, a downturn in its business which may weaken its financial condition and result in its failure to make rental payments when due, including as a result of COVID-19

There is expected to be shared or limited control with respect to some portfolio investments.

The Fund is expected to invest in select types of real estate developments

Invesco Real Estate U.S. Fund VI, L.P.
Risk warnings

Various factors may affect the returns of industrial properties in addition to the risks generally applicable to real estate,

A large number of factors may adversely affect the value and successful operation of a multifamily property,

A large number of factors may adversely affect the value and successful operation of single family properties,

Office properties may also be adversely affected if there is an economic decline in the businesses operated by their tenants.

The senior housing industry is highly competitive and fragmented.

The Fund is expected to hold direct or indirect investments in certain real estate-related debt instruments

The Fund may invest in commercial mortgage loans. Commercial mortgage loans generally lack standardized terms, which may complicate their structure.

The Fund's loans may not be secured by a mortgage but may instead be secured by equity interests or other collateral that may provide weaker rights than a mortgage

The Fund may make or invest in mezzanine loans. Mezzanine loans typically are not secured by real property interests and are subordinate to other debt obligations of the borrower, and therefore subject to greater risk of loss than senior debt

The Fund intends to invest in assets that are risky and suitable only for sophisticated investors. Subordinate debt may be subject to greater credit risks than other investment alternatives, such as senior debt

The Fund may originate and acquire performing debt investments and expects to acquire sub-performing or non-performing debt interests, which are secured directly or indirectly by real estate.

The Fund may acquire investments subject to financing that provides for adjustments in the interest rate at various monthly, annual or other intervals.

A portion of the Fund's investments may consist of interests in loans originated by banks and other financial institutions. The loans invested in by the Fund may include term loans and revolving loans, may pay interest at a fixed or floating rate and may be senior or subordinated.

Of paramount concern in investing in loans or debt securities is the possibility of material misrepresentation or omission on the part of the borrower

Possible Lack of Diversification

The Fund or the General Partner may enter into side letters or other similar agreements with certain direct or indirect Investors that relate to certain ESG matters, including additional diligence, operational or reporting requirements. The Fund and the General Partner are newly formed entities without any operating history. The market value of the Fund's investments is expected to be affected by changes in interest rates and the spreads over relevant interest rate benchmarks. The Fund will typically leverage its investments with debt financing.

The General Partner is expected to utilize credit facilities to finance the Fund's assets. The success of the Fund depends in substantial part upon the skill and expertise of the General Partner and the Investment Manager. Lenders are expected to impose restrictions on the Fund that would affect its ability to incur additional debt, make certain investments or acquisitions, reduce liquidity below certain levels, make distributions to the Limited Partners, redeem debt or equity securities and impact the General Partner's flexibility to determine the Fund's operating policies and investment strategy.

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MWRA Existing Relationship

1

MWRA Existing Relationship

Invesco Partnership Fund IV & VI and Mortgage Recovery Fund I & II

INVESCO Partnership Fund Series	Partnership Fund IV	Partnership Fund VI
Commitment	$3,000,000	$5,000,000
Total Contributions[1]	$2,282,765	$3,958,354
Cumulative Distributions	$4,792,026	$10,265,320
Estimated + NAV	$0	$3,834,525
= Total Value	$4,792,026	$14,099,845
Total value to cost	2.10x	3.56x
Net IRR for the Fund	9.2%	21.96%

Invesco Mortgage Recovery Fund Series	IMRF I[2]	IMRF II[2]
Contributions:	$3,885,205	$3,219,325
Distributions:	($5,202,154)	($2,710,350)
Gross Income/(loss):	$180,110	$126,536
Asset Management Fees:	($83,485)	($84,904)
Realized and UR Gain/(loss):	$1,275,452	$429,597
Ending NAV:	$55,132	$980,203
Commitment:	$4,000,000	$3,000,000
Contributions:	$3,885,205	$3,219,325
Distributions- Recallable:	$0	$1,075,121
Remaining Unfunded:	$114,795	$855,796

Source: Invesco, as of 9/30/2021

[1] Management fees are paid inside of capital commitments; therefore, total contributed capital includes the management fees paid through 9/30/2021.

[2] Data is preliminary as of 12/31/2021.

Past performance is not indicative of future results.

Executive Summary

2

Executive Summary
Invesco Real Estate Global Capabilities

$91.8bn
Assets under management

$47.4bn
North America direct
Founded in 1983

$20.8bn
Listed Real Assets
Founded in 1988

$14.7bn
European direct
Founded in 1996

$8.9bn
Asia direct
Founded in 2006

582	**21**	**16**
Employees	**Offices**	**Countries**

North America	**Europe**	**Asia**
253 employees	**173** employees	**156** employees

Source: Invesco Real Estate (IRE) as of December 31, 2021. $=USD. Figures represent to Gross Asset Values of the invested assets under management.

Executive Summary
Fundraising and Pipeline Snapshot

Strong capital raise and investments have created an exciting portfolio.

Closings-to-date totaling
$905 million from **15 investors**
representing **36% of target fund size**[1]

Commitments to
20 investments (40%)* across
logistics, multi-family, single family rental,
cold storage, and life science estimating a 25%
underwritten, investment-level Gross IRR

Source: 1. Invesco Real Estate as of March 11, 2022, based on a target fund size of $2.5 billion.
*As of March 11, 2022. 14 captured investments (26% of portfolio) and six investments in due diligence (14% of portfolio). Percentages are based on target fund size of $2.5 billion. Please see endnotes for further disclosures.

Executive Summary
Overview

Invesco Real Estate U.S. Fund VI, L.P. is targeting $2.25 BN-$2.50 BN in commitments to create core properties with characteristics desired by both tenants and investors.

Experienced

- **Cycle-Tested Fund Series:** 18 years | 6 funds | 89 transactions | ~$10 billion
- **Consistent Fund Series:** Same team and leadership since inception
- **IRE North America ("NA") Platform Depth:** 256 professionals in four regional offices

Performance

- **Fund Series Realized Performance:** 57 investments; 15.8% Gross IRR[1]
- **Preferential Sourcing:** 72% of deal flow preferentially sourced generated 412 bps of excess return over marketed deals
- **Proprietary Intelligence:** 427[2] investments identify trends
- **Capital Market Knowledge and Access:** Buy / Sell / Finance over $7.4 billion[2] per year
- **Fund Series Scale:** Seek to increase fund returns while increasing fund size

Innovative

- **Pipeline:** $991MM of equity closed or in due diligence[3]
- **Forward-looking:** Portfolio of best ideas diversified by sectors and markets

Source: Invesco Real Estate as of Q3 2021. Photographs/renderings shown are of historic Fund series investments and are included for illustrative purposes only and do not constitute investment advice or a recommendation. Performance was not a criteria for selection. Photographs are used with permission. **Past performance is not a guide to future results.** [1] Gross IRR quoted is at the investment level on realized investments. Please see endnotes for further disclosures. [2] As of Q4 2020 and represents IRE North America platform only. [3] As of March 11, 2022.

Executive Summary
Team & Platform

Focused Fund team strengthened by the Invesco Real Estate platform; 253 employees in North America including 88 Transactions / Investment Management professionals concentrated on sourcing / execution.

Senior Leadership Involvement


Bert Crouch
Managing Director
CEO NA Real Estate
(19 Industry / 11 IVZ)


Jason Geer*
Managing Director
Head of Transaction Services
(30 Industry / 23 IVZ)


Stephanie Holder
Managing Director
Head of Disp. / Financing
(15 Industry / 13 IVZ)


Michael Kirby
Managing Director
Investment Management
(37 Industry / 28 IVZ)


Michael Sobolik*
Managing Director
NA Research Strategist
(36 Industry / 22 IVZ)


Beth Zayicek
Managing Director
COO Global Real Estate
(18 Industry / 13 IVZ)


Peter Feinberg
Managing Director
Portfolio Management
(37 Industry / 11 IVZ)


Bill Grubbs
Managing Director
CIO NA Real Estate
(31 Industry / 16 IVZ)


Scott Dennis
Managing Director
CEO Global Real Estate
(40 Industry / 29 IVZ)


Greg Kraus
Managing Director
Head of Transactions
(39 Industry / 21 IVZ)


Chris Schmidt*
Managing Director
Head of Transaction Analytics
(26 Industry / 21 IVZ)


Max Swango
Managing Director
Global Head Client Port. Mgmt
(33 Industry / 33 IVZ)

Portfolio Management / Fund Operations


Jay Hurley
Managing Director
Lead-Portfolio Manager
(34 Industry / 26 IVZ)


Justin Rimel
Senior Director
Portfolio Mgmt. / Transactions
(22 Industry / 1 IVZ)


Andrew Lane
Director
Transactions
(8 Industry / 5 IVZ)


Paulina Sotomayor
Senior Associate
Fund Operations
(5 Industry / 1 IVZ)


Jennifer Semler
Associate
Investor Relations
(29 Industry / 16 IVZ)


Kevin Conroy
Senior Director
Assoc. Portfolio Manager
(14 Industry / 10 IVZ)


Courtney Popelka
Managing Director
Fund Operations
(22 Industry / 12 IVZ)


Trey Warren
Associate
Portfolio Management
(<1 Industry / <1 IVZ)


Vanessa Sharp
Senior Associate
Fund Operations
(19 Industry / <1 IVZ)

Regional Sourcing / Execution Leadership


Josh Siegel
Managing Director
Transactions, Head Central
(28 Industry / 14 IVZ)


Rob Deckey
Managing Director
Transactions, Head East
(36 Industry / 5 IVZ)


Ron Miller
Managing Director
Transactions
(34 Industry / 11 IVZ)


Pete Cassiano
Managing Director
Transactions, Head West
(22 Industry / 10 IVZ)


Stephanie Holder
Managing Director
Head of Disp. / Financing
(15 Industry / 13 IVZ)


Perry Chudnoff
Managing Director
Inv. Mgmt, Head East
(16 Industry / 11 IVZ)


Jackson Lapin
Managing Director
Inv. Mgmt, National Apt Head
(23 Industry / 7 IVZ)


Chris Cleghorn
Senior Director
Inv. Mgmt, Head Central
(20 Industry / 14 IVZ)


Kevin Pirozzoli
Managing Director
Inv. Mgmt, Head West
(18 Industry / 9 IVZ)


Teresa Zien
Managing Director
Capital Markets
(21 Industry / 4 IVZ)

- Equity Investment Committee
- Credit Investment Committee
- Steering Committee

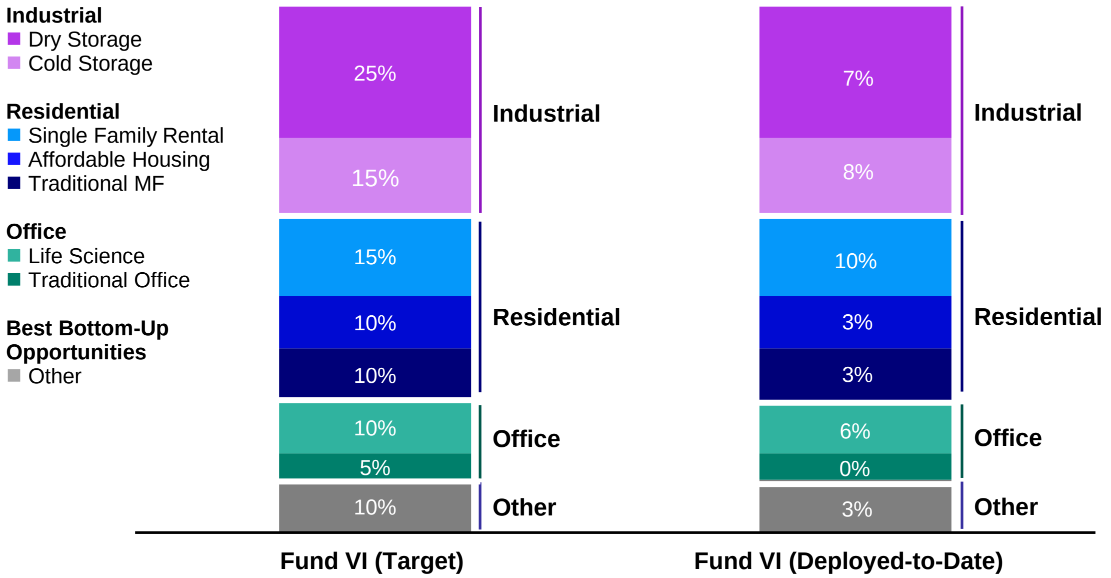
Invesco Real Estate Platform Support

Research	Transactions	Closings & Due Diligence	Investment Management	Performance Measurement	Dispositions & Financings

Source: Invesco Real Estate as of Q4 2021. *Non-voting regular attendees.

Executive Summary
Macro Convictions Paired with Scalable Relationships

Illustrative Fund Build-Out



Build Out of Select, Scalable IRE Relationships

Industrial Operator | Dry Storage	5-10%
Industrial Operator | Dry Storage	5-10%
Industrial Operator | Dry Storage	5-10%
Industrial Operator | Dry Storage	5-10%
Cold Storage Operator | Cold Storage	5-10%
Cold Storage Operator | Cold Storage	5%
SFR OpCo | SFR	0-5%
SFR PropCo | SFR	0-5%
Affordable Housing Operator | Affordable Housing	5-10%
Affordable Housing Operator | Affordable Housing	5-10%
Residential Operator | Traditional MF	5%
Residential Operator | Traditional MF	5%
Life Science Operator | Life Science	5%
Life Science Operator | Life Science	5%
Senior Housing Operator | Best Opportunities	0-5%
Data Center Operator | Best Opportunities	0-5%
Self Storage Operator | Best Opportunities	0-5%
Totals:	**~60-120%**

Source: Invesco Real Estate as Q4 2021. Deployed-to-Date percentages represent total equity capital committed by the Fund when transaction closed divided by target Fund size of $2.5BN and are unaudited. Please note these percentages may not match exactly to *Pipeline Investment Opportunities* slide due to rounding.

Pipeline Investment Opportunities

Investment	MSA	Property Type	Capitalization				Acquisition Pricing			Underwritten	
			Equity	% Fund	LTC	Cap	ROC	Spot Cap	Margin	IRR	EM
CLOSED INVESTMENTS											
Rhodes	San Diego	MF (Traditional)	$76	3%	60%	$194	5.33%	3.75%	42%	20%	1.8
Progress	Various	SFR	$125	5%	75%	$520	5.50%	4.25%	29%	25%	2.0
Oakley	Las Vegas	Industrial (Dry)	$11	0.4%	60%	$30	5.99%	4.00%	50%	30%	1.7
Meadowlands I	NY / Meadowlands	Industrial (Dry)	$17	1%	60%	$49	5.68%	3.25%	75%	49%	3.4
Meadowlands II	NY / Meadowlands	Industrial (Dry)	$13	1%	60%	$33	5.82%	3.25%	79%	53%	3.4
Sansone	Salt Lake City	Industrial (Dry)	$17	1%	60%	$44	6.20%	3.90%	25%	35%	1.5
Bandera	Dallas	Industrial (Dry)	$46	2%	65%	$124	5.17%	3.50%	48%	23%	1.8
Creek I	Dallas	Industrial (Cold)	$23	1%	60%	$65	8.60%	4.75%	81%	45%	2.7
Creek II	San Antonio	Industrial (Cold)	$23	1%	55%	$61	7.38%	4.75%	55%	34%	2.1
Tyco	San Francisco	Life Science	$42	2%	65%	$108	8.36%	4.75%	76%	35%	3.0
Cascadian	Seattle	Life Science	$90	4%	65%	$264	5.43%	4.20%	29%	20%	1.9
Avanta	Various	SFR	$75	3%	60%	$100	5.85%	4.25%	38%	25%	2.4
Median I	New York	MF (Affordable)	$81	3%	60%	$278	5.80%	4.00%	45%	18%	2.8
Brookhaven	New York	Industrial (Dry)	$15	1%	60%	$128	5.70%	4.00%	43%	29%	2.4
SUBTOTAL/WTD AVG.			**$654**	**26%**	**64%**	**$1,998**	**5.93%**	**4.11%**	**44%**	**26%**	**2.2**
PIPELINE (Due Diligence/ Under Contract)											
Saxum Atlanta	Atlanta	Industrial (Cold)	$50	2%	65%	$144	5.85%	4.75%	23%	20%	1.7
Saxum Jacksonville	Jacksonville	Industrial (Cold)	$41	2%	65%	$117	5.85%	4.75%	23%	20%	1.7
Saxum Hazelton	Central PA	Industrial (Cold)	$23	1%	65%	$67	5.64%	4.75%	19%	19%	1.6
Saxum Burleson	Dallas	Industrial (Cold)	$42	2%	65%	$121	5.84%	4.75%	23%	21%	1.7
Hagerstown	Baltimore	Industrial (Dry)	$58	2%	60%	$171	4.90%	3.90%	26%	24%	1.8
Progress Tranche 3	Various	SFR	$125	5%	75%	$520	5.50%	4.25%	29%	30%	1.7
SUBTOTAL/WTD AVG.			**$338**	**14%**	**68%**	**$1,140**	**5.54%**	**4.42%**	**26%**	**23%**	**1.8**
Closed + DD Subtotal/ WTD AVG.			**$991**	**40%**	**65%**	**$3,138**	**5.80%**	**4.22%**	**37%**	**25%**	**2.1**

Source: Based on $2.5 billion of committed equity. Invesco Real Estate as of March 11, 2022. **Past performance is not a guide to future results.** Please see endnotes for further disclosures.

Pipeline Investment Opportunities

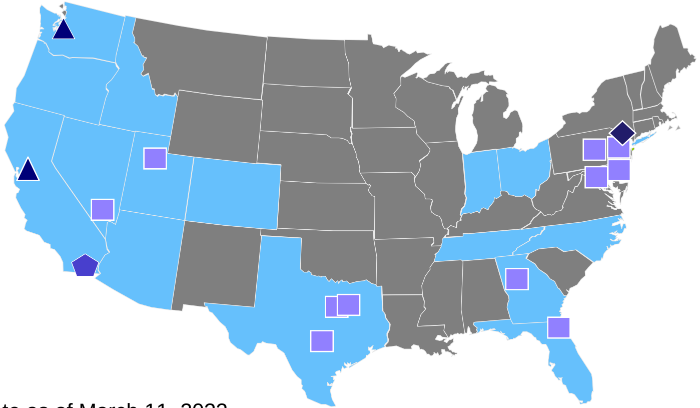
Industrial/Cold Storage | MF: Traditional | MF: Affordable | Single Family Rental | Life Science

Held

RHODES San Diego, CA	PROGRESS Various, US	MEADOWLANDS II New York, NY	CASCADIAN Seattle, WA
MEADOWLANDS I New York, NY	OAKLEY Las Vegas, NV	CREEK I Dallas, TX	AVANTA Various, US
SANSONE Salt Lake City, UT	MEDIAN I New York, NY	TYCO San Francisco, CA	CREEK II San Antonio, TX
BANDERA Dallas, TX	BROOKHAVEN New York, NY		

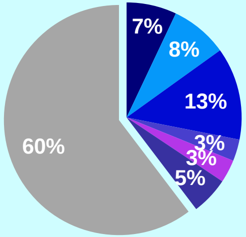
In Due Diligence

SAXUM Various, US	PROGRESS TRANCHE 3 Various, US
HAGERSTOWN Baltimore, MD	



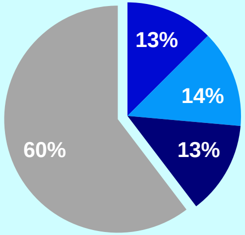
Sector (%)

- Industrial (Dry)
- Industrial (Cold)
- SFR
- MF (Traditional)
- MF (Affordable)
- Life Science
- Remaining Capital



Investment Strategy (%)

- Re-Tenanting
- Development
- Renovation
- Remaining Capital



Source: Based on $2.5 billion of committed equity. Invesco Real Estate as of March 11, 2022.
Past performance is not a guide to future results.

Executive Summary

Invesco Real Estate U.S. Fund VI, L.P. Fund Terms & Timeline

Fund Objective:	The Fund's investment objective and strategy is to seek an optimal risk adjusted return by identifying investments across all product types and throughout the capital structure.
Targeted Fund Size:	$2.25 Billion - $2.50 Billion (hard cap)
GP Commitment IVZ:	$75 Million co-invest; additionally, IVZ provided "bridge" capital of $75 Million for purposes of building seed portfolio [1]
Minimum LP Commitment:	$10 Million
Initial Close:	Q2 2021 - $692.5 Million
Final Close:	Estimated Q2 2022
Fund Life:	8-years from Final Close
Extensions:	Two (2) one (1) year extensions; First extension at GP sole discretion; Second extension at LP Advisory Board approval
Investment Period:	3-years from Final Close
Management Fee:	**Account Size ($MM)** — **Fee (%)** $0 - <$25 — 1.50 $25 - <$50 — 1.40 $50 - <$75 — 1.30 $75 - <$100 — 1.20 $100 - <$150 — 1.10 $150+ — 1.00 All management fees are charged on invested capital (not committed).
Preferred Return:	9.00%
Incentive Fee (Portfolio Test):	20%; subject to 50% / 50% catch up
Leverage (Loan-to-Value) Limitations:	Maximum 60% at Fund-Level / 75% on individual investments
Property Type Limitations:	The Fund will not acquire any portfolio investment if, upon acquisition of such portfolio investment, the aggregate amount invested by the Fund in hotels and manufactured housing would exceed an amount equal to 10% of the aggregate Capital Commitments.
Development Limitations:	Maximum 25% of the aggregated capital commitment
Size Limitations:	Maximum of 20% of aggregated capital commitment in any portfolio investment comprised of a single real estate asset and maximum 25% in any portfolio investment comprised of multiple real estate assets
Strategy Limitations:	Maximum of 20% of aggregated capital commitment in any debt origination investments

Source: Invesco Real Estate as of Q4 2021. There can be no assurance that any such returns will be achieved for the Fund, or that investors will receive a return of their investments.
[1]The bridge facility investment disappeared following the first close of third-party limited partner capital in Q2 2021.

Appendix

3

Closed Investment | Meadowlands I
Infill Industrial Development | Meadowlands, NJ

Investment highlights

- Opportunity to develop two (2) best-in-class industrial buildings totaling 170k SF within the Meadowlands submarket in New Jersey.
- The building sizes and site is ideally positioned for same-day delivery / last-mile distribution given its immediate connectivity to Manhattan (5.8 miles / 18 minutes).
- The Northern New Jersey industrial market is among the strongest nationally with only 1.9% vacancy, limited available supply pipeline (representing <1% of inventory) and robust tenant absorption (+5.8MSF in 2019).
- Given average vintage of Northern NJ industrial stock (1970-80's), newly built product provides embedded leasing advantage.
- First investment of programmatic partnership with confidential partner which has extensive experience in the NJ industrial market and a captive pipeline of similar sized opportunities totaling +/- 1.5M SF & +/- $175mm of equity.

Key statistics

January 2021
Acquisition Date

Off Market
Acquisition Sourcing

177,690 SF / 0%
Property Size / Leased (%)

Confidential / (5%)
JV Partner / (% Equity Co-Invest)

$49MM / ($276/SF)
Total Transaction Size

$17MM / 1%
Fund Equity Commitment

60%
Loan-to-Cost (LTC)

5.68% / 3.25%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Meadowlands II

Infill Industrial Development | Meadowlands, NJ

Investment highlights

- Opportunity to develop a best-in-class industrial building (40' clear height) in the Meadowlands submarket of New Jersey. Second investment within programmatic partnership targeting infill last-mile opportunities.
- The building size and site is positioned for same-day delivery / last-mile distribution given its immediate connectivity to Manhattan (11.8 miles / 18 minutes).
- The Northern New Jersey industrial market is among the strongest nationally with only 1.9% vacancy, limited available supply pipeline (representing <1% of inventory) and robust tenant absorption (+5.8MSF in 2019).
- Given average vintage of Northern NJ industrial stock (1970-80's), newly built product provides embedded leasing advantage.
- Second investment of programmatic partnership with confidential partner which has extensive experience in the NJ industrial market and a captive pipeline of similar sized opportunities totaling +/- 1.5M SF & +/- $175mm of equity.

Key statistics

July 2021
Acquisition Date

Off Market
Acquisition Sourcing

177,558 SF / 0%
Property Size / Leased (%)

Confidential / (5%)
JV Partner / (% Equity Co-Invest)

$33MM / ($186/SF)
Total Transaction Size

$13MM / 1%
Fund Equity Commitment

60%
Loan-to-Cost (LTC)

5.82% / 3.25%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Oakley

Infill Industrial Re-tenanting | Las Vegas, NV

Investment highlights

- Off-market opportunity to acquire and renovate an infill, low coverage, two story R&D building into a pure 32 ft. clear height distribution facility.
- Ideal location for last mile distribution. Less than 2 miles from McCarran International Airport and near major highways.
- Las Vegas industrial market is poised for continued strong growth with less than 5% vacancy (3% in Airport submarket) and over 5.2mm of active requirements in the market.
- Limited direct competition in the submarket and no land availability for development. Potential for pre-leasing execution given strength of the market and preliminary discussion with last-mile distribution tenant.
- First investment of programmatic partnership with confidential partner which is focused on infill, last-mile opportunities in the Western US. Additional pipeline of similar sized opportunities targeting an aggregate $100-125mm over the next 12 months.

Key statistics

June 2021
Acquisition Date

Off Market
Acquisition Sourcing

128,456 SF / 0%
Property Size / Leased (%)

Confidential / (5%)
JV Partner / (% Equity Co-Invest)

$30MM / ($234/SF)
Total Transaction Size

$11MM / 0.4%
Fund Equity Commitment

60%
Loan-to-Cost (LTC)

5.99% / 4.00%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Creek I

Industrial Cold Storage Development | Dallas, TX

Investment highlights

- Opportunity to develop a 375K SF cold storage facility located 32 miles north of DFW in Denton, TX. The untrended return on cost of 8.6% compares favorably to recent national cold storage trades (low 5% cap rate).
- Cold storage facility with 45 ft. clear heights, low charge central ammonia (Cooler dock 36F; Freezer as low as -20F) and 53 refrigerated dock positions/dock packages. Most of the inventory in DFW is an older vintage with lower clear heights (approximately 20-30 ft.).
- Pre-lease (47% of net rentable area) indicates tenant demand for the product/location and limits downside risk. The Cold Storage market has tightened over the last couple of years and is expected to have heightened demand from tenants and have increased institutional interest in the near/long term.
- First investment of programmatic partnership with additional pipeline of similar sized opportunities.

Key statistics

August 2021
Acquisition Date

Marketed
Acquisition Sourcing

374,560 SF / 50%
Property Size / Leased (%)

Confidential / (10%)
JV Partner / (% Equity Co-Invest)

$65MM / ($174/SF)
Total Transaction Size

$23MM / 1%
Fund Equity Commitment

60%
Loan-to-Cost (LTC)

8.60% / 4.75%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Creek II
Industrial Cold Storage Development | San Antonio, TX

Investment highlights

- Opportunity to develop a 300K SF cold storage facility located 10 miles east of Downtown San Antonio, TX. The untrended return on cost of 7.6% compares favorably to recent national cold storage trades (low 5% cap rate).
- Cold storage facility with 45 ft. clear heights, low charge central ammonia (Cooler dock 36F; Freezer as low as -20F) and 53 refrigerated dock positions/dock packages. Most of the limited inventory in San Antonio is an older vintage with lower clear heights (approximately 20-30 ft.) yet is fully leased (99% occupancy).
- While not pre-leasing has occurred to date, there is strong preliminary interest including discussions on a BTS for a cold 3PL, large regional food provider (100K SF requirement) and a national tenant (300K requirement), amongst others. Both Americold and Lineage (two primary Cold Storage REITs) facilities in the submarket are 100% occupied.
- Second investment of programmatic partnership with potential expansion based on pipeline of similar sized opportunities.

Key statistics

November 2021
Acquisition Date

Off Market
Acquisition Sourcing

300,500 SF / 0%
Property Size / Leased (%)

Confidential / (10%)
JV Partner / (% Equity Co-Invest)

$61MM / ($203/SF)
Total Transaction Size

$23MM / 1%
Fund Equity Commitment

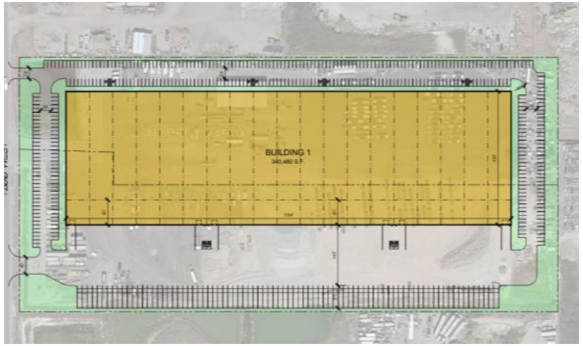
55%
Loan-to-Cost (LTC)

7.38% / 4.75%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Sansone

Industrial Development | Salt Lake City, UT



Investment highlights

- Opportunity to develop a 340K SF industrial building in the Salt Lake City MSA. The untrended return on cost of 5.25% compares favorably to recent trades n the low/sub 4% cap rate range.
- The project will be a state-of-the-art building with highly sought-after features including: 36' ft clear height, ground level and dock high doors, ample power, rear loading and on-site trailer parking.
- The site is well located with proximity to the Salt Lake City International Airport, major highways and the under-construction Mountain View Corridor.
- The Salt Lake City market is +96% occupied with continued strong leasing and sales momentum. Demand continues to track with new supply, with +/- 90% of the 7.5MM SF completed in 2020 and 2021 leased.
- Scalable relationship with high-quality national industrial development firm and exiting IRE partner.

Key statistics

October 2021
Acquisition Date

Off Market
Acquisition Sourcing

340,480 SF / 0%
Property Size / Leased (%)

Confidential / (2.5%)
JV Partner / (% Equity Co-Invest)

$44MM / ($129/SF)
Total Transaction Size

$17MM / 1%
Fund Equity Commitment

60%
Loan-to-Cost (LTC)

6.20% / 3.90%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Progress

Single Family Rental Renovation | U.S. Portfolio

Anticipated Market Focus

Investment highlights

- Opportunity to aggregate a portfolio in the emerging Single-Family Rental ("SFR") asset class buffeted by strong tailwinds through a programmatic partnership with best-in-class operator.
- Sector is still largely unpenetrated (less than 2% of all SFR) by institutional capital relative to market size.
- Favorable supply/demand dynamic as housing production remains constrained and skewed towards larger, higher priced homes given challenging economics for entry-level housing.
- Household formation (aging millennials) expected to continue favoring rental (65%/35%) vs homeownership, a trend that has continued post Global Financial Crisis ("GFC").
- In-place income profile coupled with access to efficient leverage provides an attractive risk-adjusted return profile with potential for upside as increasing institutional liquidity and scale may compress cap rates.

Key statistics

January 2021
Acquisition Date

Off Market
Acquisition Sourcing

500-715 Units / +/-90% Leased
Property Size / Leased (%)

Confidential / (5%)
JV Partner / (% Equity Co-Invest)

$520MM / ($230K / Unit)
Total Transaction Size

$125MM / 5%
Fund Equity Commitment

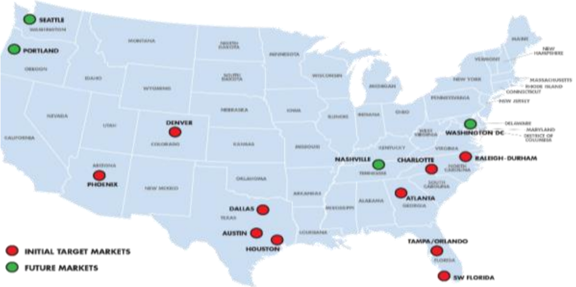
75%
Loan-to-Cost (LTC)

5.50% / 4.25%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Avanta
Single Family Build For Rent Development | U.S. Portfolio

Anticipated Market Focus



Investment highlights

- Opportunity to invest in and build a single-family for rent business through the GP position of individual assets and a corporate level investment
- Established pipeline of ~2,000 homes and committed LP partner providing proof of concept and path to critical mass
- Established partner with 30-year homebuilding track record (~50k homes) and strong multifamily development & operating experience (85k units
- Compelling deal (25%+ margin) and structure economics (promoted GP economics)
- Rapid capital formation from institutional ownership at comparable economics/cap rates to traditional multifamily
- Attractive development duration, similar to industrial given phased product delivery
- Potential to partner with public REIT for stabilized off-take, product differentiation, land scale opportunity & entitlement advantage

Key statistics

July 2021
Acquisition Date

Off Market
Acquisition Sourcing

~250 Units (~25 projects) **/ 0%**
Property Size / Leased (%)

Confidential / (25%)
JV Partner / (% Equity Co-Invest)

$1,875MM / ($250K/Unit)
Total Transaction Size

$75MM / 3%
Fund Equity Commitment

60%
Loan-to-Cost (LTC)

5.85% / 4.25%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Rhodes
Suburban Multi-Family Development | San Diego, CA

Investment highlights

- Opportunity to create a “self contained” low-density community in a highly affluent northern San Diego suburb in close proximity to major employment nodes.
- The technology and life science hubs of Del Mar, Carmel Valley, UTC, Sorrento Valley and the I-15 Corridor are all within ten (10) miles. Multiple life science and office developments (+1.1M SF) are planned for the immediate area.
- Favorable supply/demand dynamic given high barriers to entry for new supply (lack of developable land and long-duration approval process in California) and white-collar job growth has potential to provide excess rent growth.
- Anticipate a “sticky” renter by necessity profile given high entry level housing costs (+$1mm) and top-ranked school district.
- Larger average unit size (1,070 SF) and unit mix consisting of 70% two-and three-bedroom units aligns with tenancy profile and market demand analysis.

Key statistics

December 2020
Acquisition Date

Off Market
Acquisition Sourcing

342 Units / 0% Leased
Property Size / Leased (%)

Confidential / (10%)
JV Partner / (% Equity Co-Invest)

$194MM / ($550K / Unit)
Total Transaction Size

$76MM / 3%
Fund Equity Commitment

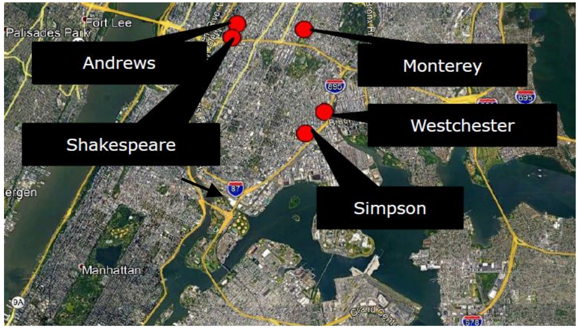
60%
Loan-to-Cost (LTC)

5.33% / 3.75%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Median I

Affordable Multi-Family Renovation | Bronx, NY



Investment highlights

- Opportunity to acquire the GP interest in five clusters of section 8 multifamily assets in the Bronx comprising approximately 2,000 residential units
- Economic upside through implementation of an operating expense saving program and optimizing an inefficient financing structure that both reduces energy footprint, maintains housing quality and affordable housing
- Long-term below market rent structures from HUD provide both in-place rent security and mark-to-market upside in the future
- Opportunity to purchase original tax credit (LP) investor at a discount to their basis which will increase exit liquidity and GP economics
- Non-underwritten upside through two newly delivered LIHTC investments that will accrete in value/cash flow over hold period
- Relatively recently upgraded/improved so little deferred maintenance & capex
- Mitigated downside risk given CPI type increases in Section 8 rental structure and proven operating partner

Key statistics

August 2021
Acquisition Date

Off Market
Acquisition Sourcing

2,065 Units / 99%
Property Size / Leased (%)

Confidential / (5%)
JV Partner / (% Equity Co-Invest)

$278MM / ($135K/Unit)
Total Transaction Size

$81MM / 3%
Fund Equity Commitment

60%
Loan-to-Cost (LTC)

5.80% / 4.00%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Cascadian
Life Science Conversion | Seattle, WA

Investment highlights

- Opportunity to acquire a newly-constructed, vacant, 9-story 211,066 SF office building in the South Lake Union submarket of Seattle and convert it to life science use.
- Building physical attributes (open 24-29K SF floorplates. 12'-12'6" slab heights, HVAC capacity and live load capacity) and location within current life science cluster align with current tenant needs/preferences.
- Seattle is considered a top five life science market, containing approximately 9.9 MM SF of life science / lab stock today, anchored by the Fred Hutchinson Cancer Research Center, the University of Washington School of Medicine, Seattle Children's Research Institute, and a growing number of immuno-oncology research companies.
- Ability to quickly deliver new lab space into the rapidly growing Seattle life science market, which is experiencing a supply-demand imbalance with sub-2% vacancy, approximately 550K SF of current tenant requirements and a shortage of new supply as most of the pipeline will not deliver until 2023 or later.

Key statistics

September 2021
Acquisition Date

Marketed
Acquisition Sourcing

211,066 SF / 0%
Property Size / Leased (%)

Confidential / (2.5%)
JV Partner / (% Equity Co-Invest)

$264MM / ($1,251 per SF)
Total Transaction Size

$90MM / 4%
Fund Equity Commitment

65%
Loan-to-Cost (LTC)

5.43% / 4.20%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Tyco
Life Science Re-Tenanting | San Francisco, CA

Investment highlights

- Opportunity to acquire a fully leased 185K SF single-tenant campus in Fremont, CA. The campus is comprised of a 3-story, 98K SF building office/ lab, and a partial 2-story 88K SF lab/ manufacturing / office.
- In-place rent is 50-60% below market, providing an attractive mark-to-market opportunity. Tenant is in process of downsizing operations, likely allowing for an accelerated re-tenanting compared to remaining lease term (+/- 5yrs).
- This campus is located near the Dumbarton bridge in the Ardenwood submarket of Fremont, a proven life science market with BioMed, Bentall Green Oak, TPG, and Angelo Gordon owning leased life science product. Additionally, Facebook has signed +1.5M SF of leases across the street from this campus.
- The buildings offers 32k-40k SF floorplates, 15’0’’ slab-to-slab heights (13’6’’ to beam), 4k amps per building, existing clean rooms, excellent window lines, upgraded/ample HVAC, ample loading/chemical storage areas, roll-up doors, and freight elevators.

Key statistics

September 2021
Acquisition Date

Off Market
Acquisition Sourcing

185,790 SF / 100%
Property Size / Leased (%)

Confidential / (2.5%)
JV Partner / (% Equity Co-Invest)

$108MM / ($581 per SF)
Total Transaction Size

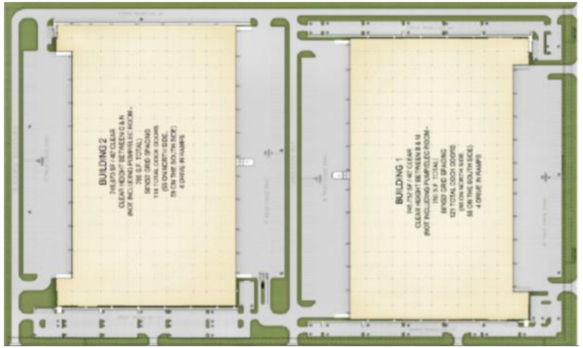
$42MM / 2%
Fund Equity Commitment

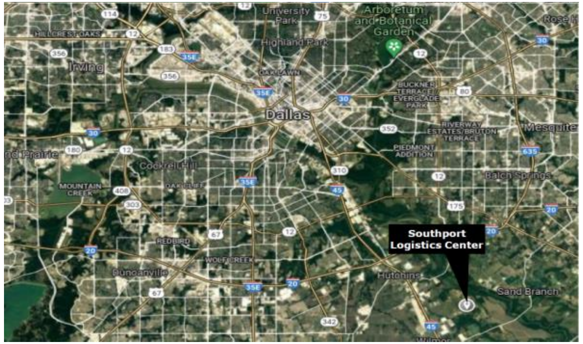
65%
Loan-to-Cost (LTC)

8.36% / 4.75%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Bandera
Industrial Development | Dallas, TX





Investment highlights

- Opportunity to speculatively develop two industrial buildings totaling 1.5MM SF in one of the best performing submarkets in DFW. Stabilized return on cost of 5.20% is ~30% premium to spot cap rates in the DFW Area.
- The project will be two 745,000 SF state-of-the-art, cross-dock warehouse buildings with 40' ft clear heights and good circulation.
- The site is well located with multiple access points, is proximate to I-45 and is six miles from I-20. Additionally, the Dallas intermodal facility is less than two miles west of the site.
- The Dallas industrial market is currently 94% occupied with continued strong leasing and sales momentum. Furthermore, the DFW market has experienced 44 consecutive quarters of positive net absorption.
- Repeat partner to the Fund series with strong performance track record.

Key statistics

December 2021
Acquisition Date

Off Market
Acquisition Sourcing

1,490,000 SF / 0%
Property Size / Leased (%)

Confidential / (10%)
JV Partner / (% Equity Co-Invest)

$124MM / ($83 per SF)
Total Transaction Size

$46MM / 2%
Fund Equity Commitment

65%
Loan-to-Cost (LTC)

5.17% / 3.50%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Closed Investment | Brookhaven
Special Situation | Long Island, NY

Investment highlights

- Insulated credit position on 105-acre site in Suffolk County, Long Island.
- The site is proximate to I-495, the most important thoroughfare in Long Island which provides east-west access to NYC.
- Three (3) year initial term with 6.5% accrual. Position is convertible to equity once borrower obtains industrial rezoning and site plan approval. Equity conversion requires an additional $10mm, providing an all-in land basis of $40 SF.
- Position is collateralized and insulated by land and existing improvements as well as Partner's GP interest in two (2) dry industrial developments.
- The investment provides upside optionality via:
  - Sale of rezoned land (recent land sales at $80-100 SF / 2X all-in land basis); or
  - Future development of the +/- 600k SF of industrial once approvals are obtained (5.6% ROC on current rents/costs).

Key statistics

January 2022
Acquisition Date

Off Market
Acquisition Sourcing

105 Acres/ N/A
Property Size / Leased (%)

Confidential / (5%)
JV Partner / (% Equity Co-Invest)

$128MM / ($28 per SF)
Total Transaction Size

$15MM / 1%
Fund Equity Commitment

60%
Loan-to-Cost (LTC)

5.70% / 4.00%
Stabilized Yield / Market Cap Rate

Source: Invesco Real Estate as of March 11, 2022. These holdings represent closed investments. They are intended to illustrate the types of acquisitions the strategy will pursue. Performance was not a criteria for selection, and the photographs are provided for illustrative purposes only. There can be no assurance that stated objectives will be realized. **Past performance is not a guide to future results.**

Team Biographies

For full biographies of all team members, please visit the data room.

Jay Hurley
Managing Director
Portfolio Manager

Jay Hurley is a Managing Director and Portfolio Manager for Invesco Real Estate's (IRE's) series of U.S. closed-end value-added funds. He is also currently a member of IRE's equity and structure products Investment Committees, North American Direct Executive Committee and on the leadership team of IRE's Investment Strategy Group. Jay began his investment career in 1987 and joined Invesco Real Estate in 1995. He joined as a member of the firm's Acquisition Group where he originated both wholly-owned core investments and structured value-added transactions nationally. Additionally, he has previously held positions as the firm's director of dispositions and director of underwriting. Prior to joining Invesco, Jay held production positions with both Amstar Group and Citicorp Real Estate. He has over 30 years of real estate transactional and portfolio management experience encompassing a broad range of product types and investment strategies. Jay earned a Bachelor of Science degree in Civil Engineering from The University of Texas at Austin and his Master of Business Administration degree from Southern Methodist University. He is a full member of the Urban Land Institute.

Kevin Conroy
Senior Director
Portfolio Manager

Kevin Conroy is a Senior Director and Associate Portfolio Manager for IRE. In this role, his primary responsibilities entail the management, execution and overall performance of investments across the series of closed-end value-added and opportunistic strategies. Kevin began his investment career in 2007 and joined Invesco Real Estate in 2010. Prior to joining Invesco', he was an Assistant Relationship Manager at US Bank, where he was responsible for underwriting and reviewing commercial real estate loans. Kevin earned a Bachelor of Business Administration degree in Finance from Texas A&M University.

Trey Warren
Associate
Portfolio Management

Trey Warren is an Associate on the Portfolio Management team for Invesco Real Estate's (IRE's) higher return objective strategies and structured credit strategies. Trey began his investment career in 2019 and joined Invesco Real Estate in 2021. Prior to joining Invesco, Trey was an analyst for the Real Estate Banking Group at Wells Fargo, where he was responsible for underwriting and tracking the performance of loans across all commercial real estate property types. Trey started his career at Oldham Goodwin Group, a commercial real estate brokerage, development and management firm, where he served as an operations coordinator in the hospitality group. Trey earned a Bachelor of Science in Agricultural Economics from Texas A&M University and received a Master of Real Estate from Texas A&M University's Mays Business School.

Source: Invesco Real Estate as of December 31, 2021.

Team Biographies

For full biographies of all team members, please visit the data room.

Courtney Popelka
Managing Director
Fund Operations

Courtney Popelka is a Managing Director of Fund Operations for Invesco Real Estate. In this role, she oversees the US non-core platform, including the value-add, opportunistic, and structured credit investments strategies. Courtney began her investment career in 1999 and joined Invesco Real Estate in 2009. Prior to her current role, she served as senior controller of the real estate group. Before joining Invesco, she was with the public accounting firm PricewaterhouseCoopers LLP. She then joined an affiliate of Westbrook Partners, and later served as a controller and asset manager at Rockpoint Group. Ms. Popelka earned a Bachelor of Business Administration in Accounting and a master's degree in Finance from Texas A&M University.

Justin Rimel
Senior Director
Portfolio Manager

Justin Rimel is a Senior Director for Invesco Real Estate. He is dedicated to IRE’s domestic higher return objective strategies. His primary role involves identifying, structuring and executing on higher return objective real estate investment opportunities with an evolving role within portfolio management on behalf of IRE’s various opportunistic and value-add initiatives. Justin began his investment career in 1999 and joined Invesco Real Estate in 2020. Prior to joining Invesco, Justin was a Managing Director at Third Point, where he developed and managed a direct real estate program targeting opportunistic investments in both the public and private markets. Before that, he worked at CIM Group and was an integral part of opening its Manhattan office. Mr. Rimel earned a BS in Business from the University of California at Berkeley.

Source: Invesco Real Estate as of December 31, 2021.

Endnotes

Referenced on slide 9 – Executive Summary- Fundraising and Pipeline Snapshot:

1) Underwritten Gross IRR returns are internal rates of return. Such returns represent pre-tax returns, compounded annually on the first day of each calendar year, based on (i) actual quarterly fund cash flows (contributions and distributions) through the most recently reported quarter-end, (ii) estimated quarterly fund cash flows (contributions and distributions) thereafter based on anticipated future operations and sales and (iii) the fund value based on updated valuation estimates by the general partner. Such returns exclude (are gross of) management fees and carried interest paid or to be paid to the applicable fund general partner and fund-level expenses, including, but not limited to, subscription line of credit interest and financing costs, organizational costs, audit and tax costs, dead deal costs and other general and administrative costs (which consist primarily of accounting payroll and travel and entertainment). Such returns are not an accurate estimate of current realizable value if investments were liquidated as of the most recently reported quarter-end.

Referenced on slide 10 – Executive Summary

1) Since Inception Gross IRR

- Since Inception Gross IRR returns are internal rates of return. Such returns represent pre-tax returns, compounded annually on the first day of each calendar year, based on (i) actual quarterly fund cash flows (contributions and distributions) and (ii) the fund's net asset value as of the most recently reported quarter-end, and assume a liquidation and final distribution of an amount equal to such net asset value. Such returns exclude (are gross of) management fees and carried interest paid or to be paid to the applicable fund general partner and fund-level expenses, including, but not limited to, subscription line of credit interest and financing costs, organizational costs, audit and tax costs, dead deal costs and other general and administrative costs (which consist primarily of accounting payroll and travel and entertainment).

Referenced on slide 13 – Executive Summary - Pipeline Investment Opportunities:

1) Underwritten Gross IRR returns are internal rates of return and Underwritten Gross EM returns are equity multiples based on the TVPI methodology derived by dividing total distributions by total contributions. Such returns represent pre-tax returns, compounded annually on the first day of each calendar year, based on (i) actual quarterly fund cash flows (contributions and distributions) through the most recently reported quarter-end, (ii) estimated quarterly fund cash flows (contributions and distributions) thereafter based on anticipated future operations and sales and (iii) the estimated fund value based on updated valuation estimates by the general partner. Such returns exclude (are gross of) management fees and carried interest paid or to be paid to the applicable fund general partner and fund-level expenses, including, but not limited to, subscription line of credit interest and financing costs, organizational costs, audit and tax costs, dead deal costs and other general and administrative costs (which consist primarily of accounting payroll and travel and entertainment). Such estimated returns are not an accurate estimate of current realizable value if investments were liquidated as of the most recently reported quarter-end.

Invesco Real Estate U.S. Fund VI, L.P.

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Invesco Real Estate U.S. Fund VI, L.P.
Disclosures

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These materials may contain statements that are not purely historical in nature but are “forward-looking statements.” These include, among other things, projections, forecasts, estimates of income, yield or return, future performance targets, sample or pro forma portfolio structures or portfolio composition, scenario analysis, specific investment strategies and proposed or pro forma levels of diversification or sector investment. These forward-looking statements can be identified by the use of forward looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “estimate,” “intend,” “continue,” “target,” “believe,” the negatives thereof, other variations thereon or comparable terminology. Forward looking statements are based upon certain assumptions, some of which are described herein. Actual events are difficult to predict, are beyond the Issuer’s control, and may substantially differ from those assumed. All forward-looking statements included herein are based on information available on the date hereof and Invesco assumes no duty to update any forward-looking statement. Some important factors which could cause actual results to differ materially from those in any forward-looking statements include, among others, the actual composition of the portfolio of Underlying Assets, any defaults to the Underlying Assets, the timing of any defaults and subsequent recoveries, changes in interest rates, and any weakening of the specific obligations included in the portfolio of Underlying Assets. Other detailed risk factors are also described in the Private Placement Memorandum. Accordingly, there can be no assurance that estimated returns or projections can be realized, that forward-looking statements will materialize or that actual returns or results will not be materially lower than those presented.

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This information is being delivered to the types of investors listed on the cover in order to assist them in determining whether they have an interest in the type of fund described herein. It has been prepared solely for information purposes. The distribution and offering of the Fund in certain jurisdictions may be restricted by law. Persons into whose possession this document may come are required to inform themselves about and to comply with any relevant restrictions. Persons interested in acquiring funds should inform themselves as to (i) the legal requirements in the countries of their nationality, residence, ordinary residence or domicile; (ii) any foreign exchange controls and (iii) any relevant tax consequences.

Invesco Real Estate U.S. Fund VI, L.P.
Disclosures

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Not FDIC Insured, May Lose Value, No Bank Guarantee

TerraCap Partners V

U.S. Value-Add Commercial Real Estate Fund

March 2022

MWRA Employees' Retirement System

Private & Confidential

TERRACAP

TerraCap Management is a privately held real estate investment manager.

100%
Employee-Owned

24
Total Employees

11
Co-Investor Employee Partners

20 Years
Sr. Team Avg. Real Estate Experience

6
Investment Committee Members

4 Offices
Atlanta | Denver | Tampa | Naples, FL

320
Total Investors

116
Institutional Investors

549,000
Pensioners

$1.7B
AUM

14M SF
Total Managed

9M SF
Currently Managed

Assets under management represent approximate gross market value of all assets and accounts managed by TerraCap Management based on values at stabilization, excluding partners' share of equity and partners' share of debt on partnership investments.

MASSACHUSETTS WATER RESOURCE AUTHORITY EMPLOYEES' RETIREMENT BOARD[1]

TerraCap Partners III	
Initial Investment	-
Contributions Since Inception	2,610,264
Distributions Since Inception	(2,163,383)
Gain/Loss Since Inception	722,021
Syndication Cost Since Inception	(2,435)
Operating Income Since Inception	663,675
Management Fees Since Inception	(238,444)
Market Value as of 12/31/2021	**1,591,697**
Total Value Since Inception	**3,755,080**

TerraCap Partners IV	
Initial Investment	-
Contributions Since Inception	4,000,000
Distributions Since Inception	(1,855,151)
Gain/Loss Since Inception	1,430,181
Syndication Cost Since Inception	(10,864)
Operating Income Since Inception	347,016
Management Fees Since Inception	(160,997)
Market Value as of 12/31/2021	**3,750,185**
Total Value Since Inception	**5,605,336**

1 Operating income/expenses include property level income which include non-cash items such as depreciation and profit from property sales.

privateequitywire

US AWARDS WINNER 2020

Best Real Estate Manager (fund size below USD1bn)

TerraCap Management, LLC

Disclosure: Private Equity Wire (PEW) awards are based on a 'peer review system' whereby readers are invited to elect a 'best in class' in a series of categories via an online survey. In each category, the firms with the most votes at the end of the voting period are subject to a final review by PEW. TerraCap Management LLC (TerraCap) is unaware of any facts that would call into question the validity of the rating or the appropriateness of advertising the rating. TerraCap is unaware of any unfavorable rating that should be disclosed along with the favorable rating of PEW. Criteria for selection was as follows: the fund manager universe included all funds managed by US-headquartered GPs; all funds in each category were grouped into their respective vintages and ranked on the basis of their net IRR as at the end of December 2019.; for all categories, five vintages of funds were analyzed – 2014, 2015, 2016, 2017 and 2018; all GPs that had more than one fund ranked among the top performers across those five vintages were shortlisted for that category; for all categories, the minimum fund size was set at $100 million; for the asset band groupings, asset thresholds were based on the respective individual fund sizes – not the overall assets under management of the GP in that category. This rating may not be representative of any one person's experience because the rating reflects an average of all, or a sample of all, of the experiences with the adviser provided to PEW. Past performance is not indicative of future results. TerraCap did not pay a fee to participate in the evaluation by PEW for this award. TerraCap was shortlisted by Bloomberg for participation and then completed a requested information packet to participate. Bloomberg, provided the data on which the nominations for the top-performing private equity fund managers were based across a range of asset classes and investment strategies.

TERRACAP PARTNERS V LP - EXECUTIVE SUMMARY

Target Equity Raise:
$400 Million

Target Returns:
14% Net IRR

TARGET MARKETS

- Geographically diversified throughout the U.S. – Growth Only Markets
- Secondary Cities benefitting from corporate relocations, in-migration, and now COVID
- Affordability creates strong employment and population growth
- Limited future supply

TARGET ACQUISITION PRICES

- Between $30 and $100 million

DIVERSIFIED PROPERTY TYPES

- Multifamily
- Flex/Industrial/Warehouse
- Office

TerraCap Management, LLC considers thematic factors such as business formation, employment growth and population growth on a market-by-market basis, as most metros and submarkets have different economic-based industries and therefore move through their economic cycles differently. The Investment Manager makes moderate strategic overweighting or underweighting to markets, depending on the specific economic drivers influencing supply and demand. The Investment Manager intends to invest the Fund's assets so that no economic industry base will be allowed to dominate any property or the portfolio's performance.*

Fund Opened: 10/1/2020

Total Capital Raised as of 3/21/2022 = $540 Million

*The specific terms of an investment in Fund V are subject to the Offering Documents. Such terms may change from the time you receive these materials and the time you receive the Offering Documents. Return targets or objectives, if any, are used for measurement or comparison purposes and only as a guideline for prospective investors to evaluate a particular investment program's investment strategies and accompanying information. Targeted returns reflect subjective determinations by TerraCap based on a variety of factors, including, among others, internal modeling, investment strategy, prior performance of similar products (if any), volatility measures, risk tolerance and market conditions. Performance may fluctuate, especially over short periods. Targeted returns should be evaluated over the time period indicated and not over shorter periods. Targeted returns are not intended to be actual performance and should not be relied upon as an indication of actual or future performance.

TerraCap

Achieving Yield & Capital Appreciation Today

- TerraCap seeks the best built and best located remaining vacancy in high demand markets.
- Create value during ownership as an Operator, not an Allocator.
    - Improve properties physically, operationally, and financially.
- Invests defensively in high-demand Secondary growth markets only.
- Resulting in the ability to increase lease rates and rental rates and ultimately NOI for value creation.
- Avoids investing in overpriced Primary Gateway Core markets.
- Independent 3rd Party evaluations of performance.
    - Public Market Equivalent (PME) Alpha, CapEx Efficiency – Return on Investment (ROI), Ex-Ante Risk Adjusted Performance.
- Hold weekly asset management and quarterly business plan meetings.
- Avoids new construction risk in a rising cost environment.
- Avoids industry, tenant, and single asset strategy concentration risk.
- Focuses on minimizing the J-curve and producing investor cashflow.
    - 7-year average – 1 distribution every 2.5 months.
- Current portfolio resilient through recent times of crisis – COVID-19 pandemic.
    - 93-99% of normal revenues across Funds.

Fund Investment Focus

INVESTMENT SIZE

- Target Equity investments of $10 - $35M; taking advantage of what TerraCap believes to be market inefficiencies in middle-market transactions; expect 25-30 investments

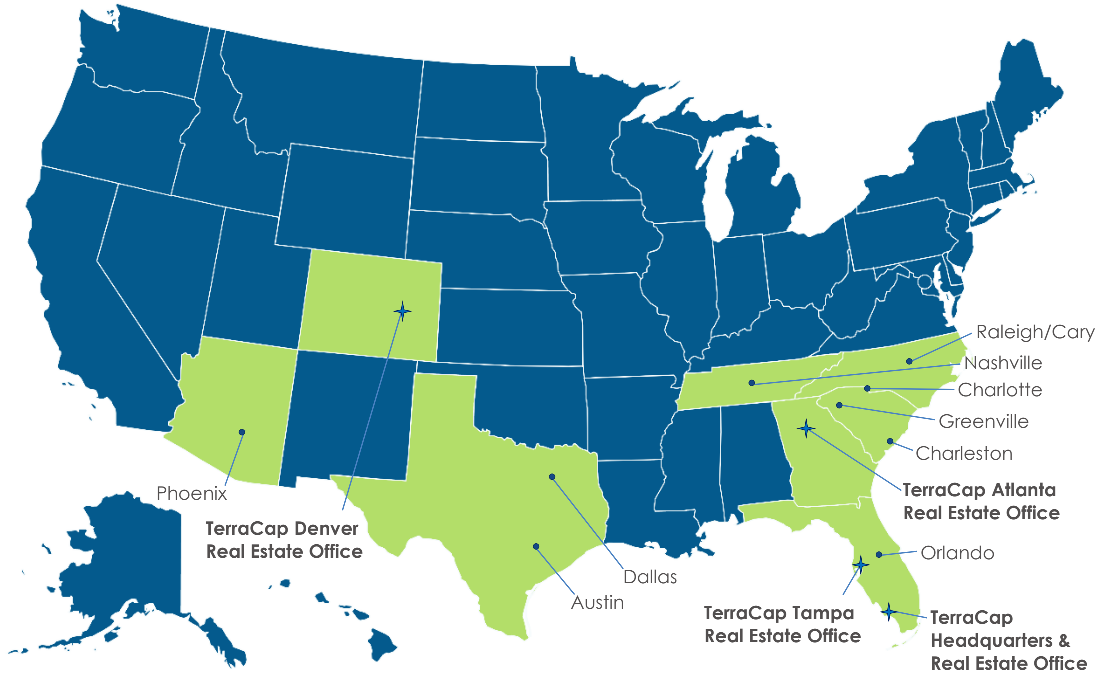
LEVERAGE

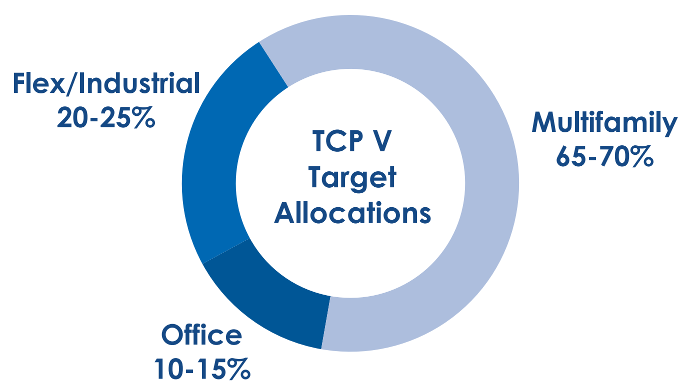
- TerraCap's historic leverage is less than 60%
- Fund level leverage limit of 70%
- Non-recourse loans only
- No cross collateralization

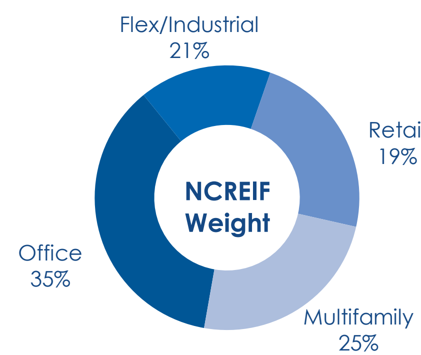
VALUATIONS

- Annual/Quarterly

REGION OF FOCUS







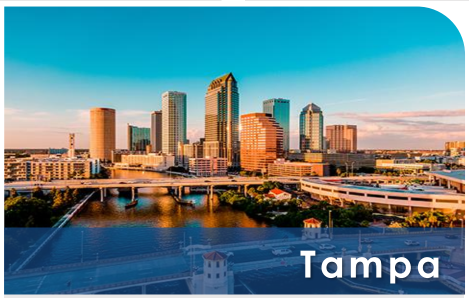
DEMAND MARKETS CREATING VALUE

- 6 Million Residents
- 1.8% Job Growth in 2020
- +545k Jobs Since 2010
- #2 World's Busiest Airport
- #5 Moving Destination

- 7.6 Million Residents
- 2.0% Job Growth in 2020
- +845k Jobs Since 2010
- #1 MSA in Pop. Gains
- #2 in Corp. Relocations

- 2.6 Million Residents
- 2.6% Job Growth in 2020
- +344k Jobs Since 2010
- #1 US Tourism Destination
- #7 Moving Destination

- 3 Million Residents
- 1.7% Job Growth in 2020
- +320k Jobs Since 2010
- #3 Moving Destination
- 2.2% Unemployment



- 3.2 Million Residents
- 1.9% Job Growth in 2020
- +266k Jobs Since 2010
- #4 in Corp. Relocations
- #10 Moving Destination

- 2.6 Million Residents
- 2.0% Job Growth in 2020
- +272k Jobs Since 2010

- 4.9 Million Residents
- 2.3% Job Growth in 2020
- +464k Jobs Since 2010
- #2 Moving Destination

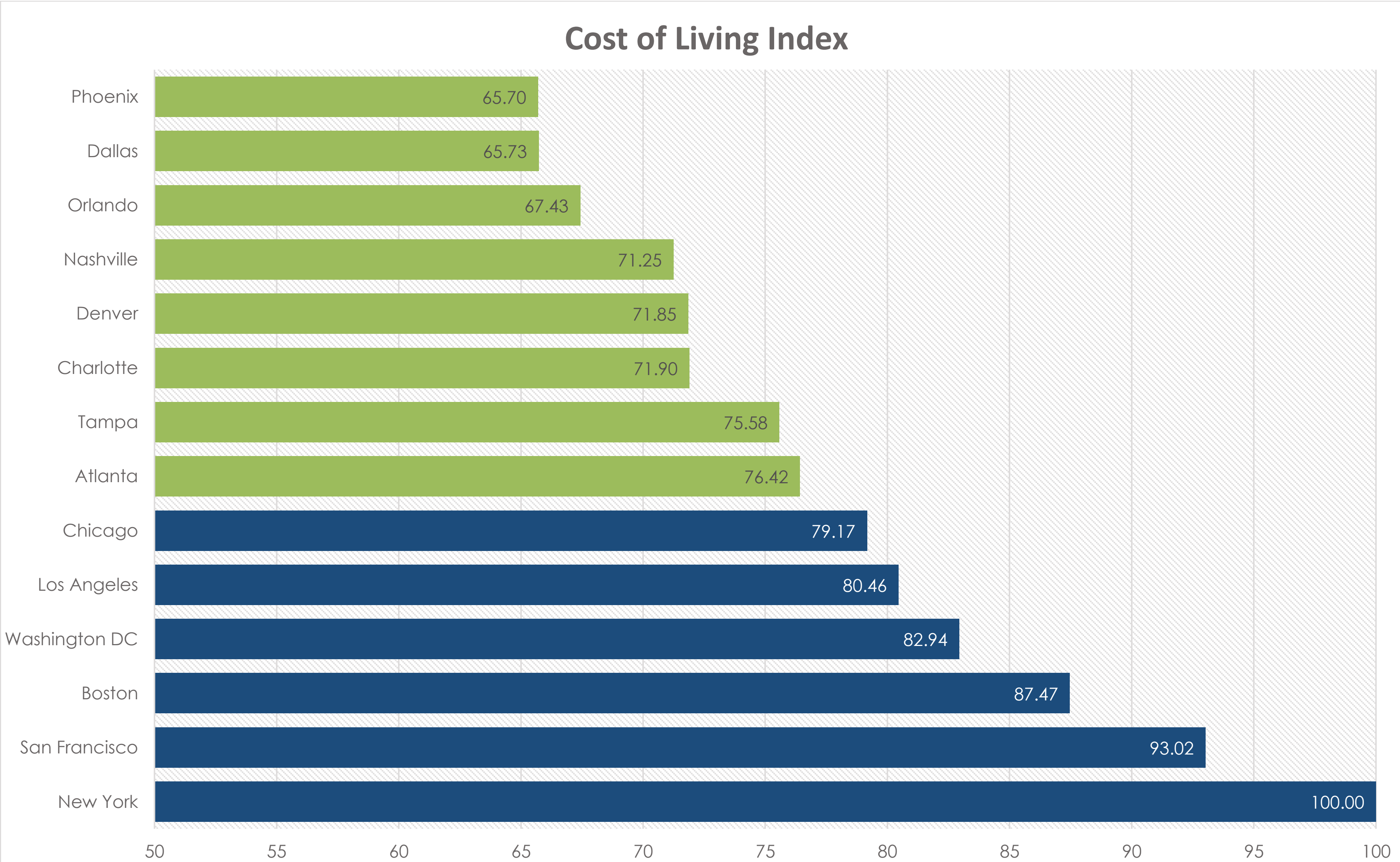
Sources: U.S. Census Bureau. Penske Truck Rental's list of Top Moving Destinations 2019. U.S. Department of Labor. Site Selector/Conway Projects Database. https://www.globenewswire.com/news-release/2019/05/10/1821626/0/en/Orlando-Announces-Record-75-Million-Visitors-Solidifies-Ranking-as-No-1-U-S-Travel-Destination.html Atlanta Airport Source: Airports Council International. IHS Global Insight (USA) Inc., U.S. Metro Economies: GMP and Employment Report: 2018-2020 (2019), available at https://www.usmayors.org/wp-content/uploads/2019/09/mer-2019-09.pdf.

CONTINUED EMPLOYMENT GROWTH IN SECONDARY MARKETS

Metropolitan Statistical Area	% ch EMPL 2018	% ch EMPL 2019	% ch EMPL 2020	Total Employment (000's)	Job Gains 2010-2019 (000's)	% ch 2010-2019
Orlando-Kissimmee-Sanford, FL	3.7	3.3	**2.6**	1,341.3	343.9	25.6%
Phoenix-Mesa-Scottsdale, AZ	3.4	2.9	**2.3**	2,168.8	464.1	21.4%
Charlotte-Concord-Gastonia, NC-SC	2.4	2.4	**2.0**	1,241.6	272.6	22.0%
Dallas-Fort Worth-Arlington, TX	2.4	2.6	**2.0**	3,813.2	845.2	22.2%
Tampa-St. Petersburg-Clearwater, FL	2.4	1.7	**1.9**	1,380.9	266.1	19.3%
Atlanta-Sandy Springs-Roswell, GA	2.2	1.9	**1.8**	2,845.7	545.3	19.2%
Nashville-Davidson--Murfreesboro--Franklin, TN	3.1	2.0	**1.7**	1,034.3	260.3	25.2%
Denver-Aurora-Lakewood, CO	2.5	1.3	**1.7**	1,525.2	320.3	21.0%
San Francisco-Oakland-Hayward, CA	2.3	2.5	**1.5**	2,507.8	563.5	22.5%
Washington-Arlington-Alexandria, DC-VA-MD-WV	1.1	1.1	**1.4**	3,338.8	327.3	9.8%
Boston-Cambridge-Newton, MA-NH	1.1	1.0	**1.0**	2,802.2	368.5	13.2%
National Average	**1.3**	**1.2**	**0.9**			
Los Angeles-Long Beach-Anaheim, CA	1.6	1.0	**0.8**	6,246.2	917.5	14.7%
Chicago-Naperville-Elgin, IL-IN-WI	1.0	1.1	**0.7**	4,809.2	530.8	11.0%
New York-Newark-Jersey City, NY-NJ-PA	1.3	1.3	**0.7**	9,945.6	1280.7	12.9%

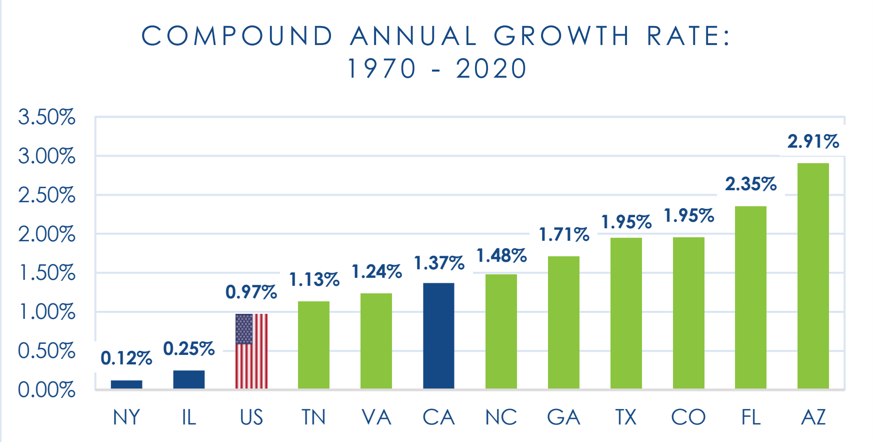
Sources: IHS Global Insight (USA) Inc., U.S. Metro Economies: GMP and Employment Report: 2018-2020 (2019), available at https://www.usmayors.org/wp-content/uploads/2019/09/mer-2019-09.pdf.

Cost of Living



Sources: 2009-2021 Numbeo, https://www.numbeo.com/cost-of-living/region_rankings_current.jsp?region=021&displayColumn=0

Population Growth Rates

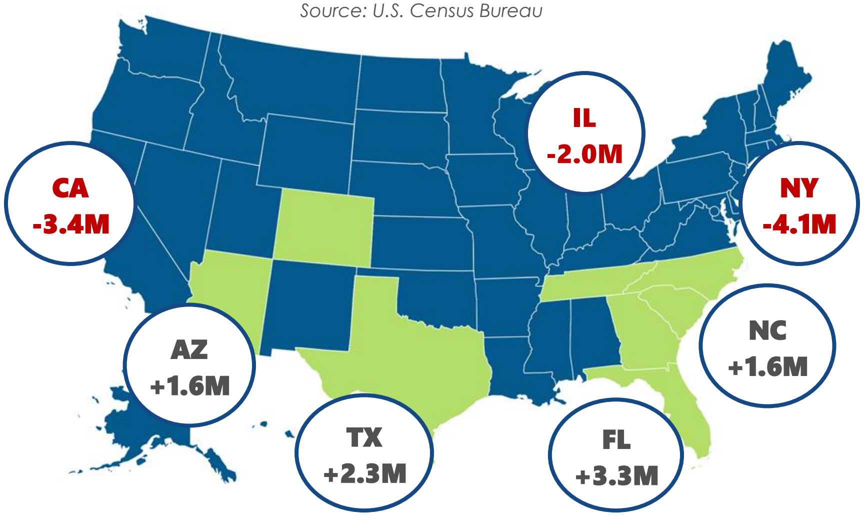


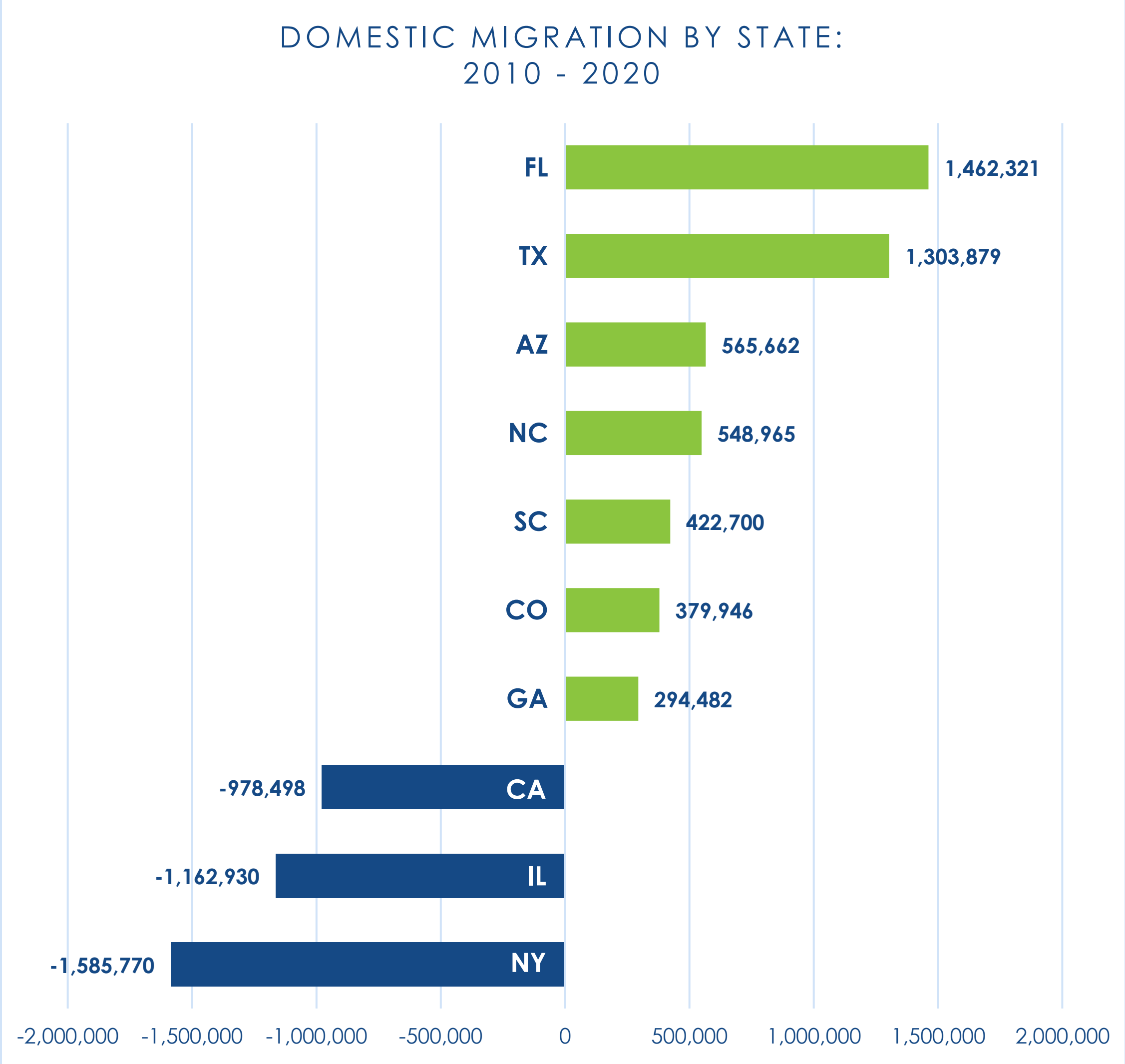
Source: Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico: April 1, 2010 to July 1, 2020 - U.S. Census Bureau; 1970 Census - Population, Advance Report: Final Population Counts https://www.census.gov/library/publications/1971/dec/pc-v1.html

TerraCap Areas of Focus shown in green

Domestic Migration by State: 1995-2020

Source: U.S. Census Bureau





Source: Cumulative Estimates of the Components of Resident Population Change for the United States, Regions, States, and Puerto Rico: April 1, 2010 to July 1, 2020 - U.S. Census Bureau

TerraCap Areas of Focus shown in green

Millennials Are Now the Largest Working Aged Generation in the US

23M

Silent Generation

Born 1928-1945
75-92 years old

71M

Baby Boomers

Born 1946-1964
56-74 years old

65M

Generation X

Born 1965-1980
40-55 years old

72M

Millennials

Born 1981-1996
24-39 years old
Largest Current Workforce

86M

Generation Z

Born 1997-Present
0-23 years old

Source: The Pew Research Group, https://pewrsr.ch/2szqtJz

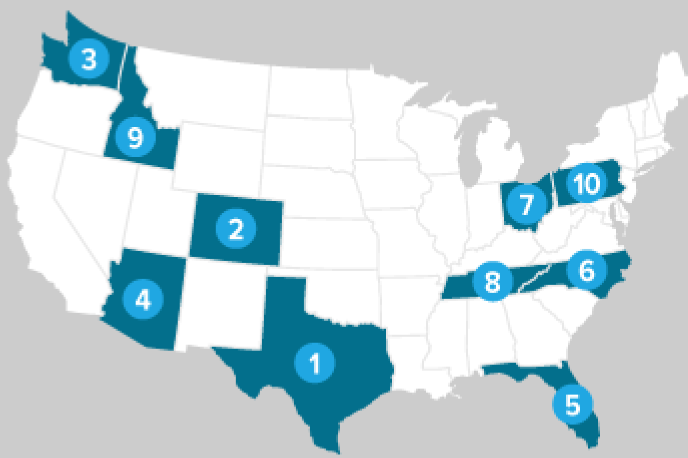
AGING MILLENNIALS LEAVING URBAN CENTERS

smartasset

TOP 10

States Where Millennials Are Moving

	State	Net Migration
1	TEXAS	33,277
2	COLORADO	29,546
3	WASHINGTON	25,700
4	ARIZONA	20,887
5	FLORIDA	14,328
6	NORTH CAROLINA	8,757
7	OHIO	7,031
8	TENNESSEE	6,639
9	IDAHO	5,840
10	PENNSYLVANIA	5,225



Net migration data comes from the U.S. Census Bureau and is for 2019. It reflects the number of people between the ages of 25 and 39 moving into the state minus the number moving out of the state.

Source: https://smartasset.com/mortgage/where-millennials-are-moving-2021

TerraCap

States Receiving Domestic Migration Enjoy Benefits

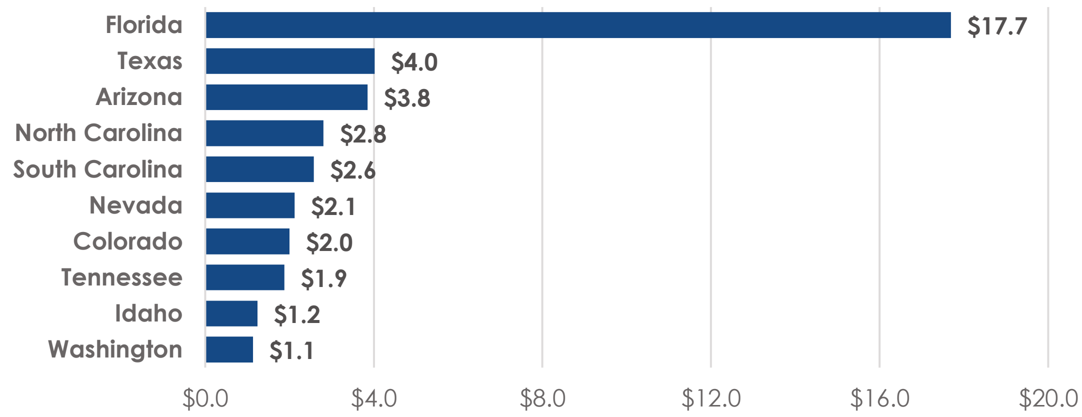
Progressive tax states lose people & income to flat and zero income tax states.

"The nation's seventeen flat and no income tax states won a net 1.9 million residents and $120 billion in Adjusted Gross Income (AGI) from progressive tax states during the 2000-2018 period."

Zero Tax States	Flat Tax States
Florida	Colorado
Nevada	North Carolina
Washington	Utah
Tennessee	New Hampshire
Wyoming	Indiana
Texas	Michigan
South Dakota	Pennsylvania
Alaska	Massachusetts
	Illinois

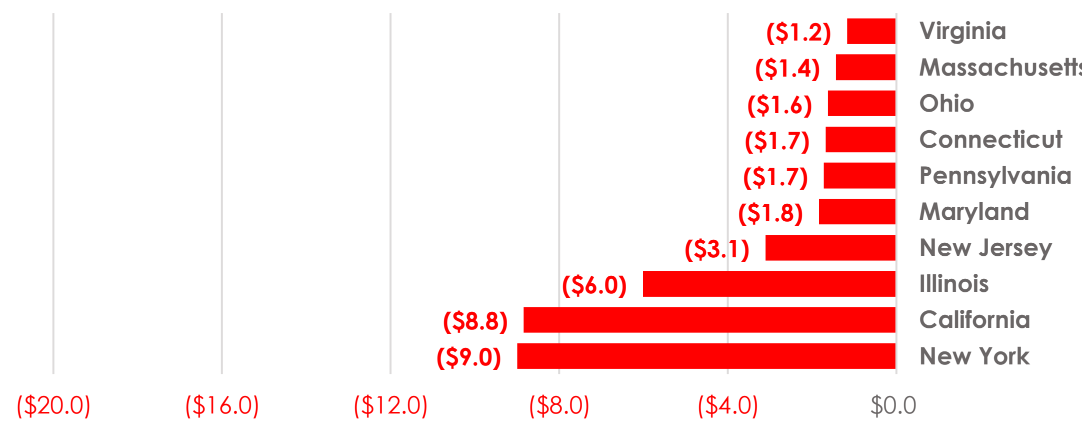
Source: https://wirepoints.org/progressive-tax-states-lose-people-income-to-flat-and-no-income-tax-states-wirepoints/

Ten States with Best Net Gain of Domestic Adjusted Gross Income 2019 (in billions)



Source: Internal Revenue Service – SOI migration data

Ten States with Worst Net Gain of Domestic Adjusted Gross Income 2019 (in billions)



Source: Internal Revenue Service – SOI migration data

TerraCap Performance vs. Public Market Equivalents[1]

	TerraCap II 12.31.2011	TerraCap III 6.30.2014	TerraCap IV 4.21.2017
Fund Level Gross IRR (Since Inception as of 6/30/21)	15.10%	9.37%	12.88%
Fund Level Net IRR (Since Inception as of 6/30/21)	12.51%	9.19%	10.92%
Equity-Weighted Holding Period for Realized Investments (years)	3.5	3.7	2.9
NCREIF Property Index PME Net IRR (as of 6/30/21)	8.90%	7.70%	7.97%
TerraCap Net IRR Direct Alpha	**+3.61%**	**+1.49%**	**+2.95%**
TerraCap NOI Compound Annual Growth Rate	**28.3%**	**2.3%**	**5.6%**
TerraCap CapEx Efficiency	**+66%**	**+107%**	**+93%**
TerraCap Levered Net Ex-Ante Return Expectation = 8%	**+4.51%**	**+1.19%**	**+2.92%**

	NCREIF Property Index PME
TerraCap Aggregate Direct Alpha Weighted by Capital Call	**+2.74%**
TerraCap Aggregate Direct Alpha Weighted by NAV Quarters	**+2.70%**

[1]Information about indices is provided to allow for comparison of the performance of the Adviser to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in indices and they are not actively managed. Therefore, they do not have transaction costs, management or performance fees or other operational expenses. The volatility of indices may be materially different from the performance of the Adviser. In addition, the Adviser's recommendations may differ significantly from the securities that comprise the indices. See Pages 48-50 for important disclosures. Past performance is not indicative of future results and there can be no assurance that Fund V or investments by Fund V, as the context requires, will achieve comparable results. References to past performance are not a guarantee, projection or prediction for Fund V, nor are they necessarily indicative of future results for Fund V.

TerraCap

TerraCap Partners II Portfolio Performance[1]

Realized Properties	Property Type	Building Size	Acquisition Date	TerraCap's Equity Basis at Purchase	Purchase Price	TerraCap's Equity Basis at Disposition	TerraCap Sales Date	TerraCap Sales Price	Realized Net IRR	Realized Net EM
Villa Sol Village	Land	n/a	08/01/13	$1,481,261	$1,368,422	$1,482,938	8/7/2014	$2,050,000	29.9%	1.29
Hampton Inn & Suites	Hospitality	80,000	10/29/12	$4,610,728	$4,350,000	$5,127,905	10/2/2014	$9,425,000	27.9%	1.53
Coconut Office Center	Office	11,000	08/08/12	$799,514	$800,000	$985,042	1/13/2015	$1,442,000	15.2%	1.37
Westlinks Gateway (1)	Flex	228,280	08/06/12	$7,443,129	$7,200,000	$6,809,696	5/5/2015	$17,689,000	31.7%	1.49
Gateway RSW International (1)	Flex	112,398	03/29/13	$3,522,791	$3,300,000	$3,724,737	5/5/2015	$8,730,000	31.7%	1.49
Eastlinks RSW International (1)	Flex	174,950	07/08/13	$6,400,000	$9,373,365	$9,316,259	5/5/2015	$13,581,000	31.7%	1.49
North Gateway Office Center	Flex	36,240	11/22/13	$1,518,587	$1,500,000	$2,200,848	11/12/2015	$3,500,000	21.7%	1.37
La Quinta Inn & Suites	Hospitality	60,000	03/30/12	$2,873,527	$2,852,000	$96,564	12/3/2015	$8,100,000	20.0%	1.65
Coral Cove Condos (2)	Residential	210,000	12/27/12	$1,646,667	$8,133,333	$1,410,006	2/4/2016	$14,550,000	22.2%	2.00
Sarasota Sun Center Lot	Land	n/a	05/20/14	$1,468,702	$1,442,000	$1,510,297	3/30/2016	$2,750,000	19.3%	1.38
Gulf Coast Office Center	Office	11,500	10/30/13	$910,461	$900,000	$1,182,425	11/17/2016	$1,326,045	-0.7%	0.98
Hancock Office Center	Office	10,000	12/06/12	$164,108	$435,000	$262,838	11/18/2016	$615,000	5.0%	1.21
Bradenton Office Center	Office	32,040	06/13/13	$1,885,370	$1,925,000	$1,994,207	6/9/2017	$1,601,250	-8.8%	0.69
Palms of Estero	Land	n/a	02/24/12	$182,722	$1,459,190	$771,664	Multiple	$2,533,431	11.8%	1.39
Tampa Int'l Business Center	Office	331,148	08/26/13	$5,072,589	$12,116,000	$13,022,863	11/14/2017	$45,050,000	16.8%	1.53
Capital Commerce Center	Office	274,440	12/02/13	$3,417,339	$3,200,000	$7,433,683	1/19/2018	$44,656,500	40.2%	2.32
Celebration IV	Office	125,974	02/20/14	$7,152,564	$17,877,000	$7,148,412	3/16/2018	$21,770,000	11.2%	1.33
Sarasota Sun Center	Office	95,000	02/14/14	$4,335,199	$11,500,000	$3,526,732	5/1/2018	$16,350,000	14.1%	1.79
Lakeview	Office	186,309	03/14/14	$8,407,485	$15,912,918	$3,492,093	5/11/2018	$21,750,000	11.9%	1.51
Colonial Corporate Center	Office	61,239	12/20/13	$4,054,969	$4,000,000	$4,984,263	12/17/2018	$5,900,000	-2.7%	0.9
Punta Gorda Reserve	Land	n/a	02/24/12	$505,613	$1,182,916	$960,790	3/22/2021	$1,730,000	6.4%	1.51
Eastpointe	Office	81,717	03/14/14	$3,653,215	$6,987,082	$4,352,138	9/23/2021	$10,100,000	6.1%	1.31
Total Realized:		**2,122,235**		**$71,506,540**	**$117,814,226**	**$81,796,400**		**$255,199,226**	**18.0%**	**1.62**
Unrealized Projected Properties	**Property Type**	**Building Size**	**Acquisition Date**	**TerraCap Equity Basis at Purchase**	**Purchase Price**	**TerraCap's Current Equity Basis**				
Jones Loop Road Assemblage (2)	Land	n/a	03/21/12	$2,408,643	$11,750,000	$2,936,979				
Total Projected Unrealized:		**0**		**$2,408,643**	**$11,750,000**	**$2,936,979**				
Total Portfolio:		**2,122,235**		**$73,915,183**	**$129,564,226**	**$84,733,379**				

(1) Westlinks Gateway, Gateway RSW International, and Eastlinks RSW International were owned with a JV Partner. TerraCap's share was 57%.
(2) Coral Cove Condos was owned with a JV Partner. Jones Loop Road is owned with a JV Partner. TerraCap's share is 20%.
Properties highlighted in green are under contract to sell or being marketed for sale.

- Fund II closed in **December 2013** and has made **21** distributions in **8 years** from both yield and capital appreciation.
- A total of **$161M** or **158%** of invested capital has been distributed.

1. See Important Disclosures, Certain Performance-Related Notes for disclosures regarding gross and unrealized performance.

TERRACAP PARTNERS III PORTFOLIO PERFORMANCE[1]

Realized Properties	Property Type	Building Size	Acquisition Date	TerraCap's Equity Basis at Purchase	Purchase Price	TerraCap's Equity Basis at Disposition	TerraCap Sales Date	TerraCap Sales Price	Realized Net IRR	Realized Net EM
Harbour Pointe Apartments	Multifamily	209,155	01/20/15	$7,280,365	$21,115,000	$7,497,359	1/10/2017	$27,600,000	31.4%	1.69
Lake Destiny Center II	Office	23,160	12/18/15	$1,521,657	$1,524,000	$1,257,579	2/3/2017	$3,300,000	74.3%	1.76
Keller Center	Office	159,840	10/07/14	$9,131,543	$9,304,400	$10,231,599	6/1/2018	$27,950,000	12.7%	1.50
Royal Office Center	Office	139,292	09/19/16	$5,448,644	$14,010,000	$5,533,547	6/5/2019	$16,850,000	12.8%	1.33
Sarasota Commerce Center	Office	259,247	05/07/15	$12,337,515	$37,129,000	$10,419,995	9/3/2019	$45,200,000	14.3%	1.64
Kennesaw Commerce Center	Office	305,000	01/27/16	$11,925,404	$30,179,000	$11,410,063	12/3/2019	$46,100,000	13.4%	1.58
Lake Destiny Center I	Office	57,359	12/18/15	$3,546,103	$3,556,000	$3,508,014	12/20/2019	$7,000,000	5.7%	1.17
Barrett Commerce Center	Office	197,522	01/13/16	$6,587,608	$18,750,000	$7,635,980	4/14/2021	$21,150,000	4.8%	1.22
Forest Park II & III	Office	89,176	12/16/16	$3,501,867	$8,150,000	$4,455,630	3/7/2022	$15,000,000	9.0%	1.49
Total Realized:		**1,439,751**		**$61,280,706**	**$143,717,400**	**$61,949,764**		**$210,150,000**	**13.2%**	**1.40**

Unrealized Projected Properties	Property Type	Building Size	Acquisition Date	TerraCap Equity Basis at Purchase	Purchase Price	TerraCap's Current Equity Basis
Tampa Oaks Office Center	Office	104,080	03/23/16	$4,555,530	$12,944,000	$4,618,508
Cary Hospitality	Hotel	66,606	05/25/16	$8,692,918	$8,550,000	$7,699,858
Huntcrest Commerce Center	Office	394,258	06/01/16	$22,129,437	$61,421,320	$20,769,947
Sugarloaf Commerce Center	Office	168,153	08/09/16	$8,447,136	$25,370,000	$8,985,000
Total Projected Unrealized:		**733,097**		**$43,825,021**	**$108,285,320**	**$42,073,313**
Total Portfolio:		**2,172,848**		**$105,105,727**	**$252,002,720**	**$104,023,077**

Properties highlighted in green are being marketed for sale.

- Fund III closed in **July 2016** and has made **16** distributions in **5.5 years** from both yield and capital appreciation.
- A total of **$102M** or **85%** of invested capital has been distributed.

1. See Important Disclosures, Certain Performance-Related Notes for disclosures regarding gross and unrealized performance.

TERRACAP PARTNERS IV PORTFOLIO SUMMARY[1]

Realized Properties	Property Type	Building Size	Acquisition Date	TerraCap's Equity Basis at Purchase	Purchase Price	TerraCap's Equity Basis at Disposition	TerraCap Sales Date	TerraCap Sales Price	Realized Net IRR	Realized Net EM
NAVA Arbors	Multifamily	130,291	09/29/17	$4,925,480	$12,250,000	$4,948,994	12/18/2019	$16,050,000	16.3%	1.40
Resource Square Office Center	Office	245,111	05/24/18	$13,187,922	$39,188,000	$13,221,338	1/10/2020	$50,400,000	30.2%	1.54
NAVA Holcomb	Multifamily	251,182	09/29/17	$10,576,737	$27,336,000	$10,926,542	9/3/2020	$39,000,000	17.6%	1.60
Madison Woods (1)	Multifamily	181,544	06/15/17	$2,641,218	$13,350,000	$3,316,401	11/3/2020	$18,275,000	17.2%	1.70
Olde Battleground (1)	Multifamily	183,160	06/15/17	$2,885,292	$13,608,000	$3,571,167	11/3/2020	$18,275,000	17.2%	1.70
Terrace Oaks (1)	Multifamily	120,575	06/15/17	$2,582,587	$9,240,000	$3,193,988	11/3/2020	$12,700,000	17.2%	1.70
NAVA Knolls	Multifamily	314,514	09/29/17	$14,453,615	$36,894,000	$15,067,244	2/11/2021	$48,400,000	19.9%	1.80
NAVA Crossings	Multifamily	380,070	09/29/17	$15,993,626	$39,520,000	$16,361,443	2/11/2021	$55,300,000	22.1%	1.94
23 Thirty Residences	Multifamily	216,600	08/17/18	$10,655,010	$27,715,000	$10,880,910	6/21/2021	$41,100,000	24.1%	1.86
Northwoods Office Center	Office/Flex	100,720	07/24/20	$2,740,059	$6,987,000	$3,884,105	2/1/2022	$12,700,000	50.0%	1.75
Total Realized:		**2,123,767**		**$80,641,546**	**$226,088,000**	**$85,372,132**		**$312,200,000**	**21.0%**	**1.75**

Unrealized Projected Properties	Property Type	Building Size (Net)	Acquisition Date	TerraCap's Equity Basis at Purchase	Purchase Price	TerraCap's Current Equity Basis
Breckinridge Office Center	Office	253,307	05/25/17	$7,461,505	$19,020,000	$11,058,271
Deerfield Office Center	Office	204,690	06/02/17	$10,470,538	$28,686,964	$10,764,942
Windward Office Center	Office	132,096	06/02/17	$6,767,525	$18,513,036	$6,712,129
Park Central (2)	Office	215,194	03/01/18	$9,777,135	$29,000,000	$9,553,771
Addison Office Center	Office	213,583	08/30/18	$13,193,948	$38,409,000	$12,863,364
Peachtree Tech Office Center	Office/Flex	253,445	11/06/18	$9,543,809	$27,919,000	$7,849,173
Ashford Office Center	Office	159,154	01/08/19	$8,249,998	$24,620,000	$9,058,096
Trafalgar Office Center	Office	149,074	02/27/19	$6,440,260	$13,800,000	$7,334,411
Preston Park Office Center	Office	367,543	03/18/19	$20,304,996	$61,000,000	$21,043,053
Clairemont Office Center	Office	122,713	04/12/19	$7,964,489	$24,360,000	$6,387,146
Lake Point Commerce Center	Office/Flex	134,389	07/01/19	$5,589,641	$17,625,000	$5,054,954
CRS Office Center I, II, & V	Office	337,611	08/21/19	$19,368,057	$59,338,675	$19,500,560
Denv er Corporate Center II & III	Office	381,466	08/30/19	$23,643,492	$71,710,000	$19,775,272
Centerpoint Office Center	Office	373,724	10/30/19	$25,495,540	$77,517,500	$27,021,374
CRS Office Center IV	Office	152,308	11/01/19	$13,199,367	$24,766,000	$13,104,896
Cherry Creek Office Center	Office	335,059	03/10/20	$17,451,500	$54,590,500	$17,937,589
Cobb Commerce Center	Office/Flex	196,532	07/24/20	$8,105,145	$20,706,000	$8,413,907
Total Projected Unrealized:		**3,981,888**		**$213,026,946**	**$611,581,675**	**$213,432,909**
Total Portfolio:		**6,105,655**		**$293,668,492**	**$837,669,675**	**$298,805,041**

(1) Madison Woods, Olde Battleground and Terrace Oaks were owned with a JV Partner. TerraCap's share was 83.5%.
(2) Park Central is owned with a JV Partner. TerraCap's share is 95%.
Properties highlighted in green are partially sold, being marketed for sale, or otherwise engaged with a third party to be marketed for sale

- Fund IV closed in **July 2019** and has made **10** distributions in **2.5 years** from both yield and capital appreciation.
- A total of **$150M** or **48%** of invested capital has been distributed.

1. See Important Disclosures, Certain Performance-Related Notes for disclosures regarding gross and unrealized performance.

TERRACAP PARTNERS V PORTFOLIO SUMMARY[1]

Unrealized Projected Properties	Property Type	Building Size (Net)	Acquisition Date	TerraCap's Equity Basis at Purchase	Purchase Price	TerraCap's Current Equity Basis
Orlando International Business Center	Office/Flex	195,619	10/20/20	$7,879,262	$24,080,875	$8,083,173
Plano Office Center	Office	198,788	10/22/20	$13,375,731	$37,859,500	$13,403,711
Syracuse Office Center	Office	66,713	10/30/20	$3,450,226	$11,577,000	$3,552,222
Terrace Office Center	Office	115,050	10/30/20	$6,686,445	$17,110,500	$6,791,523
Bridgewater Residences	Multifamily	334,352	01/15/21	$16,570,060	$52,520,000	$18,314,259
Anchor Centre	Office	333,014	01/19/21	$30,875,434	$103,515,000	$30,889,402
Forest Cov e Residences	Multifamily	525,281	02/21/21	$33,748,010	$82,615,000	$34,636,505
Koll Cotton Center	Office/Flex	225,403	03/19/21	$10,862,774	$30,879,875	$10,635,890
Versol Residences	Multifamily	262,608	06/01/21	$70,535,796	$70,350,000	$20,269,383
Denv er Corporate Center I	Office	193,113	07/30/21	$10,176,022	$31,160,500	$9,686,992
Airport Technology Center	Office	198,189	8/12/21	$24,760,214	$24,623,500	$7,865,027
Enclav e Residences	Multifamily	218,412	09/27/21	$51,333,556	$50,123,125	$16,733,556
Palmetto Residences	Multifamily	177,508	10/18/21	$37,152,042	$36,784,200	$11,619,662
Peachtree Corners Residences	Multifamily	402,922	11/17/21	$75,825,032	$75,750,000	$24,907,816
Millenia Residences	Multifamily	408,374	11/24/21	$103,430,706	$102,916,125	$32,695,506
Crestmont Residences	Multifamily	201,200	12/13/21	$49,072,065	$48,985,000	$16,257,081
Estero Oaks Residences	Multifamily	314,692	03/07/22	$95,178,525	$94,705,000	$95,178,525
Total Projected Unrealized:		**4,371,238**		**$640,911,899**	**$895,555,200**	**$361,520,232**
Total Portfolio:		**4,371,238**		**$640,911,899**	**$895,555,200**	**$361,520,232**

1. See Important Disclosures, Certain Performance-Related Notes for disclosures regarding gross and unrealized performance.

TERRACAP PARTNERS V – ACQUISITIONS

Orlando International Business Center – Orlando, FL	
Rentable Square Feet	195,619
Purchase Price	$24,080,875 ($123 PSF)
Estimated Replacement Cost	$43,160,000 ($221 PSF)
Acquisition Date	October 8, 2020
Acquisition Occupancy	88% (Market occ. 95%)
Current Occupancy	92%
Acquisition NOI	$1,616,496
In-Place Rents at Acquisition	$11.47 PSF
Newest Leases (Average of 3 leases)	$16.08 PSF
% Increase	40.2%

Plano Office Center – Plano, TX	
Rentable Square Feet	198,788
Purchase Price	$37,859,000 ($190 PSF)
Estimated Replacement Cost	$69,575,800 ($350 PSF)
Acquisition Date	October 20, 2020
Acquisition Occupancy	88% (Market occ. 80%)
Current Occupancy	87%
Acquisition NOI	$2,266,385
In-Place Rents at Acquisition	$22.73 PSF
Newest Leases (Average of 3 leases)	$25.33 PSF
% Increase	11.5%

Current Occupancy calculated as of the first of the month of this report.

TERRACAP PARTNERS V – ACQUISITIONS CONTINUED

DTC Collection Syracuse Office Center – Denver, CO Terrace Office Center – Greenwood Village, CO	
Rentable Square Feet	181,763
Purchase Price	$28,687,500 ($158 PSF)
Estimated Replacement Cost	$72,705,200 ($400 PSF)
Acquisition Date	October 30, 2020
Acquisition Occupancy	93% (Market occ. 84%)
Current Occupancy	90%
Acquisition NOI	$2,386,308
In-Place Rents at Acquisition	$24.17 PSF
Newest Leases (Average of 3 Leases)	$25.58 PSF
% Increase	5.8%

Current Occupancy calculated as of the first of the month of this report.

Bridgewater Residences – Orlando, FL	
Number of Units	344
Purchase Price	$52,520,000 ($153k per unit)
Estimated Replacement Cost	$94,600,000 ($275k per unit)
Acquisition Date	January 15, 2021
Acquisition Occupancy	94% (Market occ. 95%)
Current Occupancy	92%
Acquisition NOI	$2,679,590
In-Place Rents at Acquisition	$1,117
Blended Average Rents of Recent Leases (30 days)	$1,518
% Increase	36.0%

TerraCap Partners V – Acquisitions Continued

Anchor Centre – Phoenix, AZ	
Rentable Square Feet	333,014
Purchase Price	$103,515,000 ($311 PSF)
Estimated Replacement Cost	$152,850,000 ($459 PSF)
Acquisition Date	January 19, 2021
Acquisition Occupancy	93% (Market occ. 82%)
Current Occupancy	92%
Acquisition NOI	$6,706,208
In-Place Rents at Acquisition	$30.41 PSF
Newest Leases (Average of 5 leases)	$38.60 PSF
% Increase	26.9%

Current Occupancy calculated as of the first of the month of this report.

Forest Cove Residences – Doraville, GA	
Number of Units	638
Purchase Price	$82,615,000 ($129k per unit)
Estimated Replacement Cost	$143,550,000 ($225k per unit)
Acquisition Date	February 24, 2021
Acquisition Occupancy	92% (Market occ. 95%)
Current Occupancy	90%
Acquisition NOI	$4,309,895
In-Place Rents at Acquisition	$1,014
Blended Average Rents of Recent Leases (30 days)	$1,239
% Increase	22.1%

TerraCap Partners V – Acquisitions Continued

Koll Cotton Center – Phoenix, AZ	
Rentable Square Feet	225,403
Purchase Price	$30,879,875 ($137 PSF)
Estimated Replacement Cost	$61,985,825 ($275 PSF)
Acquisition Date	March 19, 2021
Acquisition Occupancy	75% (Market occ. 95%)
Current Occupancy	85%
Acquisition NOI	$1,374,673
In-Place Rents at Acquisition	$12.93 PSF
Newest Leases (Average of 9 leases)	$14.98 PSF
% Increase	15.8%

Versol Residences – Bonita Springs, FL	
Number of Units	240
Purchase Price	$70,350,000 ($293k per unit)
Estimated Replacement Cost	$76,800,000 ($320k per unit)
Acquisition Date	June 1, 2021
Acquisition Occupancy	95% (Market occ. 87%)
Current Occupancy	96%
Acquisition NOI	$2,762,055
In-Place Rents at Acquisition	$1,647
Blended Average Rents of Recent Leases (30 days)	$2,504
% Increase	52.1%

Current Occupancy calculated as of the first of the month of this report.

TERRACAP PARTNERS V – ACQUISITIONS CONTINUED

Denver Corporate Center I – Denver, CO	
Rentable Square Feet	193,113
Purchase Price	$31,160,500 ($161 PSF)
Estimated Replacement Cost	$67,589,550 ($350 PSF)
Acquisition Date	July 30, 2021
Acquisition Occupancy	76% (Market occ. 83%)
Current Occupancy	68%
Acquisition NOI	$1,870,555
In-Place Rents at Acquisition	$25.96 PSF
Newest Leases (Average of 3 Leases)	$28.17 PSF
% Increase	8.5%

Airport Technology Center – Phoenix, AZ	
Rentable Square Feet	198,189
Purchase Price	$24,623,500 ($124 PSF)
Estimated Replacement Cost	$59,456,700 ($300 PSF)
Acquisition Date	August 12, 2021
Acquisition Occupancy	71% (Market occ. 86%)
Current Occupancy	70%
Acquisition NOI	$1,963,532
In-Place Rents at Acquisition	$21.66 PSF
Newest Leases (Average of 3 Leases)	$27.50 PSF
% Increase	23.1%

Current Occupancy calculated as of the first of the month of this report.

TERRACAP PARTNERS V – ACQUISITIONS CONTINUED

Enclave Residences – Roswell, GA	
Number of Units	236
Purchase Price	$50,123,125 ($212k per unit)
Estimated Replacement Cost	$70,800,000 ($300k per unit)
Acquisition Date	September 27, 2021
Acquisition Occupancy	98% (Market occ. 97%)
Current Occupancy	94%
Acquisition NOI	$1,663,420
In-Place Rents at Acquisition	$1,181
Blended Average Rents of Recent Leases (30 days)	$1,416
% Increase	19.9%

Palmetto Residences – Fort Mill, SC	
Number of Units	184
Purchase Price	$36,784,200 ($200k per unit)
Estimated Replacement Cost	$55,200,000 ($300k per unit)
Acquisition Date	October 18, 2021
Acquisition Occupancy	96% (Market occ. 96%)
Current Occupancy	95%
Acquisition NOI	$1,336,290
In-Place Rents at Acquisition	$1,149
Blended Average Rents of Recent Leases (30 days)	$1,427
% Increase	24.2%

Current Occupancy calculated as of the first of the month of this report.

TerraCap Partners V – Acquisitions Continued

Peachtree Corners Residences – Norcross, GA	
Number of Units	354
Purchase Price	$75,750,000 ($214k per unit)
Estimated Replacement Cost	$106,200,000 ($300k per unit)
Acquisition Date	November 17, 2021
Acquisition Occupancy	97% (Market occ. 95%)
Current Occupancy	96%
Acquisition NOI	$2,626,473
In-Place Rents at Acquisition	$1,230
Blended Average Rents of Recent Leases (30 days)	$1,310
% Increase	6.5%

Millenia Residences – Orlando, FL	
Number of Units	371
Purchase Price	$102,916,125 ($277k per unit)
Estimated Replacement Cost	$129,850,000 ($350k per unit)
Acquisition Date	November 24, 2021
Acquisition Occupancy	98% (Market occ. 97%)
Current Occupancy	97%
Acquisition NOI	$3,512,868
In-Place Rents at Acquisition	$1,482
Blended Average Rents of Recent Leases (30 days)	$1,752
% Increase	18.2%

Current Occupancy calculated as of the first of the month of this report.

TerraCap Partners V – Acquisitions Continued

Crestmont Residences – Marietta, GA	
Number of Units	228
Purchase Price	$48,985,000 ($215k per unit)
Estimated Replacement Cost	$70,800,000 ($300k per unit)
Acquisition Date	December 13, 2021
Acquisition Occupancy	90% (Market occ. 97%)
Current Occupancy	95%
Acquisition NOI	$1,718,278
In-Place Rents at Acquisition	$1,246
Blended Average Rents of Recent Leases (30 days)	$1,351
% Increase	8.4%

Estero Oaks Residences – Fort Myers, FL	
Number of Units	280
Purchase Price	$94,750,000 ($338k per unit)
Estimated Replacement Cost	$98,000,000 ($350k per unit)
Acquisition Date	March 7, 2022
Acquisition Occupancy	93% (Market occ. 94%)
Current Occupancy	93%
Acquisition NOI	$2,621,05
In-Place Rents at Acquisition	$1,653
Blended Average Rents of Recent Leases (30 days)	New Acquisition
% Increase	New Acquisition

Current Occupancy is as of the first of the month of this report.

TerraCap Partners V LP – Summary of Key Terms

Targeted Fund Size	$400 million
Targeted Returns	14% Net IRR
Targeted # of Investments	25-30 assets with invested equity ranging from $10 million to $35 million each
Investment Period	2 years from the Final Closing Date
Term	8 years from the Final Closing Date, subject to two 1-year extensions
Management Fee	1.5% on Committed Capital until termination of the Investment Period; thereafter 1.5% on Invested Capital. LP > $37.5M 1.25%
GP Commitment	1.5% of aggregate Capital Commitments
Distributions	100% return of invested capital (including the management fee), 8% compounded preferred return, 50/50 catch up thereafter, 80/20 split, (*LP > $30.1M: 85/15 split - with side letter*)

*The specific terms of an investment in Fund V are subject to the Offering Documents. Such terms may change from the time you receive these materials and the time you receive the Offering Documents. Return targets or objectives, if any, are used for measurement or comparison purposes and only as a guideline for prospective investors to evaluate a particular investment program's investment strategies and accompanying information. Targeted returns reflect subjective determinations by TerraCap based on a variety of factors, including, among others, internal modeling, investment strategy, prior performance of similar products (if any), volatility measures, risk tolerance and market conditions. Performance may fluctuate, especially over short periods. Targeted returns should be evaluated over the time period indicated and not over shorter periods. Targeted returns are not intended to be actual performance and should not be relied upon as an indication of actual or future performance.

Light Value-Add Reposition with Streamline of Poor Management and Leasing Strategy – NAVA Knolls & NAVA Crossings – Fund IV

Below Market Rents + **Ideal Location In North Atlanta** + **Select Upgrades & Organic Rent Growth** = **Upside Potential**

Transaction Overview:

- Part of an acquisition of four apartment communities totaling 1,100 units in metro Atlanta, GA. The Knolls consists of 312 units and the Crossings consists of 380 units. Both properties are located in Marietta, GA.
- Ideal location in the same submarket with rents below the submarket average.
- Original plan to hold for 4 years and see value appreciation through rent growth and tightening market cap rates.

Summary	
Strategy	Value-Add
Acquisition Date	September 2017
Status	Realized
Realization Date	February 2021
TerraCap Price	$76,414,000
Total Equity at Exit	$31,428,687
Sale Price (2021)	$103,700,000
Knolls Net XIRR	19.9%
Knolls Net Equity Multiple	1.80x
Crossings Net XIRR	22.1%
Crossings Net Equity Multiple	1.94x

Strategy-Value-Add:

- Both properties were given exterior and interior renovations as well as upgrades to common area amenities. Both properties were painted in 2019. Interiors were renovated throughout the hold period through a premium renovation program.
- These two properties were the last of the North Atlanta value-add portfolio to be brought to market.
- Implementation of Lease Optimization Software to drive rent growth and occupancy.

Status:

- Closed on 2/11/21 with a Levered Net IRR of 19.9% and an EM of 1.80x for Knolls and a Levered Net IRR of 22.1% and an EM of 1.94x for Crossings.

See Pages 48-50 for important disclosures. Past performance is not indicative of future results and there can be no assurance that Fund V or investments by Fund V, as the context requires, will achieve comparable results. References to past performance are not a guarantee, projection or prediction for Fund V, nor are they necessarily indicative of future results for Fund V. The transaction described above has been selected for illustrative purposes only to show a type of investment that has been pursued. It should not be assumed that all investments made by the Funds will be comparable in nature or performance to the investment described above. In addition, see Page 18 for a performance summary and complete list of each investment in Fund IV, including Net Fund-Level Performance.

Below Market Rents + **Ideal Location in Central Florida** + **Basis Well Below Reproduction Cost** = **Upside Potential**

Summary	
Strategy	Value-Add
Acquisition Date	May 2018
Status	Realized
Realization Date	January 2020
TerraCap Price	$39,188,000
Total Equity at Exit	$13,220,922
Sale Price (2019)	$50,400,000
Net XIRR	30.2%
Net Equity Multiple	1.54x

Transaction Overview:

- Acquisition of two Class A office buildings totaling 244,772 SF in Orlando, Florida.
- Went under contract at 85% occupancy, closed at 94% occupancy, and sold asset at 100%.
- At acquisition, rates were at $25.00 PSF and were pushed to over $29.00 PSF during hold period.
- NOI increased by $1.3M during hold period.

Strategy-Value-Add:

- The existing tenants had a large gap between their current rents and market rents. As their leases expired, their rents were rolled to market rates. Over an 18-month period, 9 leases were executed and there were virtually no vacates at expiration of leases.
- Anchor tenant General Dynamics occupied 44k SF at acquisition. While this tenant had term, there was some question as to their renewal certainty. With limited supply we felt this tenant would need to renew in place and were able to negotiate an early extension by 5 years and expand General Dynamics by 22k SF.

Status:

- Closed on 1/10/2020 with a Levered Net IRR of 30.2% and an EM of 1.54.

See Pages 48-50 for important disclosures. Past performance is not indicative of future results and there can be no assurance that Fund V or investments by Fund V, as the context requires, will achieve comparable results. References to past performance are not a guarantee, projection or prediction for Fund V, nor are they necessarily indicative of future results for Fund V. The transaction described above has been selected for illustrative purposes only to show a type of investment that has been pursued. It should not be assumed that all investments made by the Funds will be comparable in nature or performance to the investment described above. In addition, see Page 18 for a performance summary and complete list of each investment in Fund IV, including Net Fund-Level Performance.

Intensive Management Changes + **Ideal Location in Solid Secondary Market** + **Deferred Maintenance and Select Upgrades** = **Upside Potential**

Summary	
Strategy	Value-Add
Acquisition Date	June 2017
Status	Realized
Realization Date	November 2020
TerraCap Price	$36,198,000
Total Equity at Exit	$12,085,859
Sale Price (2020)	$49,250,000
Net XIRR	17.2%
Net Equity Multiple	1.70x

Transaction Overview:

- Off-market acquisition of three apartment communities totaling 456 units in Greensboro, NC.
- Two communities needed value-add renovations to push rates while one community had been renovated and we pushed rates organically.
- Hold for 4 years; value appreciation through property repositioning, tightening market cap rates as investors chase yield in secondary markets, and organic rate growth.

Strategy-Value-Add:

- At acquisition, the assets were not managed well. We changed property management groups, implemented Lease Optimizing Software, implemented a plan for premium unit renovations, performed cap ex and deferred maintenance projects, and pushed existing tenant rates at renewal.

Status:

- Successful disposition in November 2020, generating a Net IRR of 17.2% and a Net Equity Multiple of 1.70x.

1. The Greensboro Residences Portfolio consists of the Madison Woods, Olde Battleground, and Terrace Oaks properties

See Pages 48-50 for important disclosures. Past performance is not indicative of future results and there can be no assurance that Fund V or investments by Fund V, as the context requires, will achieve comparable results. References to past performance are not a guarantee, projection or prediction for Fund V, nor are they necessarily indicative of future results for Fund V. The transaction described above has been selected for illustrative purposes only to show a type of investment that has been pursued. It should not be assumed that all investments made by the Funds will be comparable in nature or performance to the investment described above. In addition, see Page 18 for a performance summary and complete list of each investment in Fund IV, including Net Fund-Level Performance.

Summary	
Strategy	Value-Add
Acquisition Date	May 2015
Status	Realized
Realization Date	August 2019
TerraCap Price	$37,129,000
Total Equity at Exit	$13,488,716
Sale Price (2019)	$45,200,000
Net XIRR	14.3%
Net Equity Multiple	1.64x

Below Market Rents + **Ideal Location Adjacent to Interstate 75** + **Basis Well Below Previous Price** = **Upside Potential**

Transaction Overview:

- Acquisition of a 246,942 SF Class A office park in Sarasota, Florida.
- Acquired off-market at 86% occupied from a reputable seller.
- $12.33 PSF NNN rents at purchase vs. sub-market rents of $15.00 PSF NNN.

Strategy-Value-Add:

- The existing tenants had a large gap between their current rents and market rents. As leases expired, we rolled their rents to market rates.
- $12.33 PSF NNN rents at purchase vs. exit in-place average rent of $14.61 PSF NNN. Newest lease signed before disposition was at $16.50 PSF NNN.
- Average cash yields of 8.6% ($2,611,686) from 2015-2017.
- Capital projects completed: roof replacements, parking lot reseal/restripe, and RTU replacements.

Status:

- Successful disposition in November 2020, generating a Net IRR of 14.3% and a Net Equity Multiple of 1.64x.

See Pages 48-50 for important disclosures. Past performance is not indicative of future results and there can be no assurance that Fund V or investments by Fund V, as the context requires, will achieve comparable results. References to past performance are not a guarantee, projection or prediction for Fund V, nor are they necessarily indicative of future results for Fund V. The transaction described above has been selected for illustrative purposes only to show a type of investment that has been pursued. It should not be assumed that all investments made by the Funds will be comparable in nature or performance to the investment described above. In addition, see Page 17 for a performance summary and complete list of each investment in Fund III, including Net Fund-Level Performance.

Previously Mismanaged by Lender + Virtually Vacant Physically Distressed + Basis Well Below Replacement Cost = Upside Potential

Transaction Overview:

- Acquisition of a 331,138 SF six-building business park in Tampa, Florida.
- Acquired via a distressed sale from Special Servicer.
- The Property was 98% leased to 12 tenants with approximately 9.4 years of average term remaining at closing vs 7% occupancy at acquisition.

Summary	
Strategy	Value-Add
Acquisition Date	August 2013
Status	Realized
Realization Date	November 2017
TerraCap Price	$12,116,000
Total Equity at Exit	$13,022,863
Sale Price (2017)	$45,050,000
Net XIRR	16.8%
Net Equity Multiple	1.53x

Strategy-Opportunistic:

- The property required extensive capital improvements to make it leasable, including new roofs, upgraded entrances, significant tenant improvements, mechanical system replacement, landscape upgrades, and site reconfiguration to increase parking from 4:1,000 to a 6:1,000 ratio.
- Financing was acquired after acquisition to pay for the renovation projects, tenant improvements, and leasing commissions.
- 75% of the occupancy came from back-office support services for a Tampa based credit rated healthcare company due to continued growth.

Status:

- Successful disposition in November 2017, generating a Net IRR of 16.8% and a Net Equity Multiple of 1.53x.

See Pages 48-50 for important disclosures. Past performance is not indicative of future results and there can be no assurance that Fund V or investments by Fund V, as the context requires, will achieve comparable results. References to past performance are not a guarantee, projection or prediction for Fund V, nor are they necessarily indicative of future results for Fund V. The transaction described above has been selected for illustrative purposes only to show a type of investment that has been pursued. It should not be assumed that all investments made by the Funds will be comparable in nature or performance to the investment described above. In addition, see Page 16 for a performance summary and complete list of each investment in Fund II, including Net Fund-Level Performance.

Off-Market + Well Below Market Rates + Basis Well Below Replacement Cost = Upside Potential

Transaction Overview:

- Assemblage of three office-flex parks totaling 515,628 SF and 15 buildings.
- Acquired first park (7 buildings) through a deed-in-lieu of foreclosure with previous owner and lender.
- Acquired second park (4 buildings) through a distressed sale from a Special Servicer.
- Acquired third park (4 buildings) through the creation of a joint venture with the original developer.
- Created a property assemblage with the ownership of 15 of the 22 buildings of the Gateway Office Park, next to JetBlue Park and International Airport in Ft. Myers.

Summary	
Strategy	Value-Add
Acquisition Dates (3 Separate Acq.)	August 2012-July 2013
Status	Realized
Realization Date	April 2015
TerraCap Price	$20,919,998
Total Equity at Exit	$8,428,486
Sale Price (2015)	$40,000,000
Net XIRR	31.7%
Net Equity Multiple	1.49x

Strategy-Opportunistic:

- Hired new management and leasing team to increase operational efficiencies and push rental rates.
- Through the assemblage strategy, we increased average gross rents from $9.83 PSF at acquisition to $11.18 PSF at exit, an increase of 6.9% per year.
  - Occupancy increased from 56% at acquisition to 75% at exit.
- Refinancing event in January 2014 allowed early distribution in the amount of $13.5M, which reduced basis to $8.4M– while reducing risk.
- In April 2015, Fund II closed on the sale of our interest in the property for $40M ($77.67/SF). This represented a 5.6% cap rate on trailing 12-month NOI.

Status:

- Successful disposition in April 2015, generating a Net IRR of 31.7% and a Net Equity Multiple of 1.49x.

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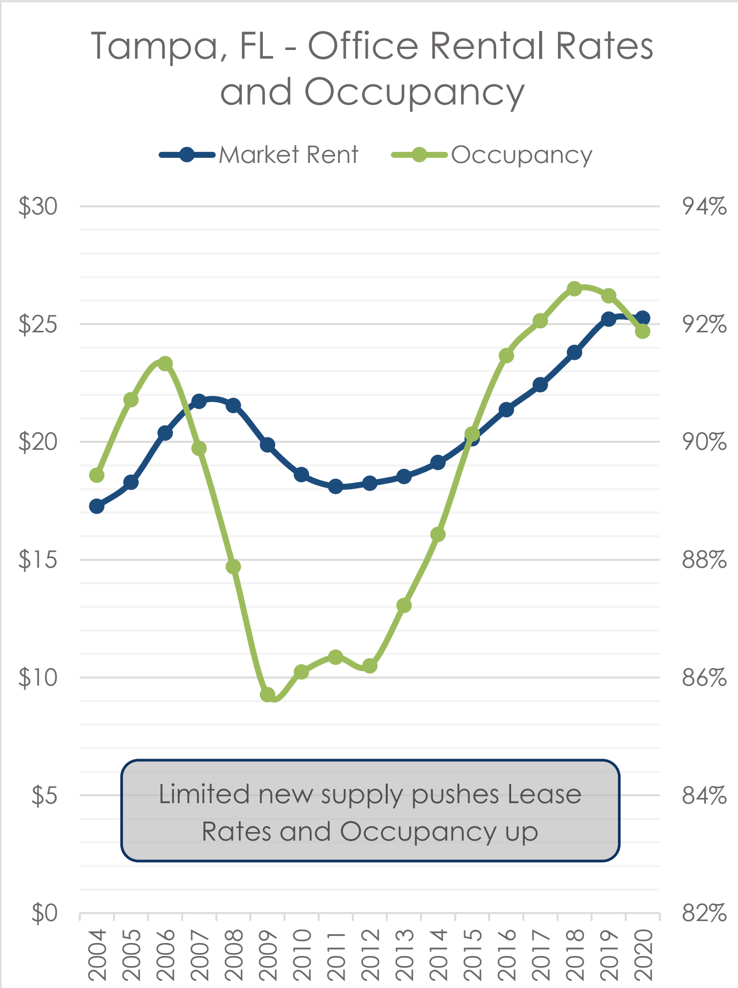
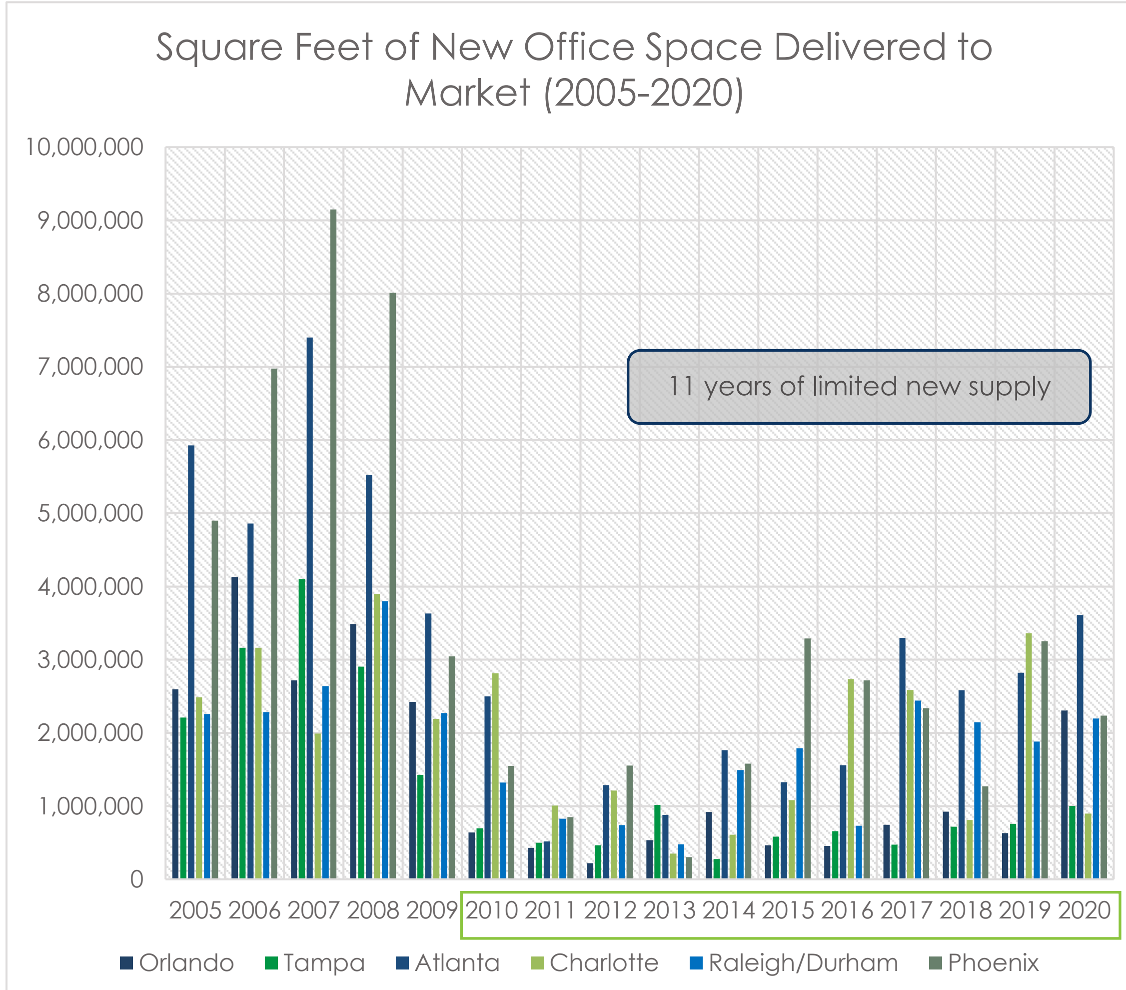
Limited Supply In High Demand Markets Drives Value Creation

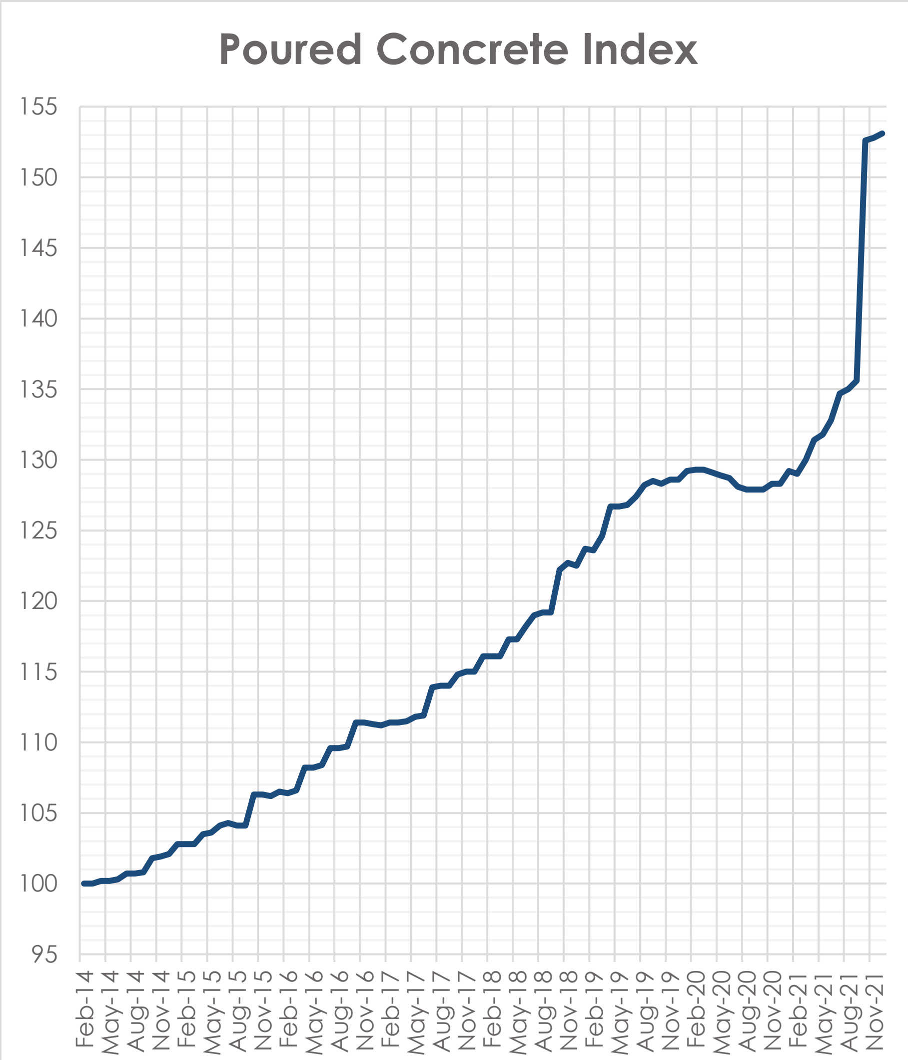


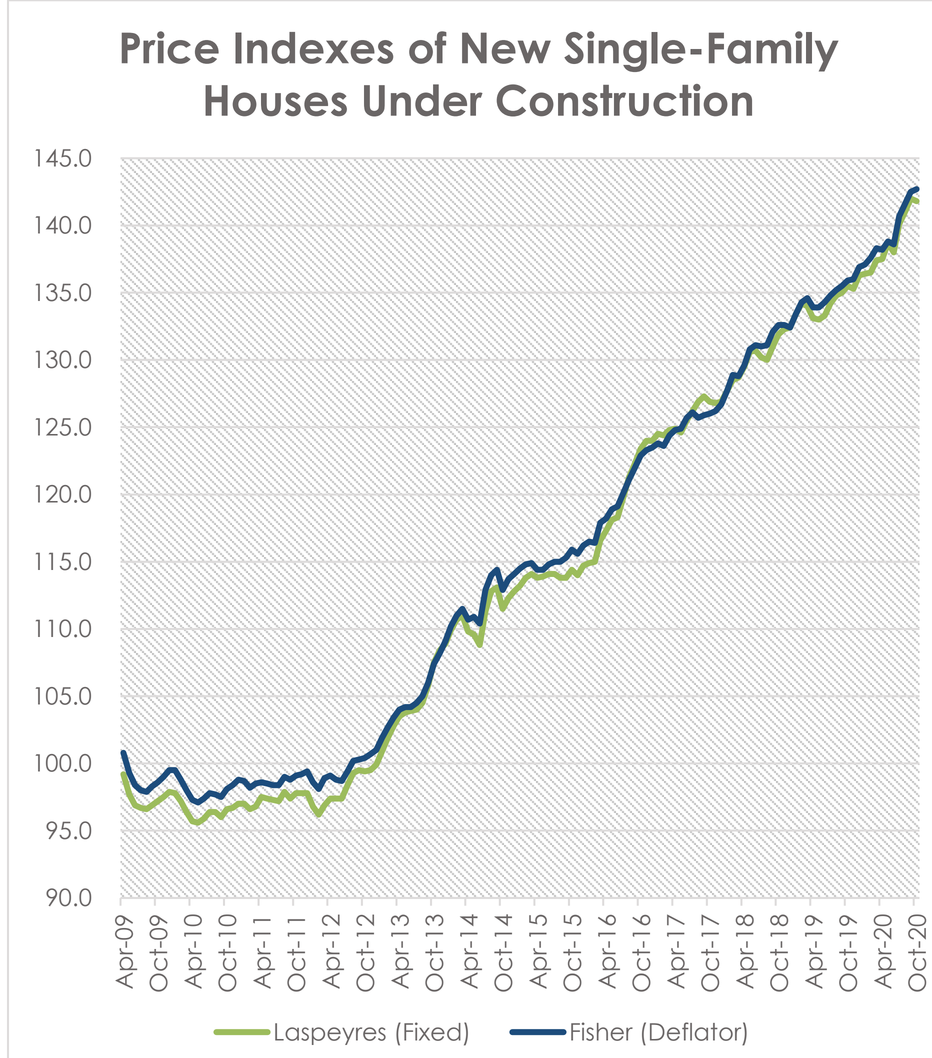
Source: CoStar Property®



Source: CoStar Property®

RISING COST OF CONSTRUCTION



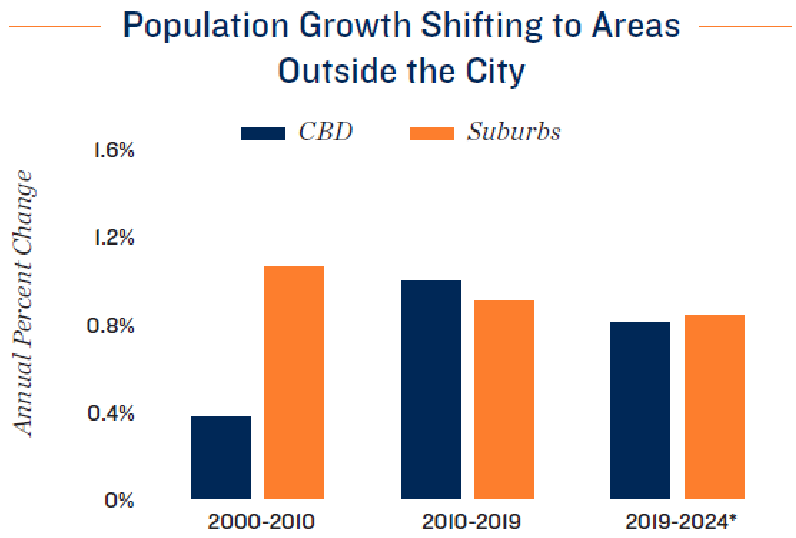


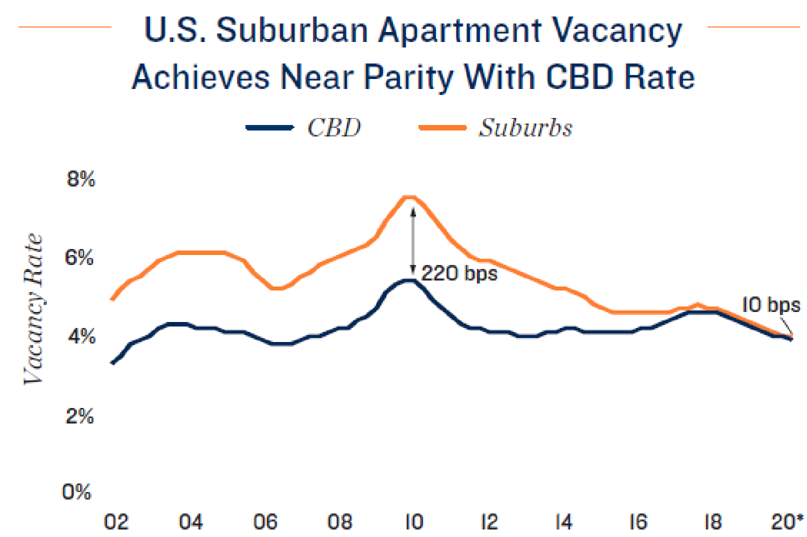
July – Sep 2021 are published preliminary figures only provided by the U.S. Bureau of Labor Statistics and should not be relied upon but are incorporated to show the general trending of the index.

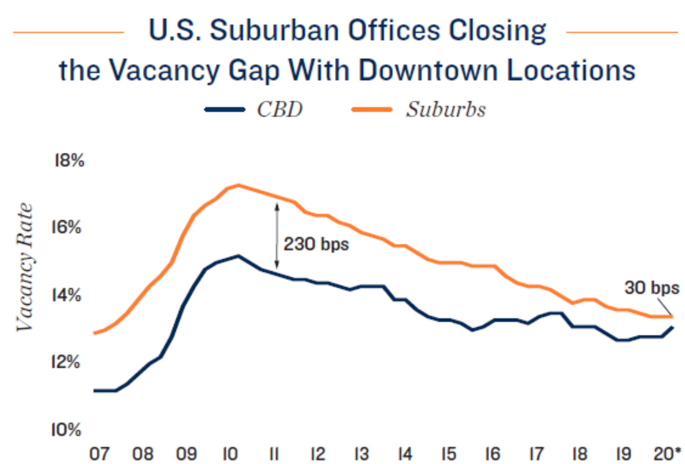
Source: U.S. Bureau of Labor Statistics, PPI - New nonresidential building construction, Poured concrete foundation and structure contractors, https://data.bls.gov/timeseries/PCU236400236400224

Source: Census Bureau, January 2005 – October 2020, https://www.census.gov/construction/cpi/

POPULATION MIGRATION SHIFTS TO SUBURBS; CORPORATIONS FOLLOW







* Through first quarter
Sources: CoStar Group, Inc.; Experian; RealPage, Inc.; U.S. Census Bureau

Source: Marcus & Millichap, Special Report, Suburbanization - Summer 2020

Appendices

Investment Style

Cash Flow Enhancement

Diversified investment strategy targeting assets that provide an opportunity to improve the physical quality of the property and the Net Operating Income.

Diversification

Tactical investors efficiently able to move in and out of select geographies and property types to seek to capture attractive risk adjusted investment opportunities.

Downside Protection

Seek to create a margin of safety through conservative underwriting, buying below replacement cost, moderate leverage, and deal structuring.

Asset Management

Seek to create Alpha at the property level through active asset management and savings realized through improved efficiencies and stronger leasing initiatives.

Exit Strategy

Seek to stabilize and reposition assets over an average of 3-5 years and sell to institutional and local real estate investors focused on steady cash yield.

Investment Process

ORIGINATION
- Active outreach
- Existing relationships & market reputation

PRE-INVESTMENT

REVIEW
- Property description
- Pricing
- Return profile
- Sales/Rent Comparables
- Market Conditions
- Business plan

DUE DILIGENCE
- Market study
- Operational review
- Legal due diligence
- Environmental and Property Condition Reports
- Financing

INVESTMENT COMMITTEE APPROVAL

CLOSING
- Purchase & Sale Agreement
- Operating contracts
- Leasing
- Property Management
- Loan documentation

ASSET MANAGEMENT
- Active Asset Management approach
- Active property specific business plan
- Correct identified operational issues
- Participate in lease reviews
- Market trends reviewed regularly

POST-INVESTMENT

MONITORING
- Quarterly business plan updates
- Compare to annual budgets
- Monitor tenant expirations and renewal opportunities
- Monitor capital improvements
- Evaluate submarket demand & lease rate opportunities

INVESTMENT COMMITTEE APPROVAL

EXITS
- Work to optimal disposition opportunity
- Primary objective to maximize investor returns
- Evaluate exit opportunities versus underwriting

Senior Management – Investment Committee

W. Stephen Hagenbuckle – Founder and Managing Partner

Mr. Hagenbuckle is the founder and managing partner of TerraCap Management. He has been a successful developer, builder, and investor in commercial real estate since July 1996. Since that time, he has participated in over $3 Billion of transactions across major commercial real estate property types. His transaction experience ranges from being a private principal investor to private equity multi-fund sponsor and investment manager covering major property types.

He was a founding shareholder of commercial bank Landmark Bank N.A. and Giantbank.com of Fort Lauderdale and was a Board Member and Secretary of the bank for 10 years (beginning in the summer of 2000 until 2010).

In the 1990s, he co-founded and sold multiple technology companies to both public and private entities. These companies include Techware Consulting, a technical consulting firm, from December 1995 to November 1997 (sold to CBR NYSE); Orus Information Services, a technical consulting firm, from January 1999 to February 2003; Collegiate Images, a sports media digitization, protection, policing and resale company, from August 2000 to October 2008 (sold to XOS); and LandmarkBank, N.A./GiantBank.com, a commercial banking – internet banking business, from 2000 to 2017 (sold to HOMB NASDQ).

Mr. Hagenbuckle has been a guest on CNBC, Bloomberg TV and Fox where he has discussed real estate market trends and opportunities, along with US banking. He has lectured at multiple universities at the graduate and undergraduate levels. Mr. Hagenbuckle is a Florida native who grew up in the Naples, Florida area and is a graduate of the College of Business from the University of Florida.

Mr. Hagenbuckle has been a licensed Florida Real Estate Broker since July 2007, a member of the National Association of Realtors since January 2004, has been an active member of ICSC since 2012, and a member of ULI since 2006. He and TerraCap Management, LLC are two-time recipients (2015 and 2016) of the Gator 100 Award, for the fastest growing active companies founded by University of Florida Alumni. Mr. Hagenbuckle is on the University of Florida National Foundation Board as well as the Executive Board and Chairman's Circle at the Bergstrom Center for Real Estate Studies at the University of Florida.

Albert S. Livingston – National Director of Asset Management, Partner

Albert Livingston, Director of Asset Management, joined the Investment Manager in 2013 and is responsible for maximizing the value, through oversight of asset management, of TerraCap's portfolio. Mr. Livingston is responsible for establishing management operations in expansion markets and provides support to the acquisition team's efforts. Mr. Livingston has over 20 years' experience in acquisitions, financing, development, redevelopment, land entitlement, design, permitting, asset management, and dispositions of commercial real estate throughout the Southeast and Midwest. In this capacity, Mr. Livingston has managed in excess of $1 billion in acquisitions and dispositions, and over 3 million square feet of ground up development and redevelopment. Mr. Livingston developed a foundation in real estate as a civil/environmental engineer and has worked for a variety of domestic and international private equity and institutional investment groups, including Daniel Corporation, Taurus Investment Holdings, and HDG Mansur. Mr. Livingston holds a Bachelor of Engineering in Civil Engineering from Vanderbilt University (May 1995) and a Master's in Real Estate Finance from the University of Florida (August 2000). Additionally, he is a Certified Commercial Investment Member (CCIM) designee (October 2002), a licensed professional engineer (May 2001), a Leadership in Energy and Environmental Design Accredited Professional (LEED AP) (August 2006), a licensed realtor in the State of Florida has taught several courses at the University of Central Florida and the University of Alabama as an adjunct professor, and is on the Editorial Review Board for the Commercial Investment Real Estate magazine.

Matt Stewart – Director of Asset Management, Partner

Matt Stewart, Director of Asset Management for Georgia, is currently responsible for a portfolio of 2.5 million square feet of office and 1.2 million square feet of multi-family assets for the Investment Manager. Mr. Stewart has 25 years of experience in accounting, asset management, underwriting, valuation, mortgage finance, acquisitions, and dispositions of all types of commercial real estate assets nationwide for institutional investors. Prior to joining the Investment Manager in 2017, Mr. Stewart spent 11 years at Trimont Real Estate Advisors managing large complex assets and leading teams of asset managers responsible for the management and resolution of over $3 billion of commercial real estate assets. Mr. Stewart began his career with BDO Siedman, Ernst and Young, Cornerstone Properties REIT, Ginn Development Company, and Prudential learning the fundamentals of commercial real estate accounting, finance, valuation, land development, brokerage, acquisitions, asset management, and dispositions. Mr. Stewart earned a Master of Accounting and Bachelor of Science in Business Administration from The University of North Carolina at Chapel Hill and earned his CPA license in 1996.

Stephen E. Good – National Director of Acquisitions, Partner

In his role as Director of Acquisitions, Stephen Good is responsible for the sourcing, underwriting, financing, structuring, and closing of commercial acquisitions in accordance with the Investment Manager's overall investment criteria. Mr. Good is an experienced real estate professional with expertise in development, asset management, construction management, acquisition/disposition, debt financing, leasing strategies, financial reporting and operations and has overseen over six million square feet of assets during his career. Mr. Good has managed portfolios of retail, office, multi-family, hotel, land and self-storage asset types. He has also been involved in successful turn-around roles of distressed assets in foreclosure or receivership. Since joining TerraCap in 2012, Mr. Good has over $2 billion dollars in transaction volume and has overseen management of 10 million square feet of assets. In addition, he has helped secure over $700 million dollars in debt origination for acquisitions or refinancing.

Prior to joining the Investment Manager, Mr. Good was a Senior Vice President with NAI Hallmark Partners in Jacksonville, Florida, a commercial real estate management and development firm. His previous roles with publicly-traded real estate investment trusts have included serving the executive team as a Financial Analyst for U Store It (NYSE: CUBE) and Developers Diversified Realty (NYSE: DDR) as a Property Accountant from July 2004 to July 2007. Mr. Good graduated from Kent State University with a Bachelor of Science in Business Administration in June 2004 with a focus on Corporate Finance and is a licensed realtor in the State of Florida. Mr. Good is also a veteran of the United States Army (1995-1998), serving as an Infantry Rifleman for the historic 7th Cavalry Regiment, while attached to the 1st Cavalry Division.

Matthew Hart, CFA® – Director of Investment Analytics, Partner

Matthew Hart, CFA®, Director of Investment Analytics, joined TerraCap in July 2014 as Financial Analyst after working as an Asset Management/Accounting Intern with TerraCap in the previous summer. He is responsible for the research and underwriting of potential assets, and coordinates with lenders to provide financing for purchases, assists with the closing of acquisitions and dispositions, tracks and maintains the data of owned properties, and supervises the creation of the quarterly business plans for each asset. Mr. Hart has supervised over $900 million in acquisitions and dispositions of office, flex/industrial, hotel, and multifamily properties since joining the Investment Manager in 2014. He has also coordinated the closings of over $500 million in debt financing for those acquisitions. Mr. Hart received his Bachelor of Science in Business Administration from the University of Florida with a concentration in Finance and a Minor in Accounting. The CFA designation is globally recognized and attests to a charterholder's success in a rigorous and comprehensive study program in the field of investment management and research analysis.

Chris Thompson, Director of Asset Management, Partner

Chris Thompson, Director of Asset Management, is responsible for the leasing and strategic management of assets located in Colorado, Texas, and Arizona. Mr. Thompson oversees a portfolio of 1.7 million square feet of office and opened the TerraCap Denver Office in June 2020. Mr. Thompson also oversees TerraCap's Insurance Policies and Annual Property Appraisals. Chris joined TerraCap in February 2016 as a Financial Analyst where he provided support to the National Director of Asset Management. Chris has over 10 years of real estate industry experience, which includes working with real estate developers and a publicly traded financial institution.

Prior to joining TerraCap, Chris worked at The Kolter Group and Raymond James Tax Credit Funds where he was responsible for financial analysis, modeling and budgeting, debt origination, reviewing due diligence, analyzing market data, and providing investment analysis. In these roles, Chris participated in over 30 transactions that led to the placement of $300 million in equity capital.

Chris has earned three degrees from the University of Florida: Master in Business Administration (2016), Master of Science in Management (2009), and Bachelor of Science in Construction Management (2008). He is also involved in Urban Land Institute, Society of Real Estate Professionals, and the University of Florida's Bergstrom Council.

Nicholas Vician, Director of Business Development and Strategic Initiatives

Nicholas Vician, Director of Business Development and Strategic Initiatives, is responsible for identifying, researching, and implementing new investment strategies to expand TerraCap Management's presence in growth markets across the United States. Mr. Vician works closely with the acquisitions and asset management teams on refining investment initiatives to include new opportunities in the multifamily, industrial, and affordable housing sectors in both new and existing markets. Additionally, Mr. Vician is involved in capital raising initiatives at the Investment Manager.

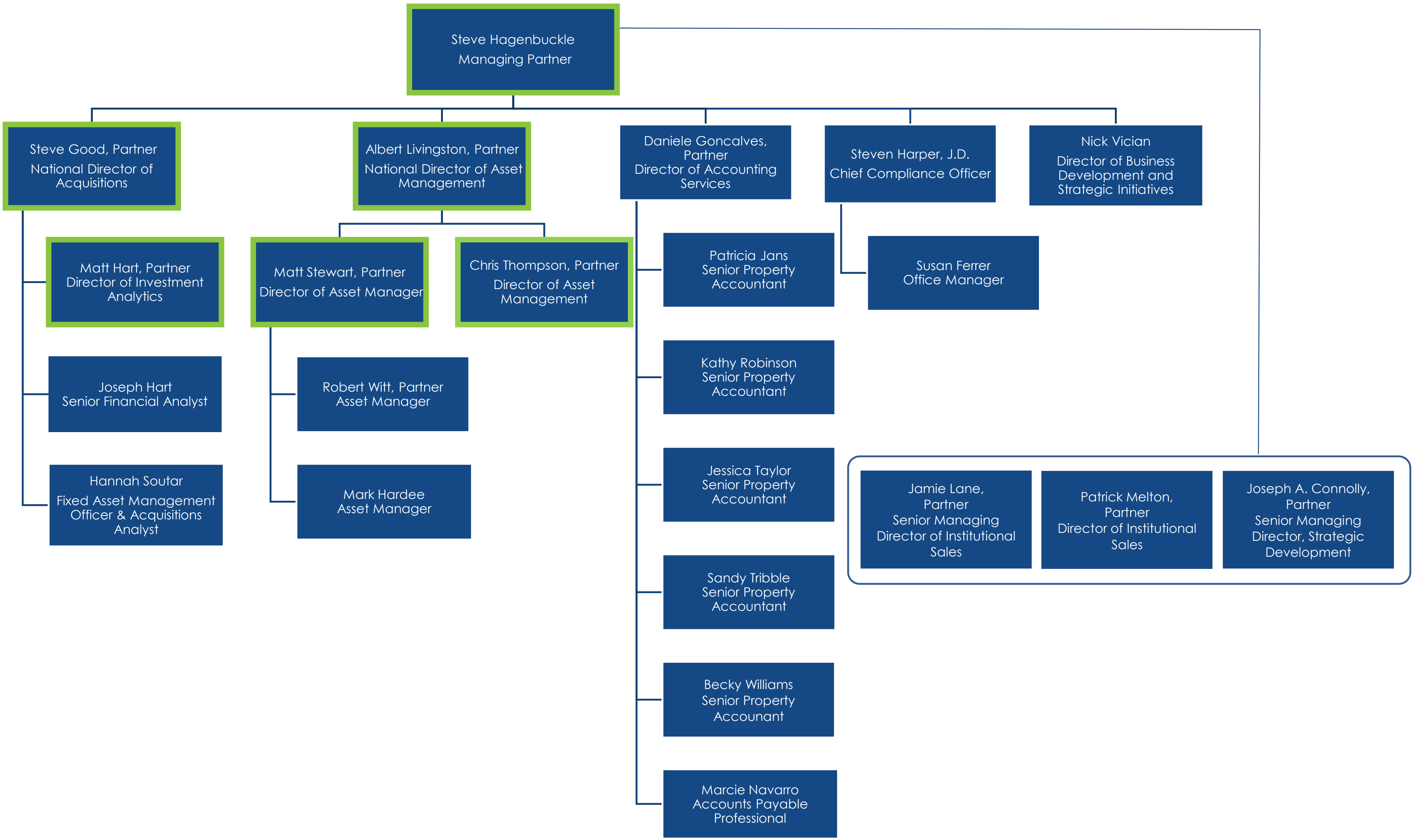
Mr. Vician has extensive experience in real estate finance, development and redevelopment, acquisitions and dispositions, leasing strategies, and asset management. He has worked on large portfolios of all major commercial real estate asset classes. Most recently, Mr. Vician's focus was on the development, management, and repositioning of Class A properties throughout California.

Prior to joining the Investment Manager, Mr. Vician was a Senior Director of Real Estate Investment & Analysis at Irvine Company in Newport Beach, California, the largest privately held real estate owner/developer in the United States with 126 million square feet of holdings valued at over $100 billion. Mr. Vician received his Master of Business Administration in Finance and Business Analytics from the Kelley School of Business at Indiana University in 2013. He received his Bachelor of Science in Finance from DePaul University in 2007.

Daniele Goncalves, Director of Accounting Services, Partner

Daniele Goncalves, Director of Accounting Services, joined the firm in April 2017, and is currently responsible for managing and training the internal, as well as external staff on the commercial and residential accounting portfolios. This is inclusive training and management of financial reporting, bank reconciliations, budgeting, tracking of fixed assets, and across the firm accounting operations for several investment properties in the major commercial real estate asset classes.

Ms. Goncalves has over 20 years of experience and extensive knowledge of the retail/commercial real estate industry. Ms. Goncalves started her career as a Property Accountant, working for several real estate developers and third-party property management companies such as General Growth, Simon, Westfield, and Colliers International.



Investment Committee Member

Past performance is not indicative of future results. Read in conjunction with important disclosures on pages 48-50.

TerraCap

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TerraCap is a member and supporter of the following state organizations:

Important Disclosures

This information is for illustration and discussion purposes only. It is not intended to be, nor should it be construed or used as investment, tax, or financial advice, any recommendation, or an offer to sell, or a solicitation of any offer to buy, an interest in any security, including an interest in TerraCap Partners V (HNW) LP and TerraCap Partners V (Institutional) LP collectively, ("Fund V") or in any other fund managed or advised by TerraCap Management, LLC or its affiliates ("TerraCap"). Any offer or solicitation of an investment may be made only by delivery of Fund V's confidential offering documents (collectively, the "Offering Documents") to qualified investors. The Offering Documents contain additional information, including information regarding certain risks of investing which are material to any decision to invest in Fund V. Prospective investors should review carefully and rely solely on the Offering Documents and should consult with their tax, legal, ERISA, and financial advisors before making any investment decision. An investment in Fund V is not suitable for all prospective investors.

Past performance of other funds managed by TerraCap or its affiliates is not indicative of future results. The performance reflected herein and the performance for any given investor may differ due to various factors including, without limitation, the timing of subscriptions and applicable management fees and performance-based compensation. No representation is made that Fund V will or is likely to achieve its objectives, that TerraCap's investment process or risk management will be successful, or that an investor in Fund V will or is likely to achieve results comparable to those shown or will make any profit or will not suffer losses or loss of principal. An investment in Fund V involves risks, as disclosed in the Offering Documents including the risk of complete loss. Fund V is an unregistered private investment fund that plans to invest in value-add real estate acquisitions in the South Atlantic, West Central South, and West Mountain regions of the United States, and is not subject to the same regulatory requirements as mutual funds, including requirements to provide certain periodic and standardized pricing and valuation information to investors.

Other Considerations:

As of the date of this Presentation, we continue to track the outbreak of the coronavirus ("COVID-19"), which the world health organization has declared to constitute a "public health emergency of international concern." The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity, debt, derivatives and commodities markets. For this reason, among others, as COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess. In particular, recipients should note that the performance information presented herein should not be relied upon.

This document contains a preliminary summary of the purpose and principal business terms of Fund V; this summary does not purport to be complete and is qualified in its entirety by reference to the more detailed discussions to be contained in the Offering Documents. TerraCap has the ability in its sole discretion to change the strategies described herein.

The specific terms of an investment in Fund V are subject to the Offering Documents. Such terms may change from the time you receive these materials and the time you receive the Offering Documents.

No information is warranted by TerraCap or its affiliates or subsidiaries as to completeness or accuracy, express or implied, and is subject to change without notice. This document contains forward-looking statements, including observations about markets and industry and regulatory trends as of the original date of this document. Forward-looking statements may be identified by, among other things, the use of words such as "expects," "anticipates," "believes," or "estimates," or the negatives of these terms, and similar expressions. Forward-looking statements reflect TerraCap's views as of such date with respect to possible future events. Actual results could differ materially from those in the forward-looking statements as a result of factors beyond Fund V's control. Investors are cautioned not to place undue reliance on such statements. No party has an obligation to update any of the forward-looking statements in this document.

Charts, tables and graphs contained in this document are not intended to be used to assist the reader in determining which securities to buy or sell or when to buy or sell securities.

Investments are selected by, and will vary in the discretion of, TerraCap and are subject to availability and market conditions, among other factors. Portfolio information and characteristics of potential investments discussed may not be fully indicative of any future portfolios.

Return targets or objectives, if any, are used for measurement or comparison purposes and only as a guideline for prospective investors to evaluate a particular investment program's investment strategy and accompanying information. Targeted returns reflect subjective determinations by TerraCap based on a variety of factors, including, among others, internal modeling, investment strategy, prior performance of similar products (if any), volatility measures, risk tolerance and market conditions. Performance may fluctuate, especially over short periods. Targeted returns should be evaluated over the time period indicated and not over shorter periods. Inflationary trends, competition, and the supply of and demand for property investments in the target markets, interest rate levels, the availability of financing, potential environmental liability and other risks associated with the ownership, development and acquisition of property, including risks that tenants will not take or remain in occupancy or pay rent, changes in the legal or regulatory environment, or that construction or management costs may be greater than anticipated. Targeted returns are not intended to be actual performance and should not be relied upon as an indication of actual or future performance.

Any statements regarding future events constitute only subjective views, are based upon expectations or beliefs, should not be relied on, are subject to change due to a variety of factors, including fluctuating market conditions, and involve inherent risks and uncertainties, both general and specific, many of which cannot be predicted or quantified and are beyond TerraCap's or Fund V's control. Future evidence and actual results could differ materially from those set forth in, contemplated by, or underlying these statements. In light of these risks and uncertainties, there can be no assurance that these statements are now or will prove to be accurate or complete in any way.

All performance results contained in this packet presentation are Net IRRs. See Part 2 of TerraCap's Form ADV for a complete description of the fees and expenses customarily charged by TerraCap. Please note that fees paid by Fund V to affiliates of TerraCap are not deducted from TerraCap's management fees.

This material is as of the date indicated, is not complete, is subject to change and does not contain material information regarding an investment in Fund V, including related risk disclosures. No representation is made with respect to the accuracy, completeness or timeliness of information and TerraCap assumes no obligation to update or revise such information. Certain information has been provided by and/or is based on third party sources and, although believed to be reliable, has not been independently verified and TerraCap is not responsible for third-party errors.

This information is confidential, is intended only for intended recipients and their authorized representatives and may not be reproduced or distributed in whole or in part to any other person without TerraCap's prior written consent.

Notes to Funds II, III, IV and V Related Portfolio Information. The portfolio detail and other information shown on pages [15-18] relates to TerraCap Partners II (TerraCap Partners II (Institutional) LP and TerraCap Partners II (HNW) LP, which invest pari passu) ("Fund II") as well as TerraCap Partners III (TerraCap Partners III (Institutional) LP and TerraCap Partners III (HNW) LP, which invest pari passu) ("Fund III"), TerraCap Partners IV (TerraCap Partners IV (Institutional) LP and TerraCap Partners IV (HNW) LP, which invest pari passu) ("Fund IV") and TerraCap Partners V (TerraCap Partners V (Institutional) LP and TerraCap Partners V (HNW) LP, which invest pari passu) ("Fund V"), private funds advised by TerraCap that make value-add investments in real estate and real estate-backed assets, primarily in the South Atlantic, West Central South, and West Mountain regions of the United States. The information shown about Funds II, III, IV and V are being provided for illustrative and information purposes only and should not be relied upon and do not represent and are not indicative of, Fund V's actual or future performance or the results that may be achieved by an investor in Fund V. There are material differences between Funds II, III, IV and Fund V, including with respect to their respective investment strategies and the material terms of the offering of their interests. A decision to invest in Fund V should not be based on the information presented regarding Funds II, III and IV. Past performance is not indicative of future results.

Information regarding related funds such as the information regarding Funds II, III and IV have inherent limitations, some of which are described below. One limitation is that the information shown does not reflect Fund V's actual portfolio and therefore does not reflect the impact that economic and market factors, including lack of liquidity or market disruptions, may have on investment decisions made for Fund V. There may be differences between Funds II, III and IV and the actual results that Fund V may achieve. There also may be a material difference between the amount of Fund V's assets at any time and the amount of assets managed in Funds II, III and IV, which difference may have an impact on the management of Fund V. No representation is made that Fund V would have built a similar portfolio as Funds II, III and IV had Fund V been in existence during such time, or that Fund V will maintain such investment strategy in the future; TerraCap will implement a strategy for Fund V that is materially different from Funds II, III and IV, and make different investments, or have Fund V invest in investments that it did not choose to have Funds II, III and IV invest in, or vice versa. To the extent of the material differences between TerraCap's management of Fund V and its management of Funds II, III and IV, the information shown herein is no longer as representative and its illustration value will decrease substantially.

Robert Gray, Non-Participating Owner. Robert Gray owns an interest in TerraCap and devotes a portion of his business time and attention to oversight of TerraCap's activities in respect of Fund II and Fund III. Mr. Gray will not devote any time or attention to Fund V, or to the oversight of TerraCap activities in respect of Fund V, and he otherwise will not be involved with Fund V. TerraCap believes that Mr. Gray's non-involvement with Fund V will not have a material negative impact on Fund V.

Primary Gateway Core Markets – Primary Gateway Core Markets are defined on a multitude of factors. Industry leaders generally consider these markets to include New York, Los Angeles, Chicago, San Francisco, Boston, and DC and are centers of commerce and population.

Independent 3rd Party evaluations of performance – Where and when appropriate, TerraCap may seek out a non-affiliated third party to evaluate TerraCap's performance against major industry indices such as the NCREIF PROPERTY INDEX and the RUSSELL 3000 INDEX.

NCREIF PROPERTY INDEX - The NCREIF Property Index is a quarterly time series composite total rate of return measure of investment performance of a very large pool of individual commercial real estate properties acquired in the private market for investment purposes only. All properties in the NPI have been acquired, at least in part, on behalf of tax-exempt institutional investors - the great majority being pension funds. As such, all properties are held in a fiduciary environment.

THE RETURN INFORMATION IN THIS INVESTMENT SUMMARY IS BASED IN PART ON CERTAIN ASSUMPTIONS, INCLUDING CASH FLOW PROJECTIONS THAT ARE SPECULATIVE IN NATURE, ARE UNAUDITED, MAY NOT REFLECT THE AMOUNTS THAT WILL ULTIMATELY BE RECEIVED BY INVESTORS, AND MAY DIFFER FROM CASH FLOW PROJECTIONS THAT WOULD HAVE RESULTED FROM AN INDEPENDENT EVALUATION OF THESE INVESTMENTS. PAST OR PROJECTED PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS AND AN INVESTMENT IN FUND V MAY RESULT IN A PARTIAL OR TOTAL LOSS OF CAPITAL. CERTAIN INVESTMENTS ARE UNDERGOING OR HAVE PLANNED RENOVATIONS THE COSTS OF WHICH ARE NOT FINAL AND WHICH COSTS MAY CHANGE FROM THE AMOUNTS SUMMARIZED IN THIS SUPPLEMENT AND COULD ALTER PROJECTED INVESTMENT RETURNS AS SHOWN HERE OR OTHERWISE PRESENTED TO PROSPECTIVE INVESTORS. DETAILED PERFORMANCE INFORMATION IS ALSO AVAILABLE UPON REQUEST.

Certain Performance-Related Notes:

Fund I is excluded from this presentation as this fund was comprised solely of land investments, which materially differs from the Fund II, III, IV, and V strategy and as such is not representative of current TerraCap strategies.

Net returns (IRRs and EMs) for Funds II, III and IV include a 100% return of capital. This includes the return of Capital Contributions with respect to asset-level Operating Expenses, Organizational Expenses, and Management Fees. Net returns project the impact of TerraCap's promote on an asset-by-asset basis and excludes fund-level expenses. IRRs are presented NET of carried interest fees.

Gross IRRs - With regards to gross returns presented under TerraCap Performance vs. Public Market Equivalents, gross Limited Partner returns are calculated by taking the aggregate of the Limited Partners' cash flows (including all contributions and distributions) and their current value, and then calculating an IRR based on those cash flows. The performance figures do not reflect the deduction of investment advisory fees; the client's return will be reduced by the advisory fees and any other expenses it may incur in the management of its investment advisory account, however, the management fee is returned before carried interest is distributed; the investment advisory fees are described in Part 2 of TerraCap's Form ADV.

Fund V target net returns reflect the waterfall schedule in the TerraCap Partners V LP – Summary of Key Terms in the Appendix.

Fund level IRR – takes into consideration the dates of all capital calls, all distributions, and the NAV of the fund as of the most recently audited financials. This provides returns as of a particular date for the entire fund.

Property level IRR table – this shows realized IRRs plus projected IRRs for properties that have not sold and takes the weighted average of the two. This provides projected property level returns.

Investor IRR – uses a specific investor's actual cash flows, and the NAV as of the most recently available audited financials. Each investor's cash flows may vary based on the date of their capital contributions to the fund. As an example, an investor that came into the fund earlier might have a lower IRR than one that came in later in the fund life. This shows returns as of a particular date for a particular investor.

NCREIF Property Index PME (Public Market Equivalent): utilizing the NCREIF Property Index, a real estate market index that tracks the unlevered, U.S. property level returns of operating apartment, hotel, industrial, office, and retail properties, the PME represents if an investor made the same contributions and withdrawals into an portfolio that tracks the returns of the NCREIF Property Index during the same time period as they did into the respective TerraCap fund while utilizing the same leverage as that respective TerraCap fund and what the resulting levered IRR is over that time period.

CapEx Efficiency: represents for every $1 spent on capital improvements, what percentage of that capital was added to the NOI of the fund. So, for every $1,000,000 spent on capital improvements in TerraCap II, $640,000 in NOI was created.

Direct Alpha Weighted by Capital Call: weighted average calculation of the IRR Direct Alpha weighted by the total capital called in each fund.

Direct Alpha Weighted by NAV: weighted average calculation of the IRR Direct Alpha weighted by the total quarterly Net Asset Value of each fund over the course of their respective fund life.

Alidade® Capital

ALIDADE CAPITAL FUND V, LP

Confidential

ALIDADE CAPITAL IS AN INSTITUTIONAL VALUE-ADD REAL ESTATE FUND MANAGER

- Founded in 2010, Alidade Capital, LLC ("Alidade Capital" or the "Firm") is a fund manager and registered investment adviser which has managed five value-add real estate investment funds focused in secondary geographic markets (two prior funds have been fully harvested and closed).

- Alidade Capital's founding principals have invested over **$48 million** in the Firm's managed funds, including **$12 million** in Alidade Capital Fund V, LP.

- Since its inception, Alidade Capital's managed funds have completed approximately **$749 million** in property acquisitions and note purchases. Regulatory Assets Under Management ("RAUM") was approximately **$783 million** as of December 31, 2021.

- Institutional investors represent 75%+ of total capital commitments across the five funds; among them are clients managed by six different consulting firms.

- Alidade Capital operates on an established "institutional" investment management platform including the use of a third-party fund administrator and a full-time chief compliance officer, is expanding the deployment of "PropTech" software to support the Firm's research, transaction underwriting and asset management, and is implementing the integration of environmental, social and governance factors[1] into its investment and portfolio management activities.

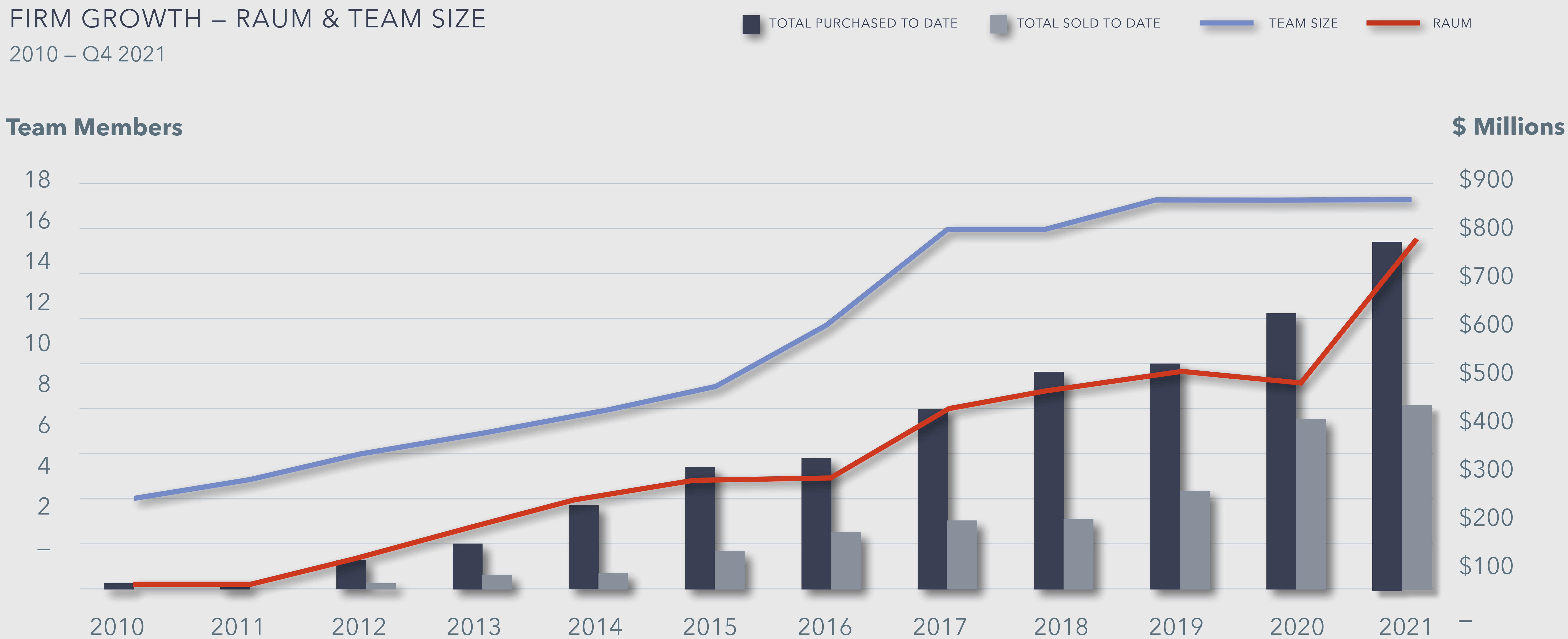
[1] Fund V is not intended as an environmental, social and governance ("ESG") investment, and may not meet investors' ESG objectives

Alidade Capital Fund V, LP ("Fund V") is a value-add real estate fund targeting $250 million in capital commitments

EVOLUTION AS AN INSTITUTIONAL FUND MANAGER

Since 2010, Alidade Capital has grown significantly as a value-add real estate fund manager

FIRM GROWTH – RAUM & TEAM SIZE
2010 – Q4 2021



Fund V is targeting $250 million in equity, expecting to capitalize approximately $500-600 million in acquisitions.

INVESTMENT PERFORMANCE

As of 12/31/2021	HARVESTED **Alidade Capital Fund, L.P. ("Fund I")**	HARVESTED **Alidade Capital Fund II, LP ("Fund II")**	**Alidade Capital Fund III, LP ("Fund III")**	**Alidade Capital Fund IV, LP ("Fund IV")**
Inception Date	June 15, 2010	March 9, 2012	July 1, 2014	April 10, 2017
Final Closing Date	October 6, 2011	February 8, 2013	July 31, 2015	June 29, 2018
Capital Raised	$18.5 million	$42.7 million	$80.0 million	$150.0 million
Acquisition Volume to Date [1,2]	$49.9 million	$62.4 million	$169.8 million	$332.3 million
Number of Assets Acquired to Date [1,2]	34	34	36	27
Number of Assets Remaining [2]	0	0	10	24
Gross Sale Proceeds to Date [2]	$78.7 million	$117.5 million	$165.8 million	$63.6 million
Net Fund IRR	17.7%	19.1%	14.3%	12.3%
Net Multiple of Invested Capital	1.97x	1.77x	1.90x	1.45x
Years to Return Committed Capital[3] (50% | 75% | 100%)	4.75 | 5.25 | 5.50	3.50 | 3.75 | 4.50	5.25 | 6.00 | 6.25	NA | NA | NA

Net Fund IRR and Net Multiple of Invested Capital figures are estimated based on unaudited financials as of 12/31/2021. Please see the Endnotes for further details and definitions.
1. Fund I, Fund II, Fund III, and Fund IV are no longer investing in new properties.
2. Includes activity through 12/31/2021. Fund I and Fund II sold their final remaining real estate investment on 11/21/2019.
3. Represents total distributions as a percent of total commitments from the respective fund's final closing date.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. THERE CAN BE NO ASSURANCE THAT FUND V WILL BE SUCCESSFUL IN ACHIEVING INVESTMENT RESULTS COMPARABLE TO PRIOR FUNDS.

ENVIRONMENTAL, SOCIAL & GOVERNANCE ("ESG")

*Alidade Capital's primary investment objective is to maximize returns to its investors on a risk-adjusted basis. Within this context Alidade Capital considers a variety of ESG issues related to our business, fund assets and the communities in which we invest.**

ENVIRONMENTAL[1]

Implement low-cost energy, water and waste saving methods

Implement lighting retrofits; HVAC upgrades

Electric car charging stations and bicycle storage

Xeriscaping/ use of native plants

SOCIAL[1]

Empower property managers by providing resources/training on ESG

Facilitate tenant health through fitness facilities, green spaces, etc.

GOVERNANCE[1]

Seek to use governance structures that provide appropriate levels of oversight in audit, risk management, and the identification of conflicts of interest

Work to align our programs with sustainability frameworks such as GRESB

In 2021 Alidade Capital designated an internal ESG working group to aid in the development of ESG efforts and help the Firm with its long-term goal of improving its alignment with sustainability reporting frameworks, such as the Global Real Estate Sustainability Benchmark. Alidade Capital has engaged Measurbl, one of the world's leading ESG and sustainability data management platforms, to help analyze Alidade Capital's sustainability data and track performance.

ALIDADE CAPITAL WILL GENERALLY SEEK TO IMPLEMENT THE FOLLOWING MEASURES FOR ITS MOST RECENT VALUE-ADD FUNDS:

- Evaluate newly acquired properties for ESG issues at or after acquisition, or prior to development through an ESG assessment
- Benchmark and monitor property utilities through Energy Star accounts
- Provide transparent ESG reporting
- Establish an ESG Taskforce to discuss the direction and management of its ESG program

[1] Represents a sample list of ESG activities related to Alidade Capital and certain fund assets. This list is not comprehensive and such representative activities vary based on the underlying property type and assets involved.

* While Alidade Capital expects to consider ESG issues when making investments for Fund V and expects that in many cases ESG considerations will align with the investment and financial objectives of Fund V, ESG considerations will not be determinative when making decisions regarding Fund V or its investments and will be subject to Alidade Capital's objective to seek to maximize returns on investments for Fund V and its investors.

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KEY TAKEAWAYS

What are the current demographic, economic and technological trends?

What lessons is COVID-19 teaching us about investing in commercial real estate?

How is COVID-19 impacting the performance of Alidade Capital's prior funds?

Alidade® Capital

Section 1

CURRENT ENVIRONMENT

MARKET IMPLICATIONS

The current environment is accelerating demographic, economic and technological changes that were already underway

Population migration from primary/major to secondary cities

Growing E-commerce and long-themed technologies

Aging population increasing life sciences demand

Rising data consumption, fueling innovation company growth

Logistics chain reliability and national security concerns leading to increased domestic production (onshoring)

UNPRECEDENTED SCALE OF MONETARY & FISCAL RESPONSE TO COVID-19

MONETARY POLICY

Unlimited quantitative easing - $3 trillion from March 2020 to June 2021 (13.2% of US GDP)[1]

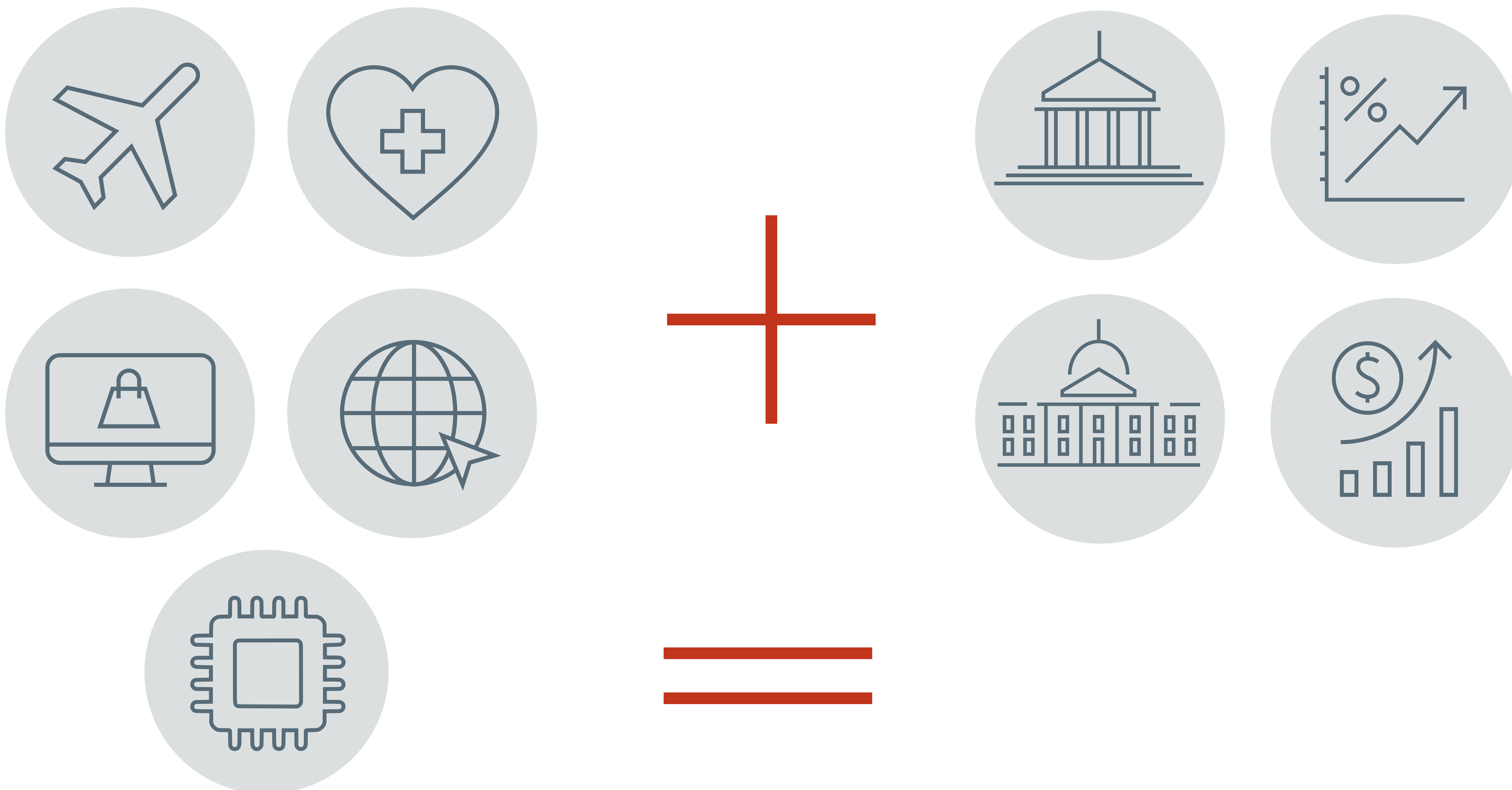
Federal Reserve officials began their program to raise rates in March 2022 with inflationary pressures expected to accelerate additional increases throughout the year

FISCAL POLICY

$5 trillion of fiscal spending from March 2020 to June 2021 (22.0% of US GDP)[1]

SOURCES: US GDP reported by BEA at $22.72 trillion as of 6/30/2021

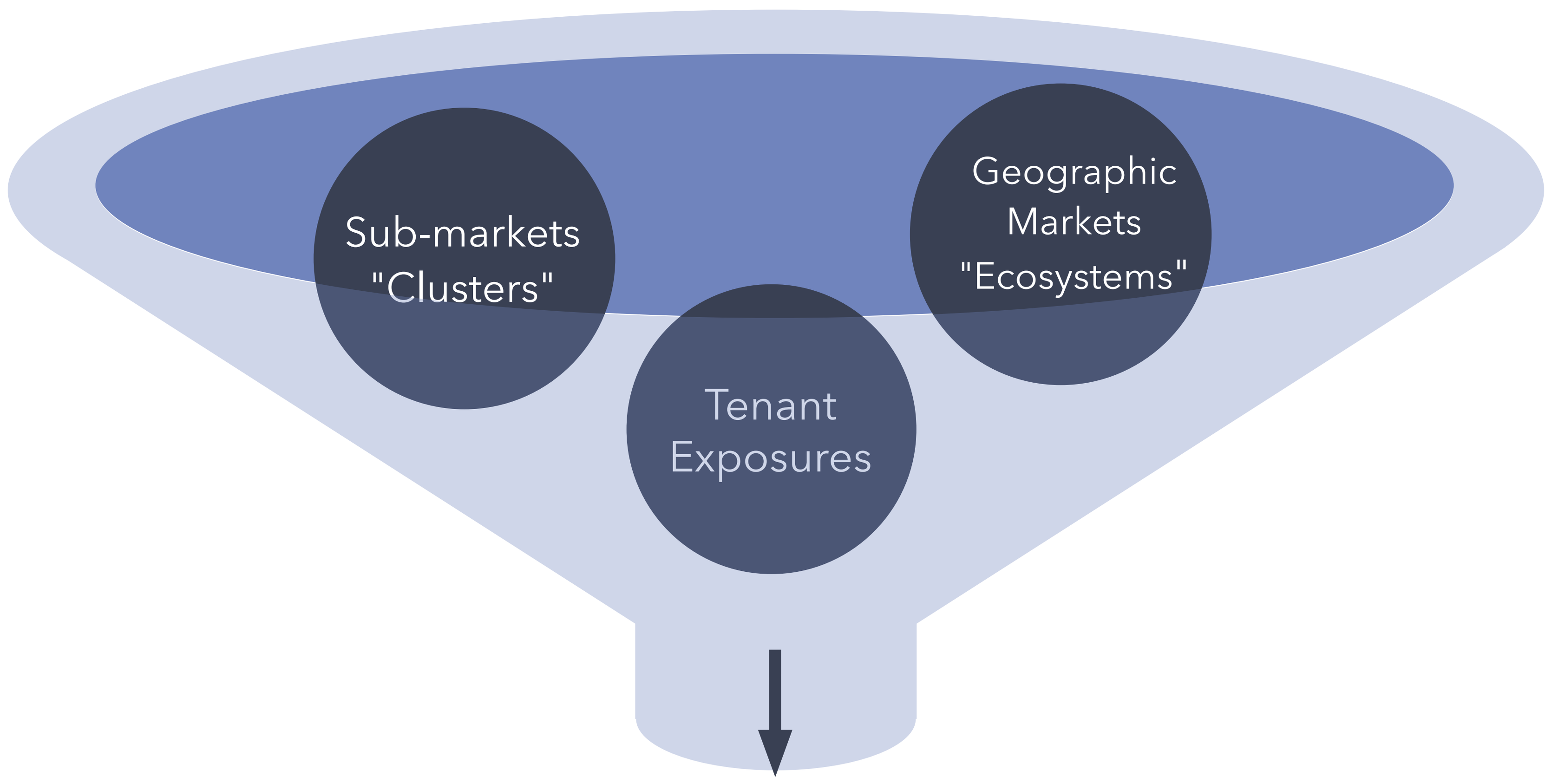
CONCLUSION



Real estate often acts as an inflation hedge

ALIDADE CAPITAL'S RESILIENCY IN THE COVID-19 ENVIRONMENT

Fund III and Fund IV's performance in the COVID-19 environment offers support for Fund V's investment approach



RESULTING ACTIVITY ACROSS FUND III AND FUND IV DURING COVID-19 (APRIL 2020 - JUNE 2021)

RENTAL COLLECTIONS

Collected 96-100% of charged rent each month from April 2020 through June 2021.

Only 2 tenants have been terminated, representing a mere 5,082 SF in aggregate occupancy.

LEASING ACTIVITY

Signed 22 new leases totaling 238,808 SF inclusive of expansion of existing tenants.

Signed 42 renewals totaling 341,717 SF, inclusive of expansion of existing tenants.

FUND III

Sold Cedar Business Center I in Minneapolis, MN for $3.2 million in December 2020.

Sold Heritage Park I in Indianapolis, IN for $8.6 million in April 2021.

FUND IV

Sold Papago Spectrum in Tempe, AZ for $37 million in July 2020.

Sold Boyce Building in Charlotte, NC for $22.5 million in April 2021.

The sample transactions described herein are intended solely as illustrative examples of the strategies employed by Alidade Capital in prior fund investments that are generally consistent with the investment themes targeted for Fund V. However, Fund V will not have any interest in these prior investments.

KEY TAKEAWAYS

What thematic outlook guides the Fund V investment thesis?

What are the highlights of the Fund V offering?

Section 2

FUND V OFFERING

Alidade Capital

THEMATIC VIEW

Alidade Capital Fund V, LP ("Fund V") is a real estate value-add fund targeting $250 million in capital commitments [1]

- **INNOVATION ECOSYSTEMS:** Geographic markets that support, attract and retain long-themed technology-driven companies that Alidade Capital believes will provide significant above trend growth and returns in an expansionary economy and resiliency during periods of economic contraction

  The companies operating in these Innovation Ecosystems are key demand drivers for real estate space

- **CLUSTERS:** Sub-markets where transformative technology-driven innovation companies need to locate to compete for research, talent, funding and ultimately, real estate space needs

- **Direct Exposure** to long-themed technologies, specifically focused on innovation companies as tenants; Fund V maintains a bias towards the Life Science and Technology industries that typically utilize R&D Flex and Low-Finish and High-Finish Industrial asset types

- **Indirect Exposure** to innovation companies by targeting their workforces, specifically "STEM" talent (careers requiring expertise in science, technology, engineering and mathematics)

Many asset types that support innovation company "work" that cannot be done virtually

[1]There can be no guarantee that Fund V will achieve its fundraising goals which could affect its ability to implement its objectives

FUND V OFFERING HIGHLIGHTS

Fund V held two closes, raising over $182 million

TARGET FUND SIZE[1]

$250 million

TARGET RAUM[2]

$500-600 million

TARGET FUND IRR

13-15% Net
(16-18% Gross)

TARGET NET MULTIPLE

1.75x

TARGET DEAL SIZE

$5-50 million
(portfolio acquisitions may exceed this amount)

TARGET GEOGRAPHIES

Innovation Ecosystems
(located in secondary U.S. markets)

TARGET INVESTMENTS

Seeking direct and indirect exposure to innovation companies as tenants through the following real estate investments:

Direct Exposure: 75%+ in R&D Flex, High-Finish Industrial, Low-Finish Industrial, Creative and/or Adaptive Office
Indirect Exposure: 25% or less in Essential and Adaptable Retail, Housing
Other: Potential COVID-19 distressed opportunities

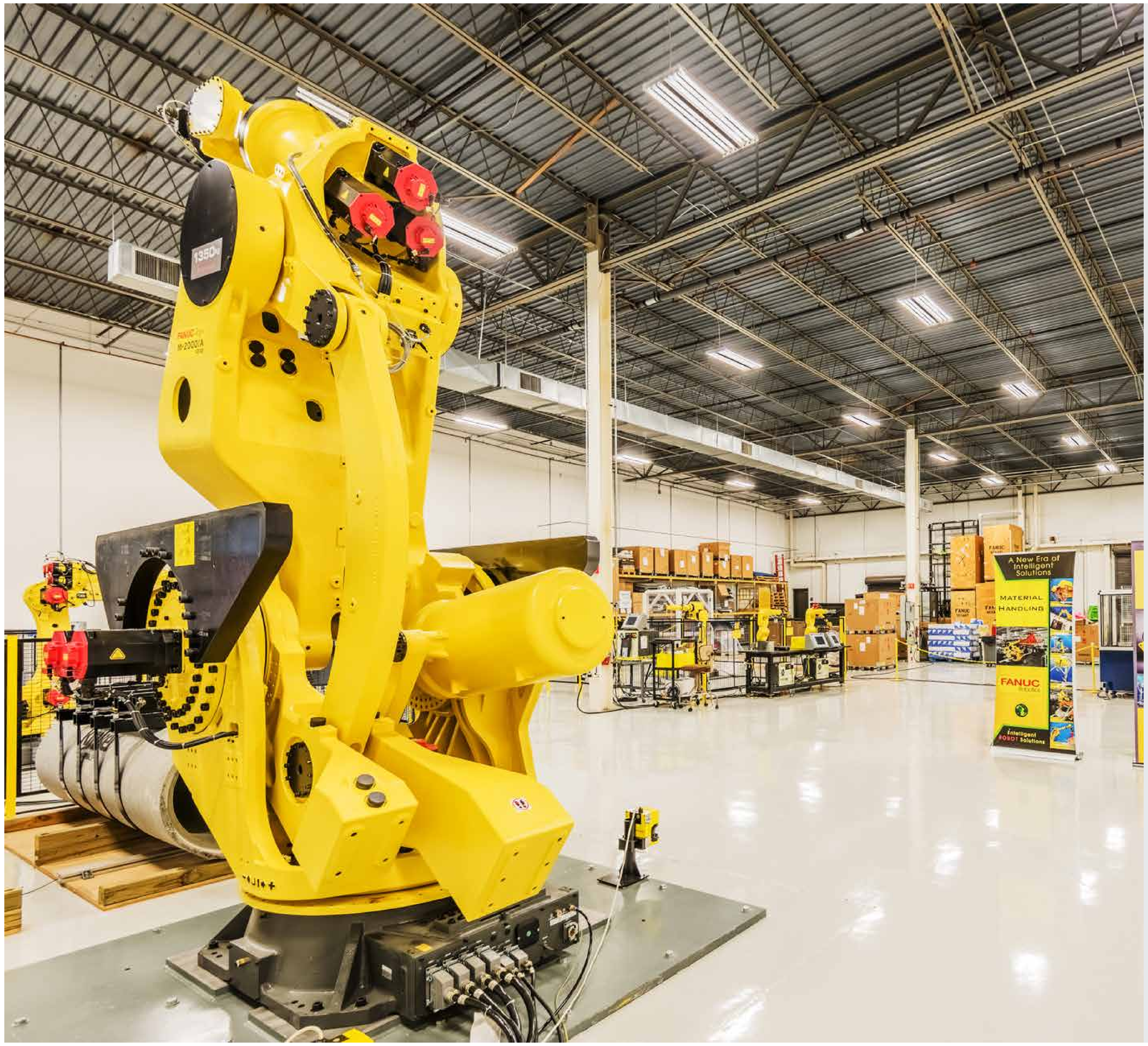
LP FRIENDLY FUND STRUCTURE

Waterfall requires Fund V to return 100% of the investors' aggregate (total) capital plus 8% compounded annual preferred return before general partner receives any profits

[1] There can be no guarantee that Fund V will achieve its fundraising goals, which could affect its ability to implement its objectives
[2] Gross capital including leverage and any uncalled but committed capital

Targets are provided as a general guideline and indicator of how Fund V will be managed and are not to be viewed as an indicator of likely results. There can be no assurance that target returns will be achieved or that Fund V will be able to identify target investments in target geographies.

Keystone at the Park - Charlotte, NC // *Owned by Fund IV*



KEY TAKEAWAYS

Why does Alidade Capital focus on innovation industries and their STEM workforces?

What is an Innovation Ecosystem and what are its Four Pillars?

Why are Innovation Ecosystems a powerful place to invest?

What Innovation Ecosystems will Fund V target and why?

What is a Cluster and where are they located?

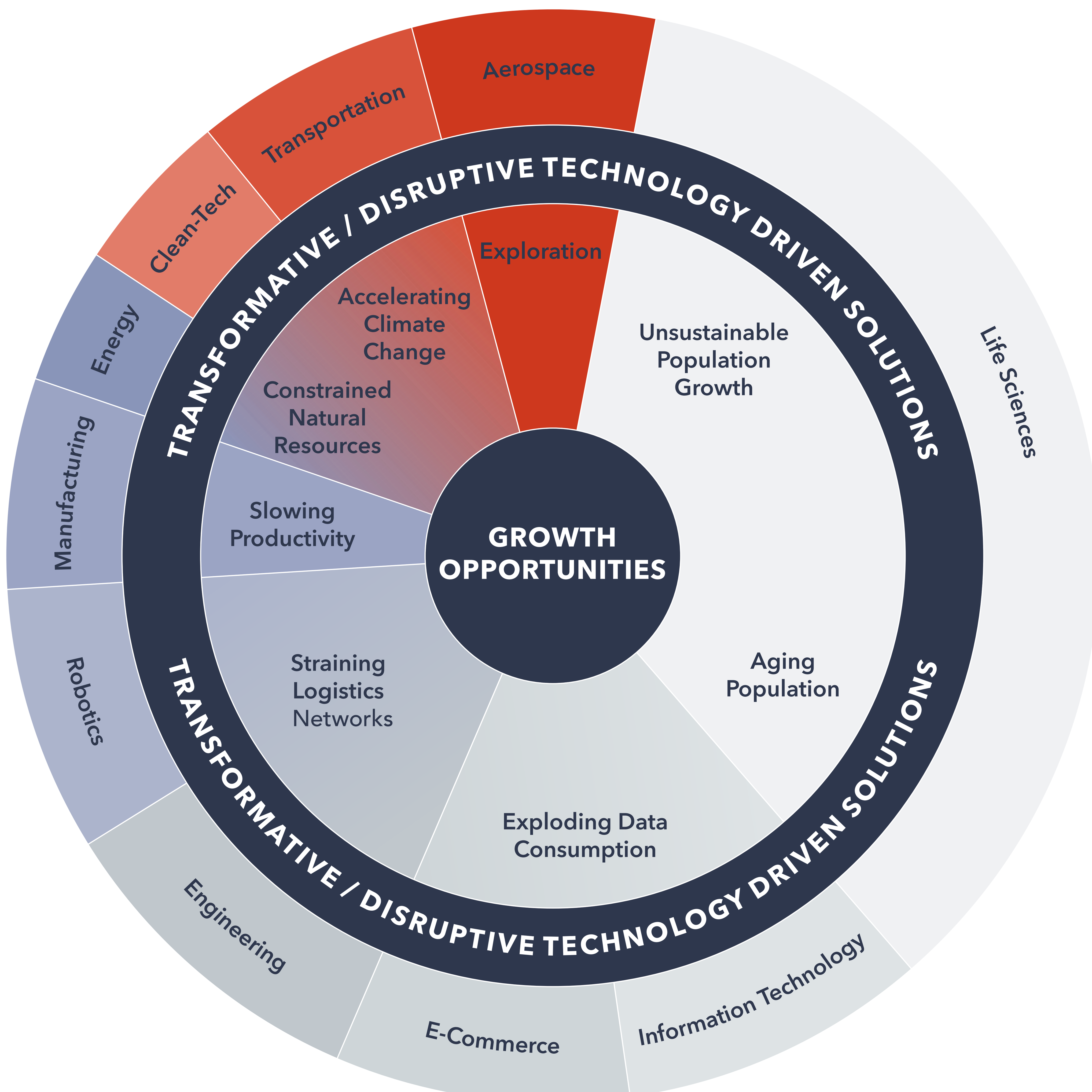
Alidade Capital

Section 3

THEMATIC INVESTMENT OPPORTUNITY

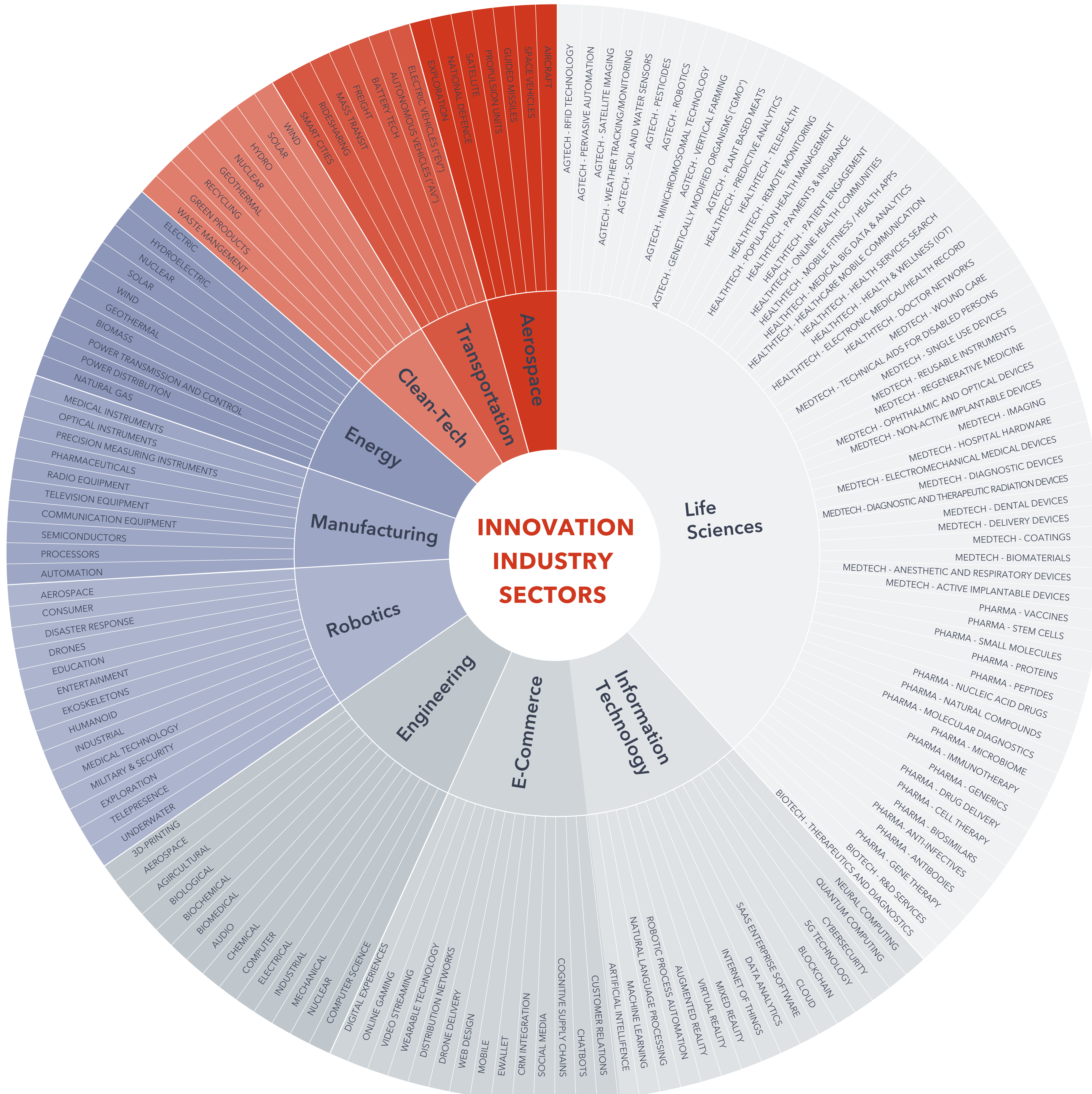
GLOBAL CHALLENGES OFFER GROWTH POTENTIAL

Industries aligned to address the most critical challenges are poised to fuel growth for a vast array of companies developing data based, technology-driven solutions



WHAT IS AN INNOVATION INDUSTRY?

There are 10 main sectors, comprised of countless industries, that Alidade Capital believes are poised for generational growth as they seek data based, technology-driven solutions for humanity's biggest challenges



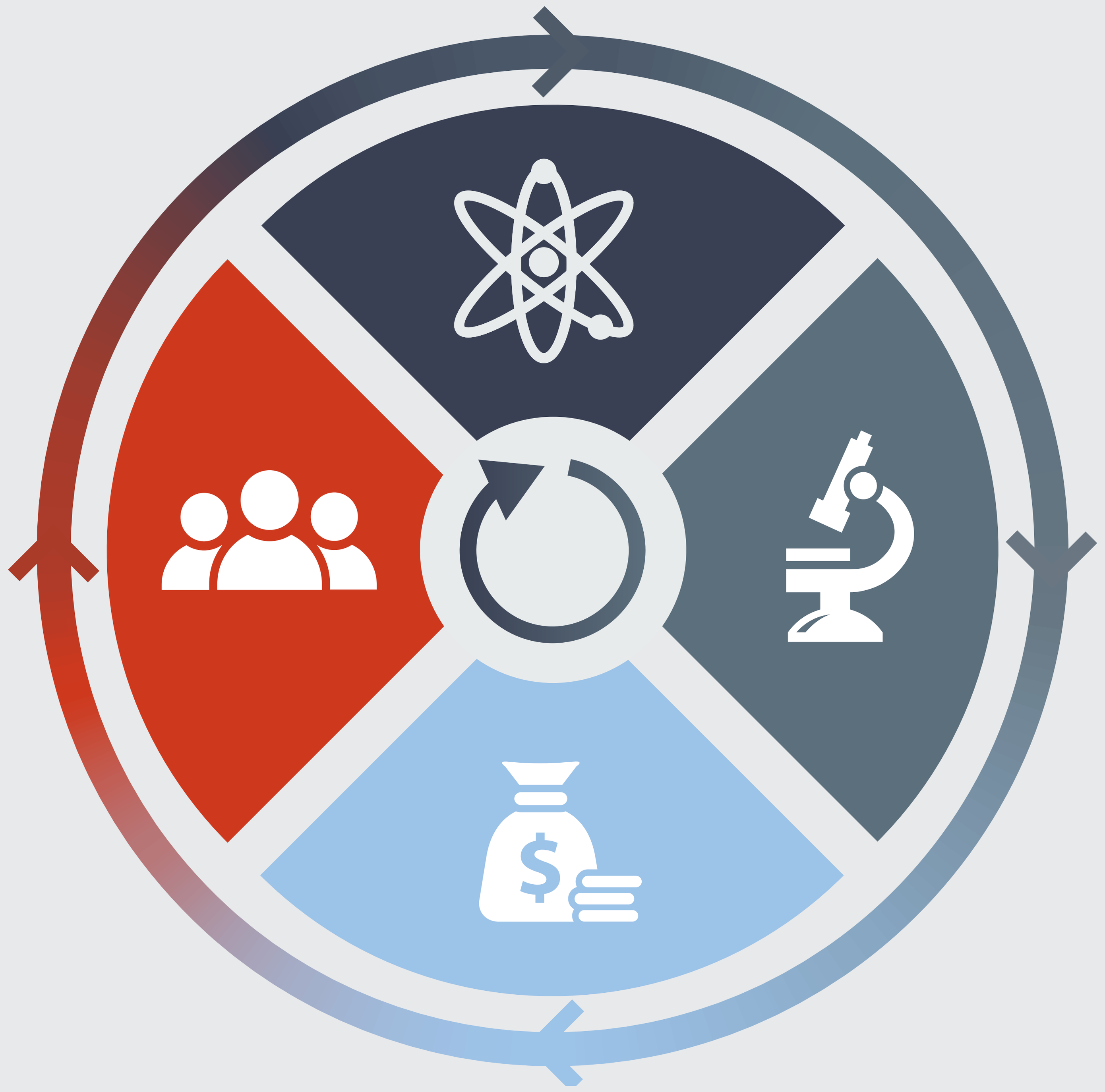
FOUR PILLARS OF INNOVATION ECOSYSTEMS

INFRASTRUCTURE

- Existing R&D Flex properties and campuses
- Real estate space that is convertible into laboratory, manufacturing and other production-based facilities
- Healthcare/Medical research campuses

TALENT

- STEM Jobs – Highly trained workforce focused on Science, Technology, Engineering & Mathematics



RESEARCH UNIVERSITIES

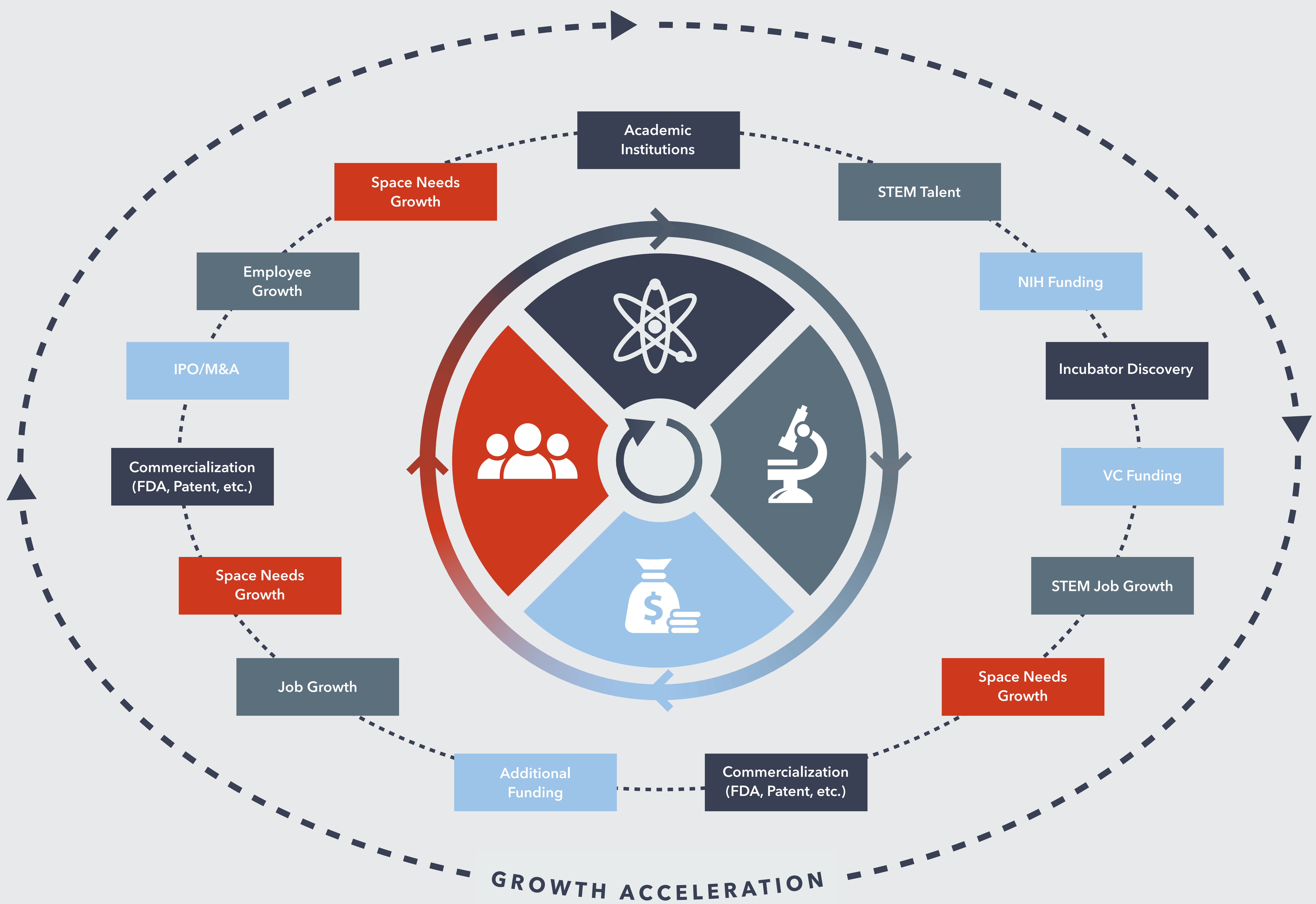
- Incubation & Commercialization Spinoffs
- Research Patents
- Research Grants
- STEM Graduates

FUNDING

- **Public Sources**
  National Institute of Health ("NIH") and research grants
- **Private Sources**
  Angel Investing, Venture Capital and Growth Equity
- **Capital Markets**
  M&A and IPOs

INNOVATION ECOSYSTEM

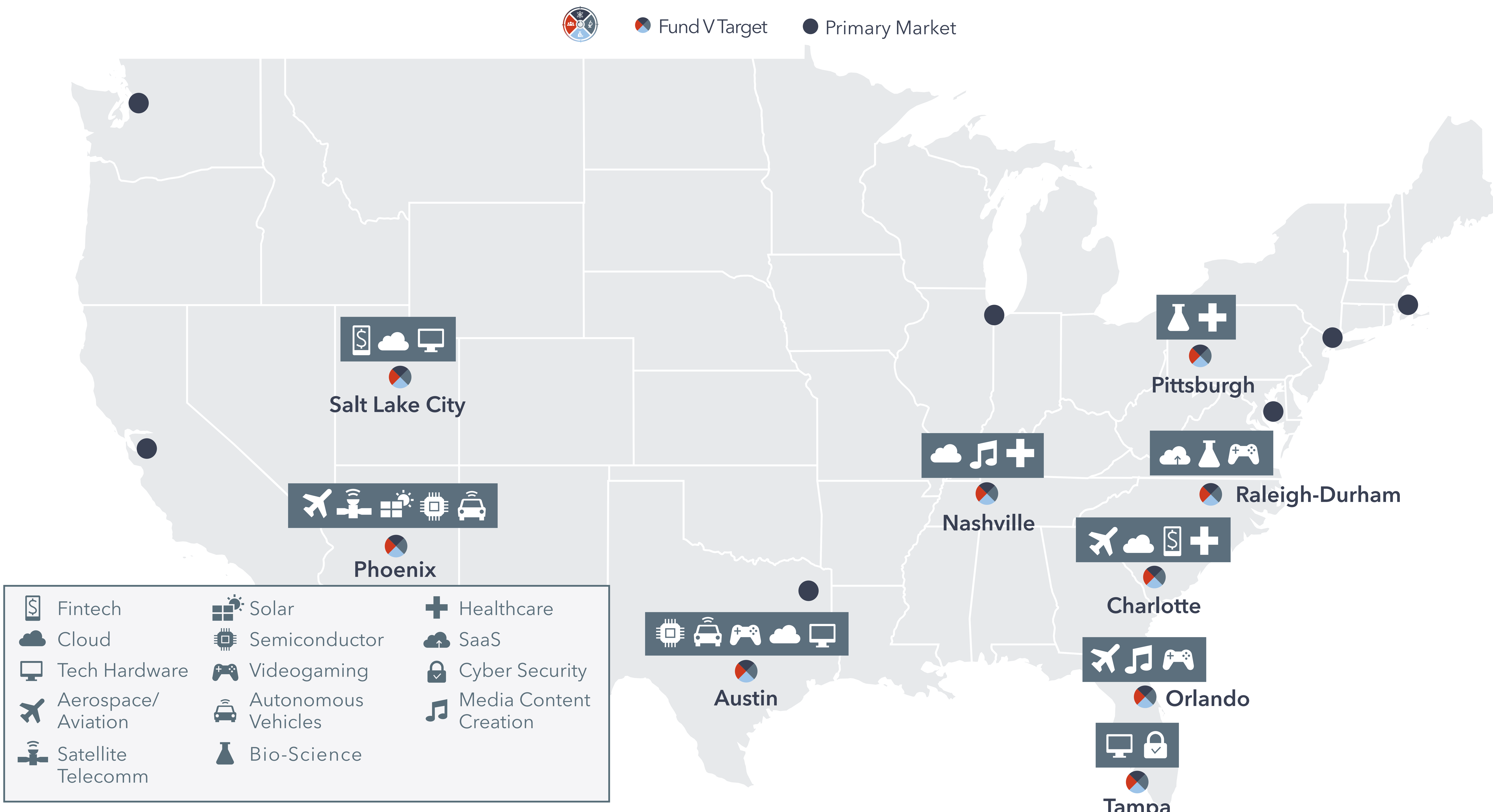
Innovation Ecosystems drive outsized growth in the short, medium and long term by attracting long-themed technology-based companies



INNOVATION ECOSYSTEMS – TARGET MARKETS

Alidade Capital has been investing in secondary markets for over 10 years and has refined its approach to focus on targeted Innovation Ecosystems within secondary markets

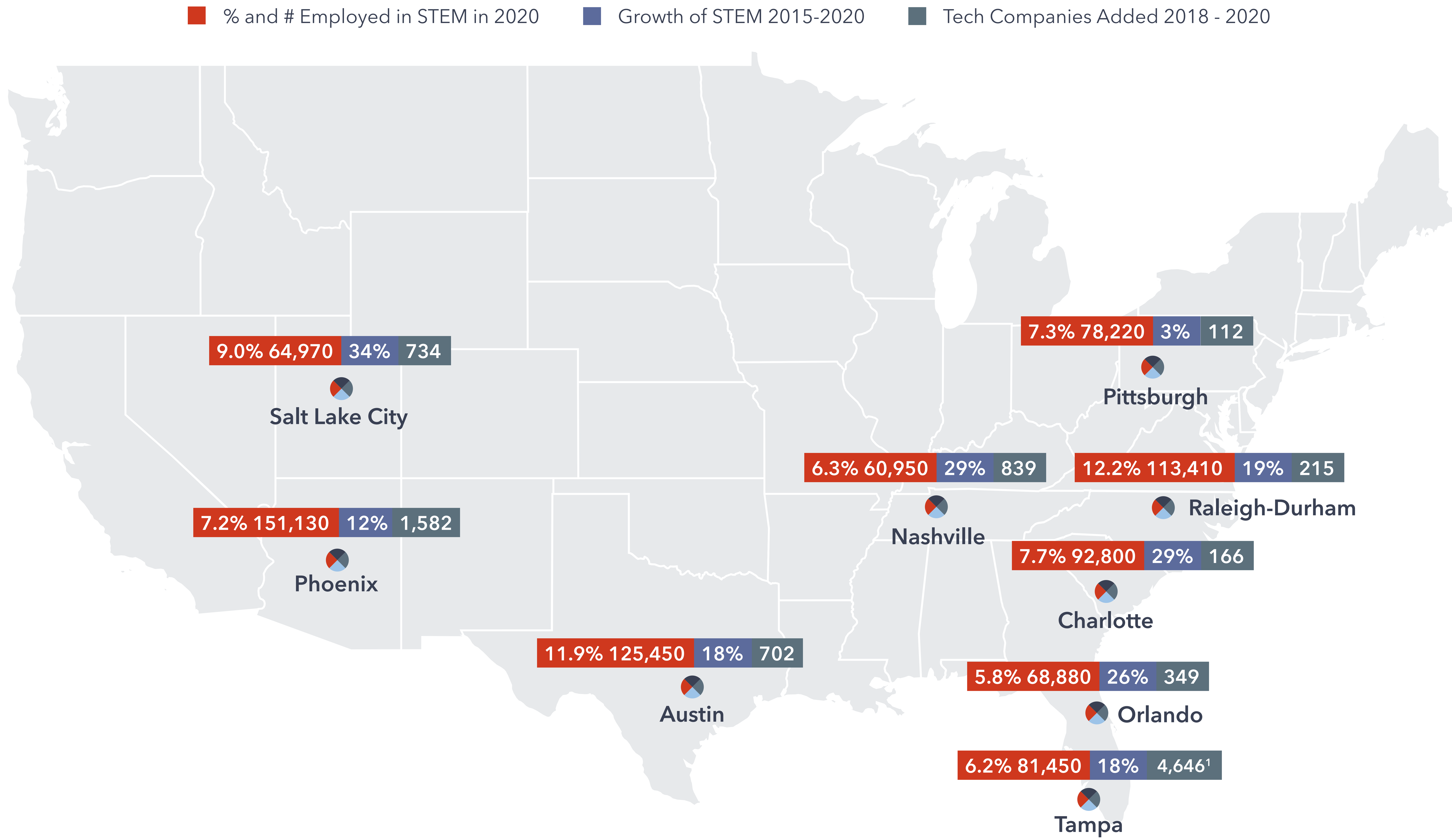
INNOVATION ECOSYSTEMS



NOTE: Alidade Capital employed a data driven analytical approach to evaluate the 4 Pillars of Innovation Ecosystems to support target market selection; the Fund V Target Markets listed are subject to change and Fund V may invest in other U.S. markets.

STEM JOB CONCENTRATION & GROWTH

TARGET INNOVATION ECOSYSTEMS



Sources: BLS OES STEM Data Sets; CompTIA Cyberstates Research Reports (2018 and 2020); CompTIA Cyberstates includes 50 NAICS codes in its definition of the tech industry. These can be thought of in two broad categories: tech manufacturing and tech services. These industries sufficiently represent the technology industry within the framework provided under the NAICS system.

[1]Tampa MSA not included in CompTIA Cyberstates Research Report 2018; Listing Total Tech Establishments in 2020

The Fund V Target Markets listed are subject to change and Fund V may invest in other U.S. markets.

TARGET INNOVATION ECOSYSTEMS: EVALUATION GRID (1 OF 2)

Phoenix	Salt Lake City	Austin	Raleigh-Durham
1 major research university **8,406** Life Science graduates in 2018[10] **5,056** Tech graduates in 2018[5]	**2** major research universities **2,130** Life Science graduates in 2018[12,13] **5,331** Tech graduates in 2018[5]	**1** major research university **3rd** in patents per capita among major US metros[7] **4,100** Life Science graduates in 2018[7] **2,700** Tech graduates in 2018[5]	**3** major research universities **2,460** Life Science graduates[2] **3,830** Tech graduates in 2018[5]
$96 million NIH funding in 2019[3] **$198** million VC Bioscience Firm Funding in 2019[9]	**$225 million** NIH funding in 2019[3] **$4.1 billion** in Life Science Funding from 2013 to 2017[11]	**$92** million NIH funding in 2019[3] **$680** million in Annual Research funding[7] **$1.7** billion total VC funding in 2019[7]	**$1.4 billion** NIH funding in 2019[3] **$174 million** VC Life Science Funding in 2019[2]
6.8% employed in STEM[4] **30.8%** have Bachelor's degree or higher[1] **94,650** employed in Tech in 2019[5]	**8.5%** employed in STEM[4] **29.0%** growth in STEM employment from 2015-2019[4] **33.9%** have Bachelor's degree or higher[1] **51,220** employed in Tech in 2019[5]	**11.2%** employed in STEM[4] **43.9%** have Bachelor's degree or higher[1] **76,270** employed in Tech in 2019[5]	**12.0%** employed in STEM[4] **45.9%** have Bachelor's degree or higher[1] **39,588** employed in Life Science[2] **67,660** employed in Tech in 2019[5]
Ranked #10 for STEM Job Growth in 2020[8] **7,260** Tech companies as of 2020[6] **33.3** million SF of existing flex space[2]	**4,617** Tech companies as of 2020[6] **28.9** million SF of existing flex space[2]	**Ranked #2** for STEM Job Growth in 2020[8] 260+ companies in Life Sciences & HealthTech[7] **5,964** Tech companies as of 2020[6] **22.5** million SF of existing flex space[2]	**Ranked #5** for STEM Job Growth in 2020[8] **Nearly 600** life science companies as of 2020[2] **33.7** million SF of existing flex space[2]

1 – U.S. Census Bureau (Population Over 25); 2 – CoStar; 3 – U.S. Department of Health and Human Services; 4 – BLS (https://www.bls.gov/oes/); 5 – CBRE Tech Talent 2020; 6 – CompTIA Cyberstates 2020 Report; 7 – Austin Chamber of Commerce; 8 – RCLCO; 9 – The Flinn Foundation (www.flinn.org) 10 – ASU 2020 STEM Report 11 – Utah Economic Council 2020 Report 12 – BYU Enrollment Graduation by the Numbers 13 – U of Utah Student Data, Degrees Awarded, 14 – Charlotte Business Journal (https://www.bizjournals.com/charlotte/inno/stories/inno-insights/2020/01/14/report-charlotte-startups-raise-over-279m-in-2019.html); 15 - Wallet Hub (https://wallethub.com/edu/best-worst-metro-areas-for-stem-professionals/9200); 16 - North Carolina Biotechnology Center; 17 - Forbes Magazine

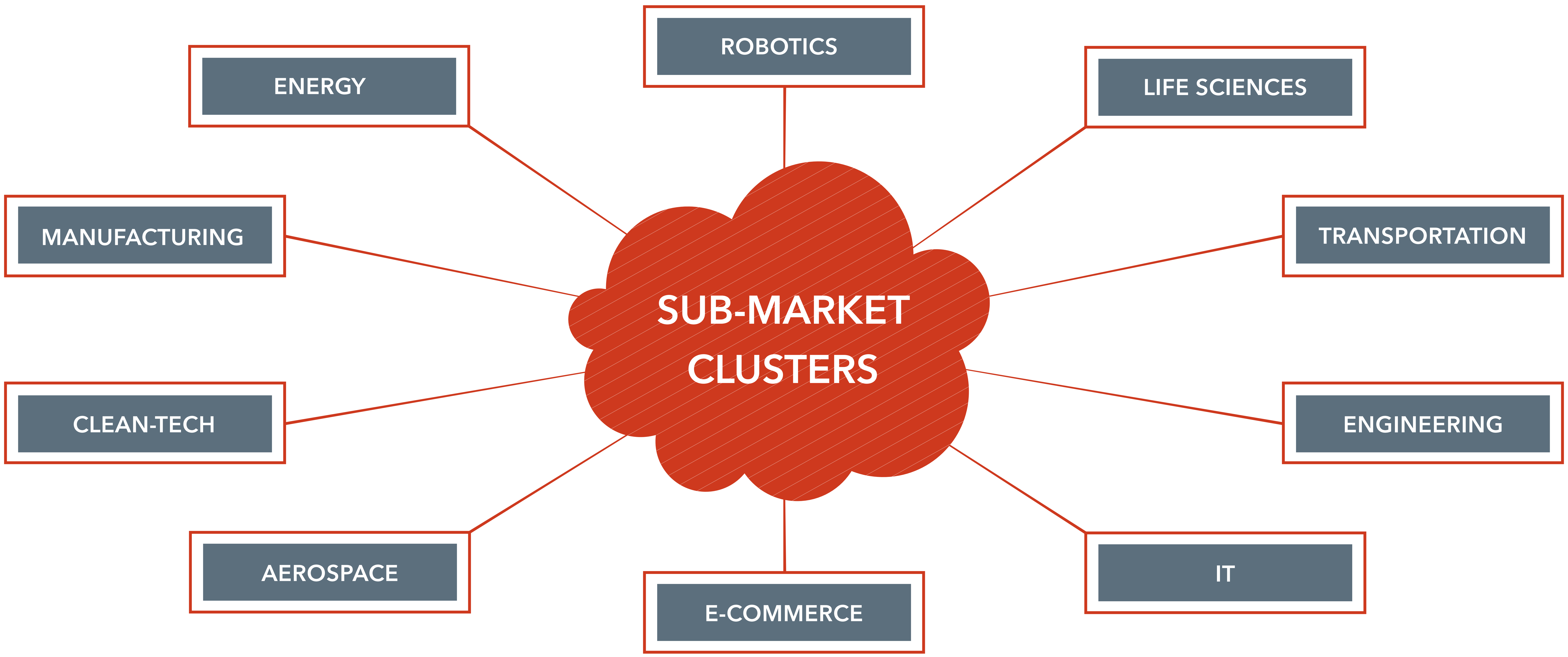
TARGET INNOVATION ECOSYSTEMS: EVALUATION GRID (2 OF 2)

	Charlotte	Nashville	Orlando	Tampa	Pittsburgh
	1 major research university **23,175** North Carolina Life Science degrees conferred from 2013-2018[16] **1,599** Tech graduates in 2018[5]	**1** major research university **982** Tech graduates in 2018[5]	**1** major research university **2,619** Tech graduates in 2018[5]	**1** major research university **1,808** Tech graduates in 2018[5]	**2** major research universities **5,258** Tech graduates in 2018[5]
	$9 million NIH funding in 2019[3] **$279** million VC raised by Charlotte startups in 2019[14]	**$409 million** NIH funding in 2019[3] **839** New Tech companies started from 2018-2020[6]	**$24 million** NIH funding in 2019[3] **349** New Tech companies started from 2018-2020[6]	**$129 million** NIH funding in 2019[3] **$247 million** in VC funding received by companies in 2019[15]	**$637 million** NIH funding in 2019[3] **112** New Tech companies started from 2018-2020[6]
	7.1% employed in STEM[4] **23.1%** growth in STEM employment from 2015-2019[4] **34.7%** have Bachelor's degree or higher[1] **57,340** employed in Tech in 2019[5]	**19.9%** growth in STEM employment from 2015-2019[4] **34.8%** have Bachelor's degree or higher[1] **31,190** employed in Tech in 2019[5]	**24.9%** growth in STEM employment from 2015-2019[4] **31.3%** have Bachelor's degree or higher[1] **43,280** employed in Tech in 2019[5]	**13.8%** growth in STEM employment from 2015-2019[4] **52,150** employed in Tech in 2019[5]	**7.0%** employed in STEM[4] **34.1%** have Bachelor's degree or higher[1] **44,430** employed in Tech in 2019[5]
	Ranked #1 for STEM Job Growth in 2020[8] Ranked #1 Metro for Growth in STEM Jobs 2018[17] **4,215** Tech companies as of 2020[6] **32.4 million** SF of existing flex space[2]	**Ranked #12** for STEM Job Growth in 2020[8] **3,456** Tech companies as of 2020[6] **17.4 million** SF of existing flex space[2]	**Ranked #7** for STEM Job Growth in 2020[8] **3,676** Tech companies as of 2020[6] **23.7** million SF of existing flex space[2]	**4,646** Tech companies as of 2020[6] **23.4 million** SF of existing flex space[2]	**#5** on Wallet Hub – Best Metro Areas for STEM Professionals[15] **2,465** Tech companies as of 2020[6] **25.8** million SF of existing flex space[2]

1 – U.S. Census Bureau (Population Over 25); 2 – CoStar; 3 – U.S. Department of Health and Human Services; 4 – BLS (https://www.bls.gov/oes/); 5 – CBRE Tech Talent 2020; 6 – CompTIA Cyberstates 2020 Report; 7 – Austin Chamber of Commerce; 8 – RCLCO; 9 – The Flinn Foundation (www.flinn.org) 10 – ASU 2020 STEM Report 11 – Utah Economic Council 2020 Report 12 – BYU Enrollment Graduation by the Numbers 13 – U of Utah Student Data, Degrees Awarded, 14 – Charlotte Business Journal (https://www.bizjournals.com/charlotte/inno/stories/inno-insights/2020/01/14/report-charlotte-startups-raise-over-279m-in-2019.html); 15 - Wallet Hub (https://wallethub.com/edu/best-worst-metro-areas-for-stem-professionals/9200); 16 - North Carolina Biotechnology Center; 17 - Forbes Magazine

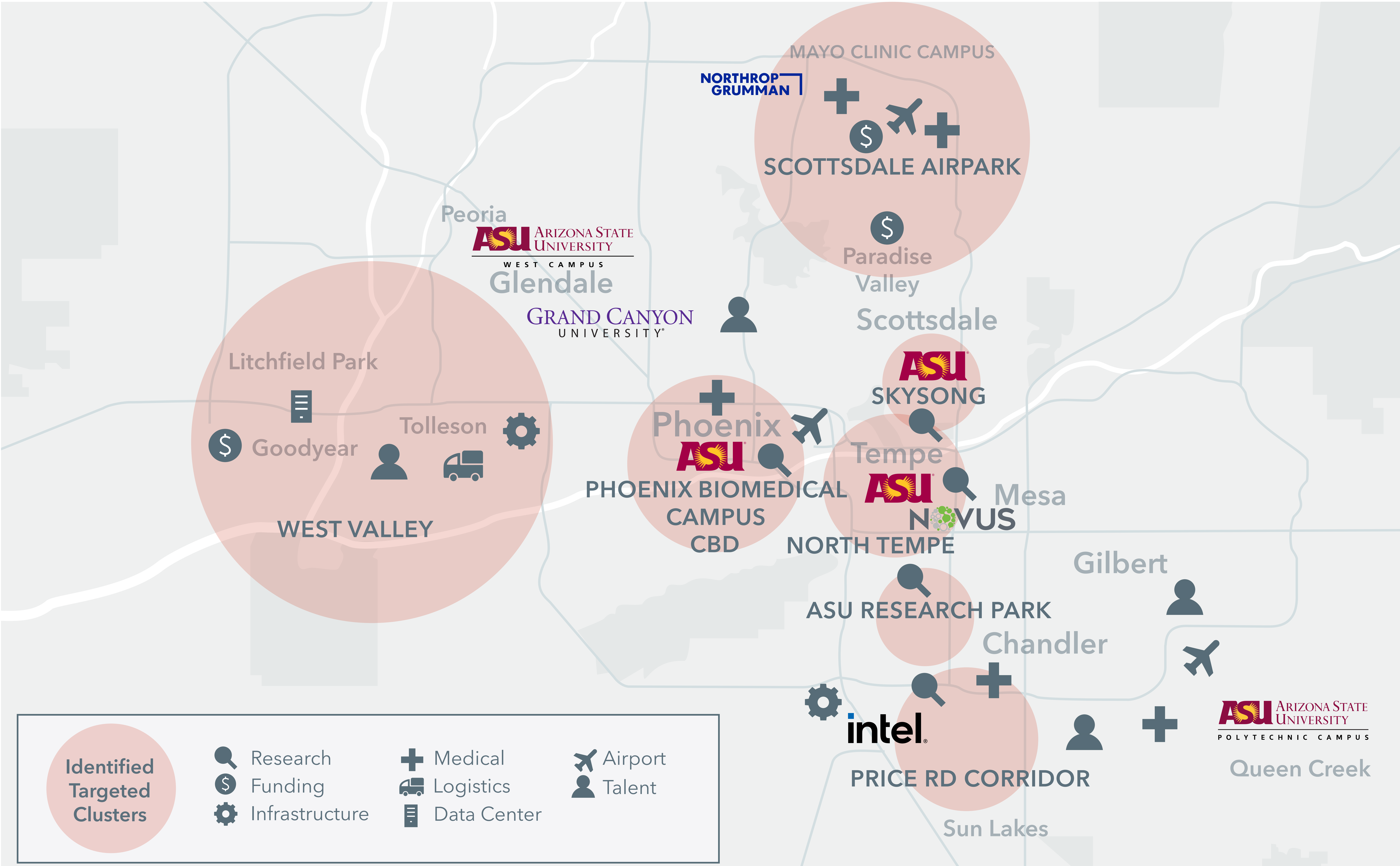
SUB-MARKETS – "CLUSTERS"

Targeted sub-markets are located where innovation companies "Cluster" to compete for talent, funding and research resources including functional real estate space

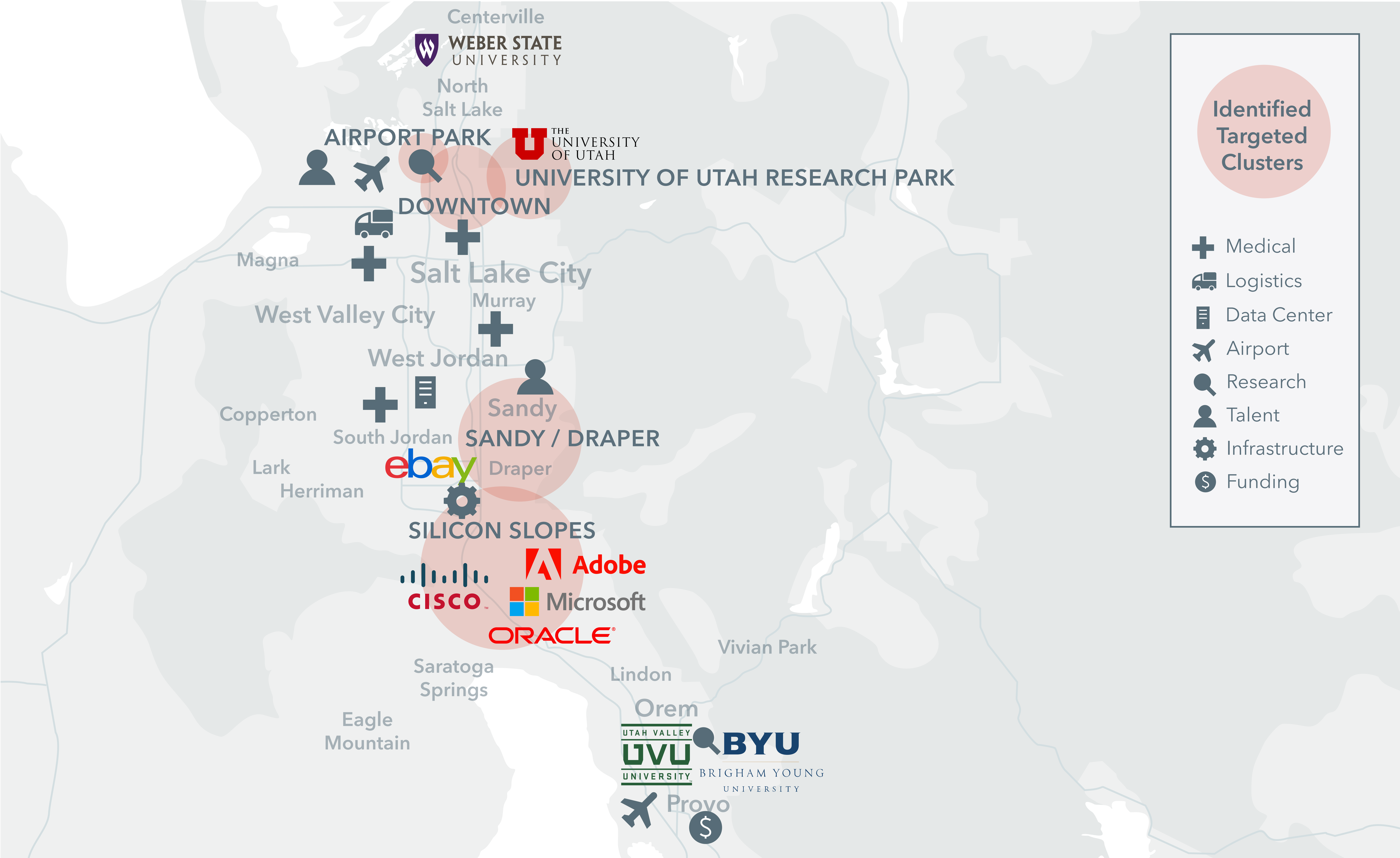


CLUSTERS FUEL DEMAND FOR REAL ESTATE

TARGET INNOVATION ECOSYSTEM – PHOENIX, AZ



TARGET INNOVATION ECOSYSTEM – SALT LAKE CITY, UT



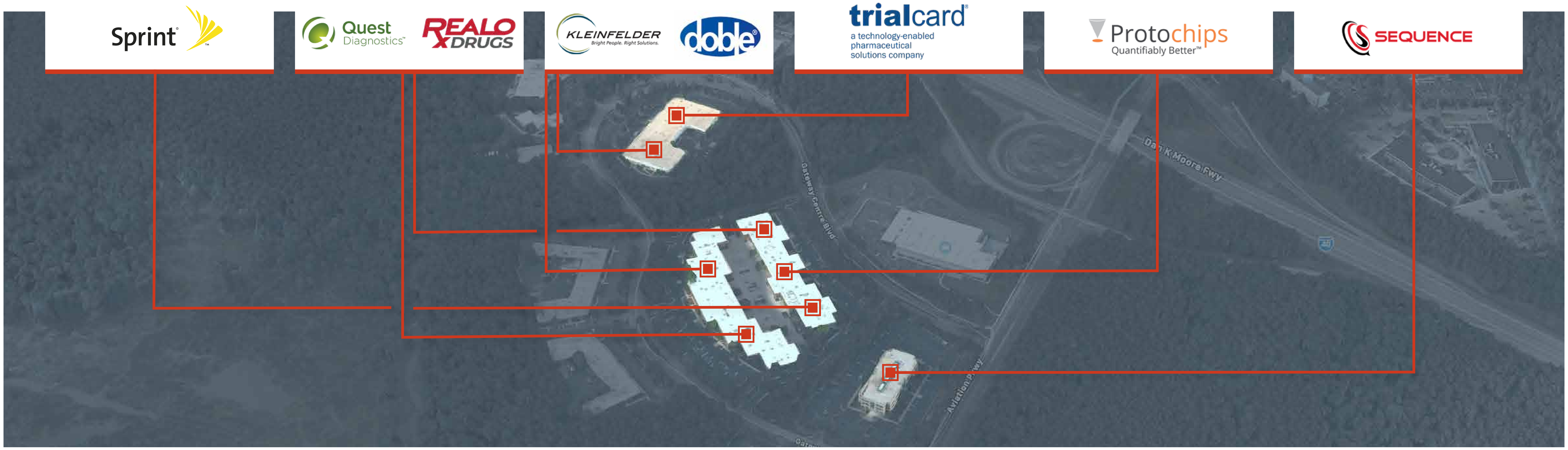
TARGET INNOVATION ECOSYSTEM – RALEIGH-DURHAM, NC

ACTIVE PORTFOLIO EXAMPLE

Gateway Centre in Raleigh-Durham, NC is a prime example of a Cluster, consisting of four buildings which include 12 innovation companies occupying over 180,000 SF

INNOVATION COMPANIES

DATA	R&D LAB	ENGINEERING	IT HEALTHCARE	ELECTRON MICROSCOPY	BIOPHARMA VALIDATION
Sprint	Quest Diagnostics; REALO DRUGS	KLEINFELDER; doble	trialcard a technology-enabled pharmaceutical solutions company	Protochips Quantifiably Better	SEQUENCE



SUPPORTING INFRASTRUCTURE

AIRPORT
- 5 MINUTE DRIVE TO RDU AIRPORT

RESEARCH UNIVERSITIES
- 17 MINUTE DRIVE TO DUKE UNIVERSITY
- 24 MINUTE DRIVE TO UNC
- 17 MINUTE DRIVE TO NC STATE

RESEARCH TRIANGLE CAMPUS
- 11 MINUTE DRIVE TO CAMPUS

AIRPORT BLVD.
- NCDOT WIDENED AIRPORT BLVD. IN 2019

LAKE CRABTREE
- 215-ACRE PARK
- 10.2 MILES TRAILS

KEY TAKEAWAYS

How does the Fund V strategy fit within Alidade Capital's historical investment approach?

What economic, consumption, employment and demographic trends directly support the Fund V strategy?

What industry tenant exposures and asset types will Fund V target?

Alidade® Capital

Section 4

INVESTMENT STRATEGY

ADAPTIVE INVESTMENT FOCUS

Alidade Capital's size has fostered an evolutionary investment focus over time, enabling it to take advantage of secular headwinds to major markets and capitalize on investment opportunities presented under changing market conditions

STATION 3 LOFTS Royal Oak, MI

Identified market fragmentation and invested in assets poised for re-positioning after the global financial crisis

Multifamily
2010

2012
Industrial; R&D Flex

Identified market fragmentation and invested in assets poised for re-positioning after the global financial crisis

GREENVILLE INDUSTRIAL PORTFOLIO Greenville, SC

TRIANGLE BUSINESS CENTER Raleigh-Durham, NC

Expanded into select secondary cities with strong real estate, economic and demographic fundamentals, targeting assets below replacement cost

R&D Flex
2014

2017
R&D Flex; Adaptive Office

Expanded into select secondary cities with strong real estate, economic and demographic fundamentals, targeting assets below replacement cost

KEYSTONE AT THE PARK PORTFOLIO Charlotte, NC

BRADFORD & BERRINGTON Durham, NC

Target Innovation Ecosystems in secondary markets, seeking long-themed "tech" industry companies and their employees as tenants; target spaces supporting non-virtual work; target STEM employment

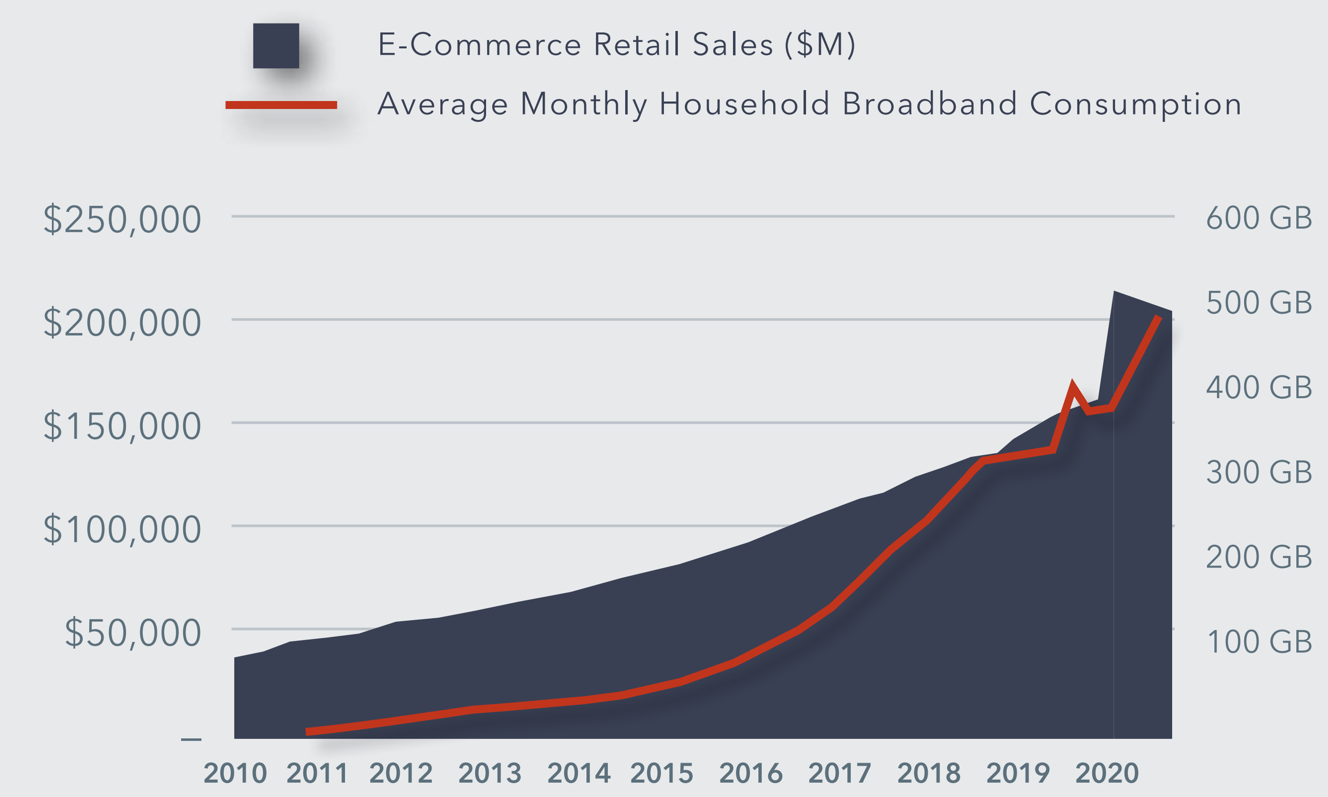
Industrial; R&D Flex; Adaptive Office
2020

NOTE: The themes listed above are intended to be examples of the relevant investment opportunity during the time periods noted. Alidade Capital has and Fund V will likely invest in various other strategies.

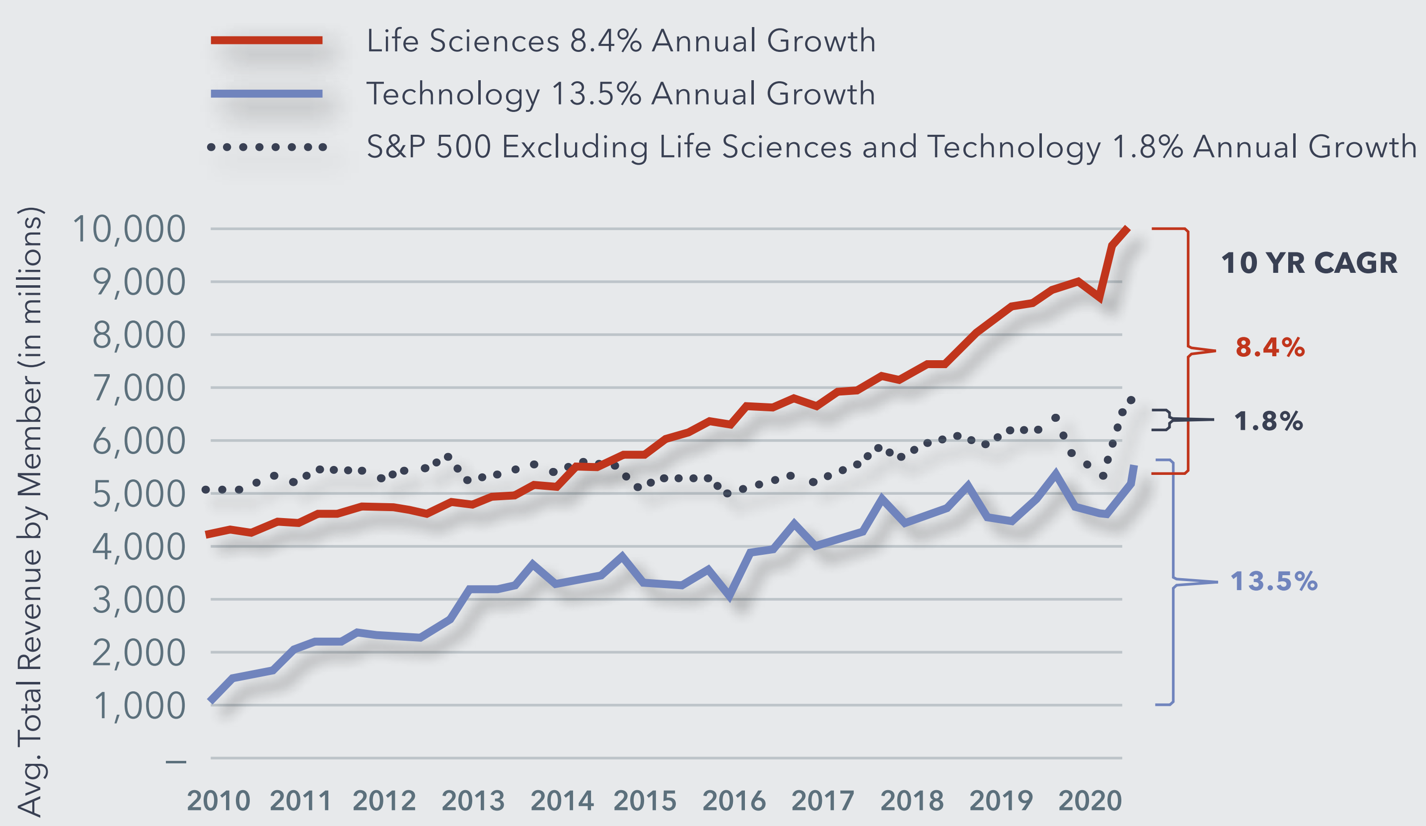
FUND V INVESTMENT STRATEGY – DIRECT EXPOSURE

Innovation industries continue to demonstrate accelerated growth

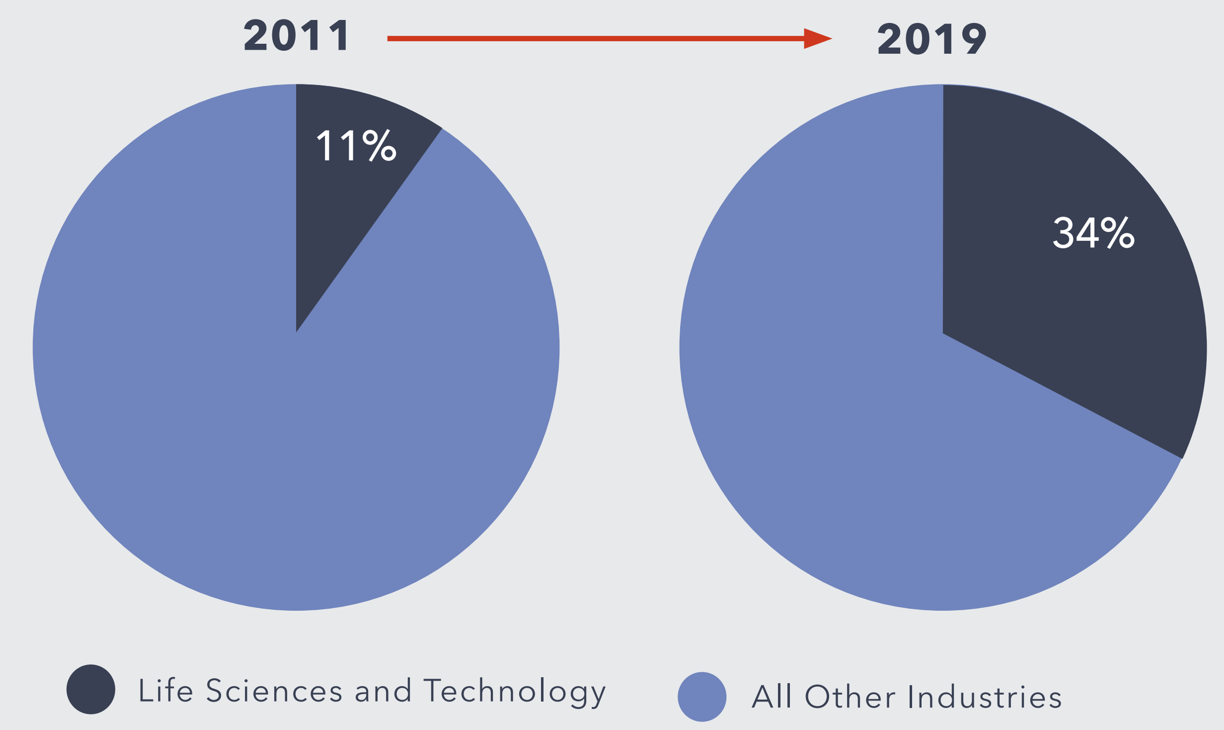
E-COMMERCE AND DATA CONSUMPTION GROWTH



AVERAGE TOTAL REVENUE GROWTH IN S&P 500



TECHNOLOGY AND LIFE SCIENCE AS GROWING % OF TOTAL OFFICE LEASING IN US



Direct Exposure to innovation companies as tenants by targeting the following asset types:

R&D FLEX
Laboratory, high-tech assembly and manufacturing, R&D

HIGH-FINISH INDUSTRIAL
High-tech and life science manufacturing, assembly, storage and distribution, data labs, R&D

LOW-FINISH INDUSTRIAL
Distribution, manufacturing, storage, automation, E-commerce

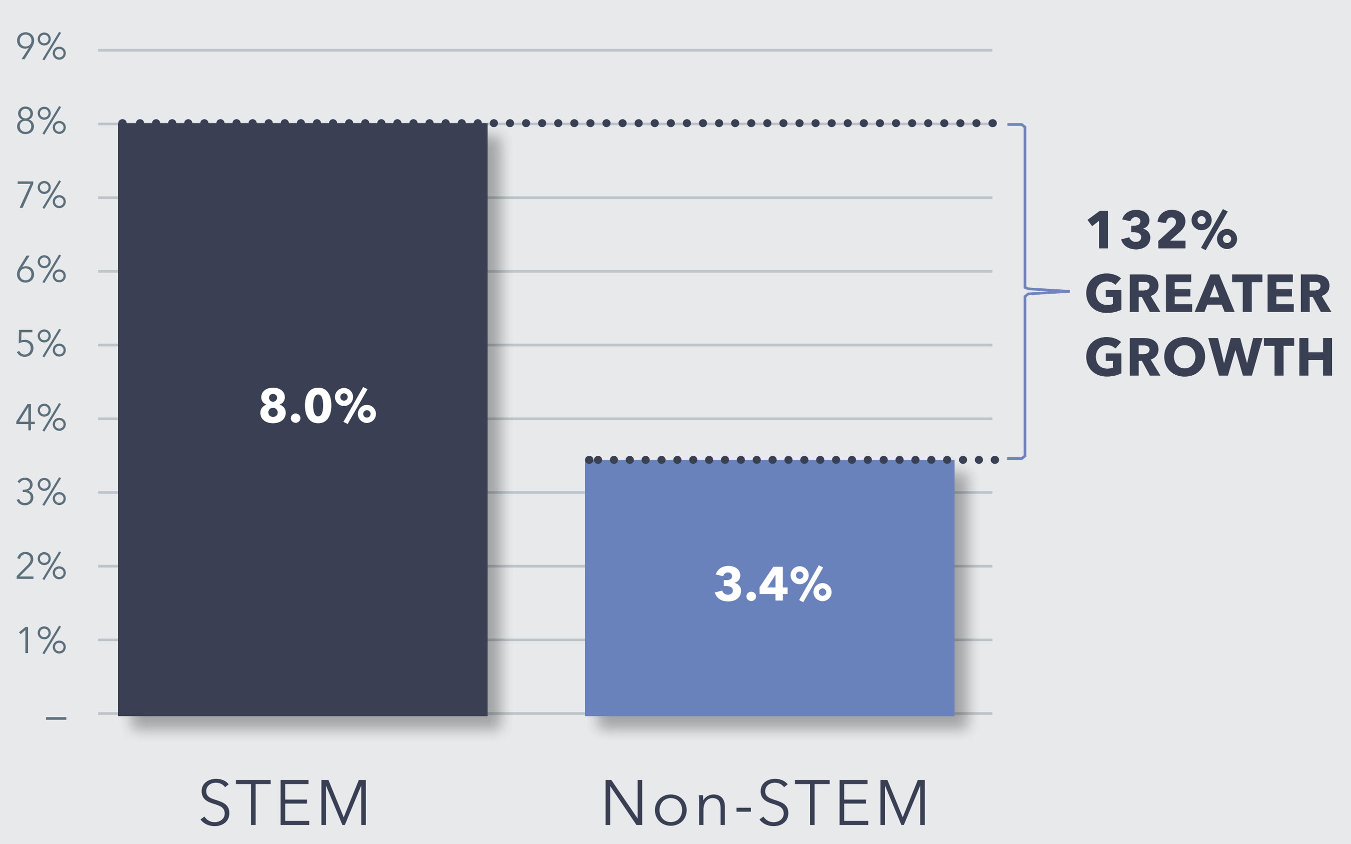
CREATIVE AND/OR ADAPTIVE OFFICE
R&D, critical needs functions

Sources: US Department of Commerce, Quarterly Retail E-Commerce Report (Q4 2020); FCC Broadband Performance Report and OpenVault Broadband Industry Report; Bloomberg; CBRE Tech Talent Report July 2020; BLS OES STEM Data Sets 2015 - 2019
NOTE: Investment strategies included herein are intended to be examples of the strategies that Alidade Capital will seek to pursue for Fund V. However, Alidade Capital has, and Fund V will likely invest in various other strategies.

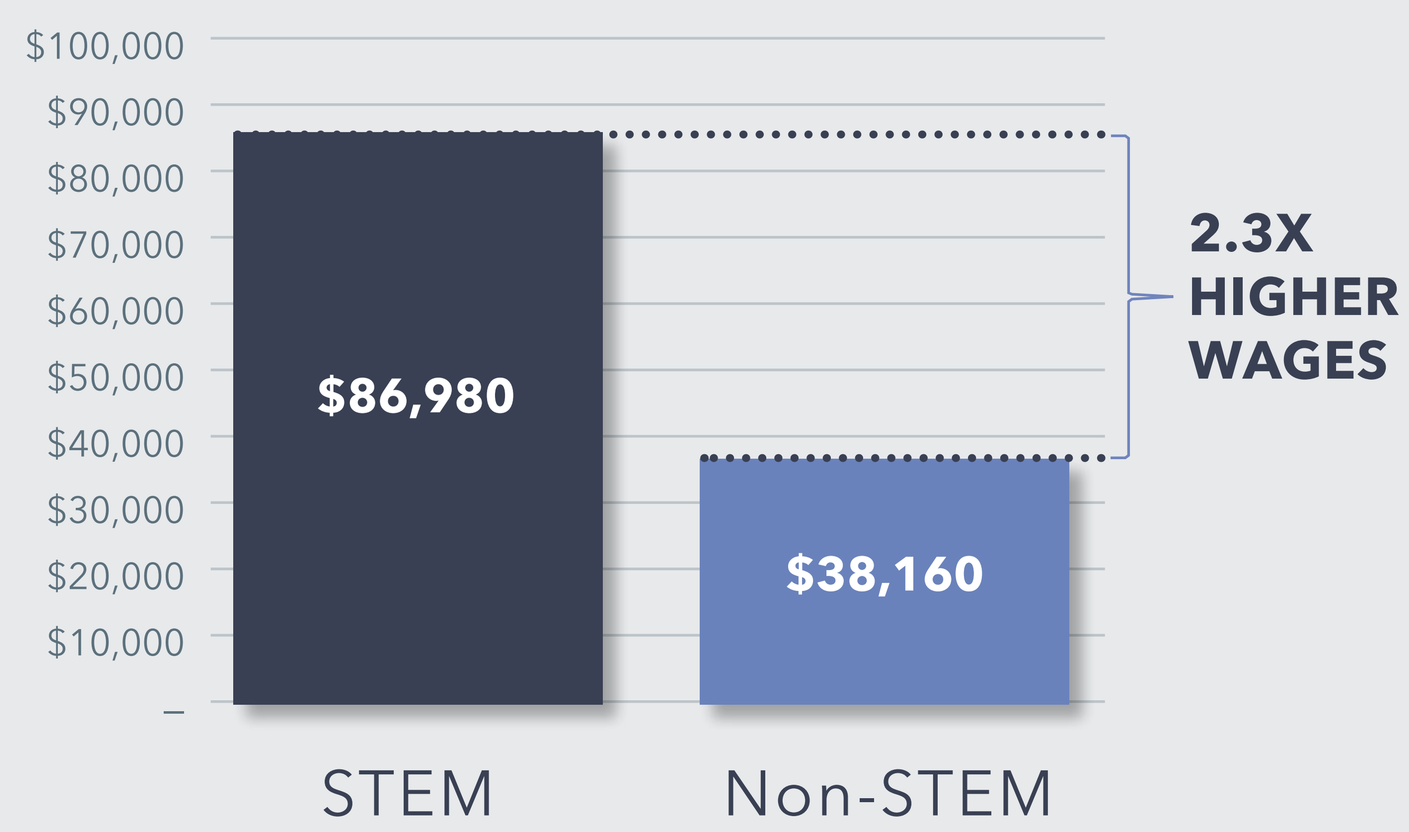
FUND V INVESTMENT STRATEGY – INDIRECT EXPOSURE

Growth in STEM jobs and wages drives demand for housing and essential and adaptable retail

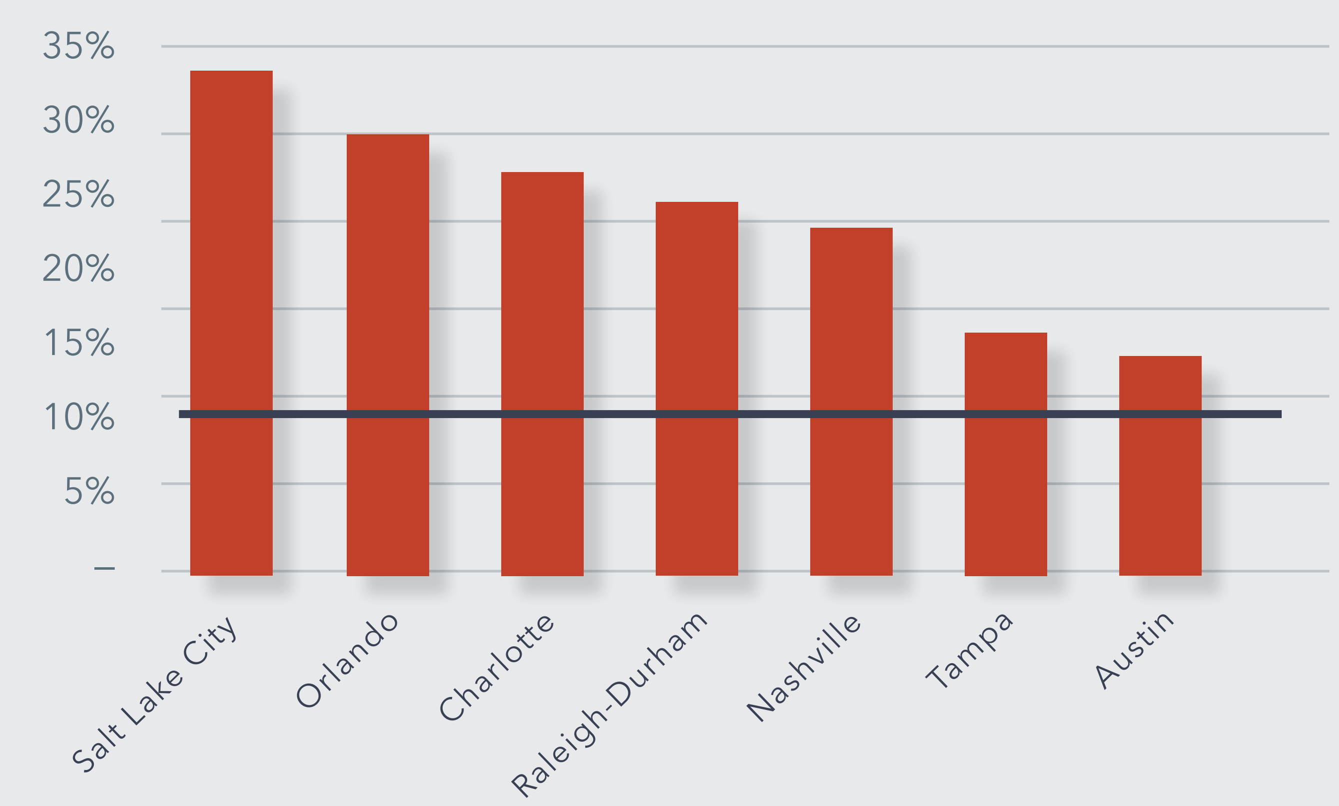
PROJECTED EMPLOYMENT GROWTH 2019 - 2029



MEDIAN WAGE 2019



TARGET MARKET GROWTH IN STEM EMPLOYMENT EXCEEDS NATIONAL AVERAGE 2015 - 2019

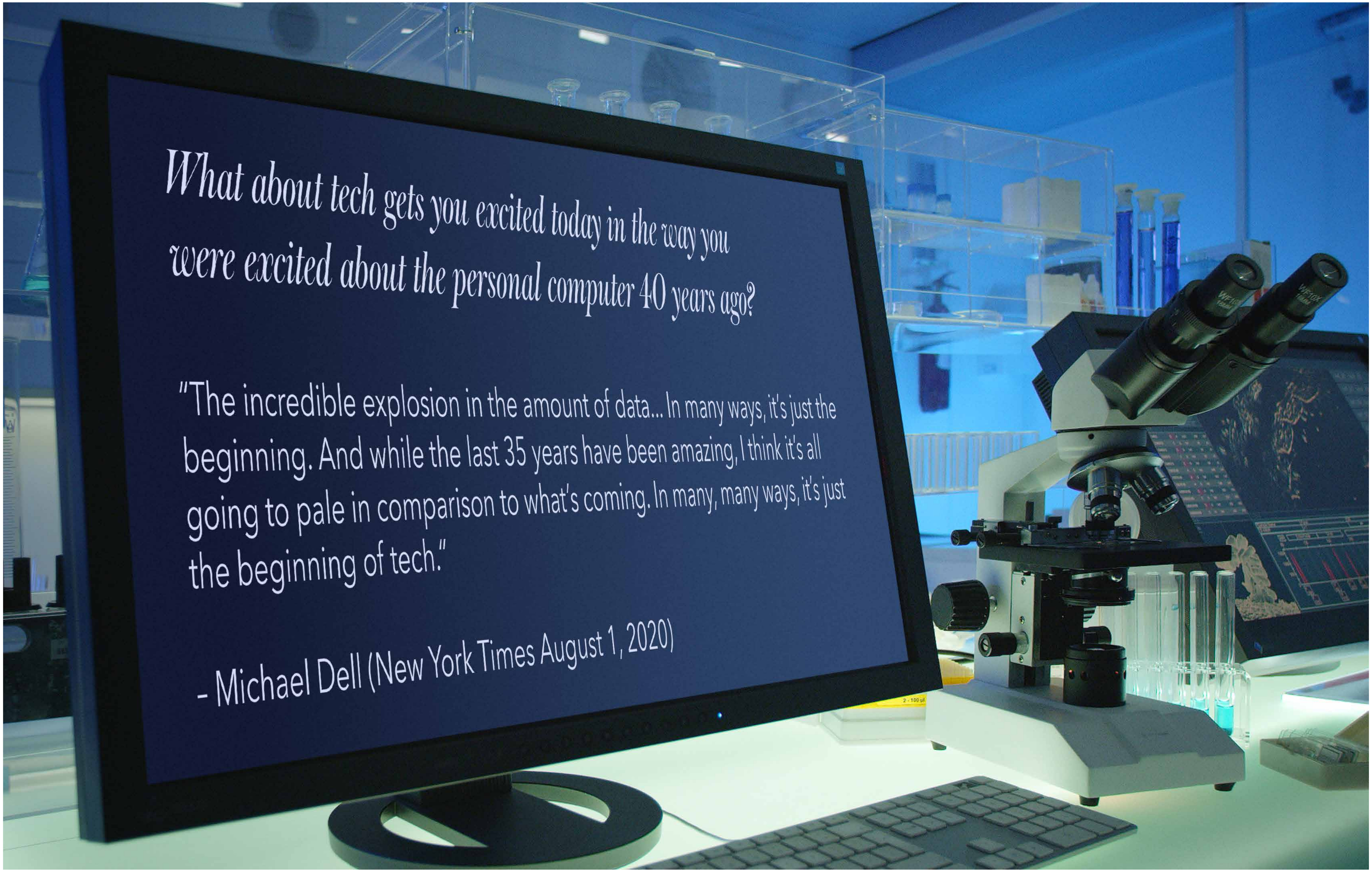


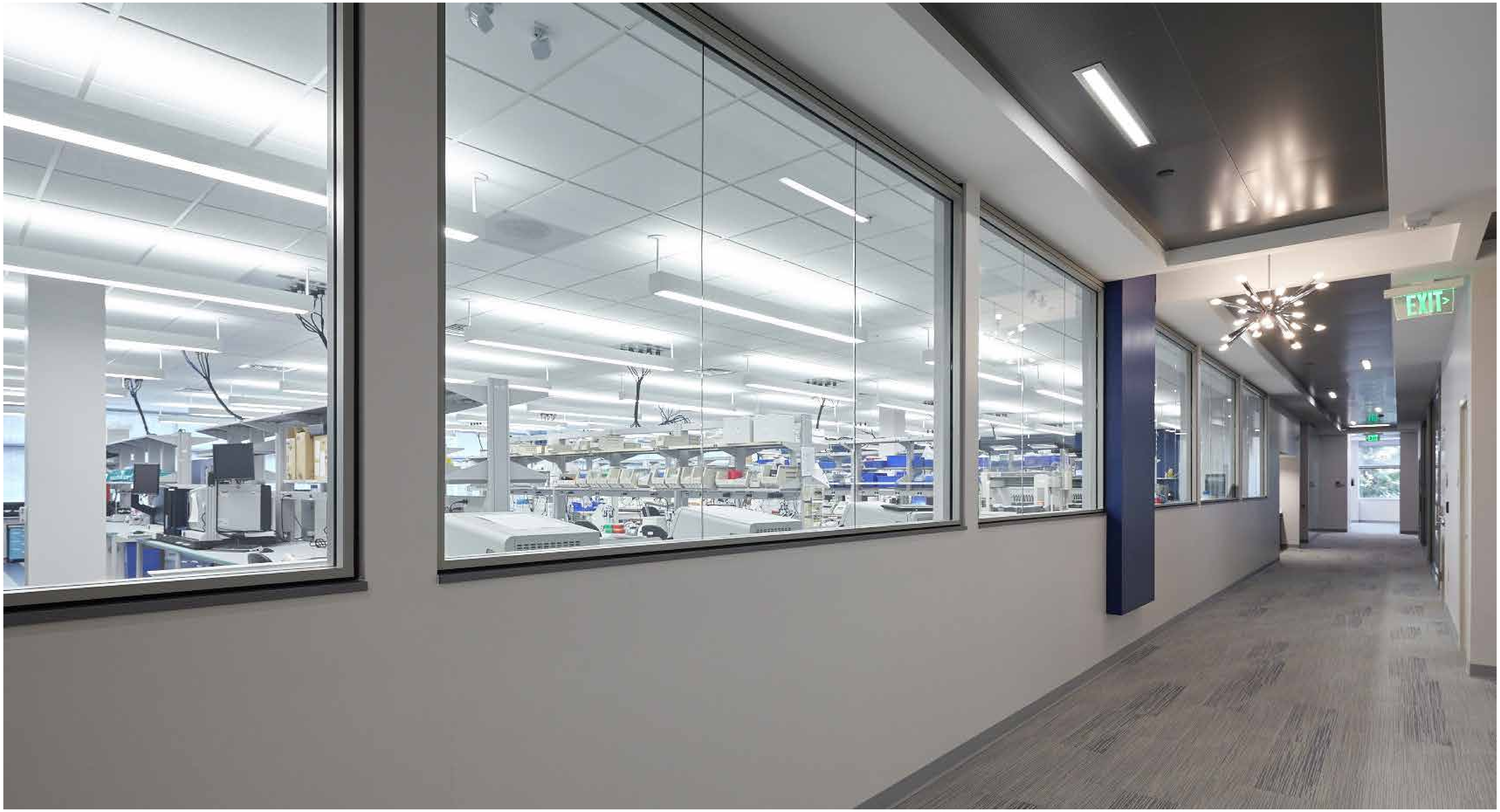
Indirect Exposure to innovation companies by targeting the following asset types which serve their STEM workers' lifestyles:

HOUSING

ESSENTIAL AND ADAPTABLE RETAIL

Sources: US Department of Commerce, Quarterly Retail E-Commerce Report (Q4 2020); FCC Broadband Performance Report and OpenVault Broadband Industry Report; Bloomberg; CBRE Tech Talent Report July 2020; BLS OES STEM Data Sets 2015 - 2019
NOTE: Investment strategies included herein are intedned to be examples of the strategies that Alidade Capital will seek to pursue for Fund V. However, Alidade Capital has, and Fund V will likely invest in various other strategies.


What about tech gets you excited today in the way you were excited about the personal computer 40 years ago?
"The incredible explosion in the amount of data... In many ways, it's just the beginning. And while the last 35 years have been amazing, I think it's all going to pale in comparison to what's coming. In many, many ways, it's just the beginning of tech."
- Michael Dell (New York Times August 1, 2020)



Section 5

SUMMARY OF TERMS & FUND V ASSETS

Alidade® *Capital*

SUMMARY OF TERMS

TARGET CAPITAL RAISE	**$250** million ($300 million hard cap)
TARGETED RETURNS	**13-15%** Net Fund IRR (16-18% Gross IRR)
STRATEGY	Value-add risk profile
DEAL SIZE	**$5-50** million per asset; portfolios likely to exceed this amount
GEOGRAPHY	Select Secondary Markets in the United States; targeting Innovation Ecosystems
TERM	**7** years from final close; one-year extension at General Partner's option; two one-year extensions with LP Advisory Committee consent
INVESTMENT PERIOD	**3** years from final close; one additional year at General Partner request with LP Advisory Committee consent
PREFERRED RETURN	**8%** cumulative compounding (annual)
MANAGEMENT FEE	**1.5%** on committed capital / **1.5%** on invested capital
CARRIED INTEREST	**80%** to Limited Partner and **20%** to General Partner (GP carried interest subject to Preferred Return and return of capital to LPs)
MINIMUM COMMITMENT	**$5** million for Institutional Investors; **$500,000** for Individuals (at discretion of General Partner)
LOAN-TO-VALUE	**65%** Maximum
TAX STRUCTURING	REIT Subsidiary has been established to act as a blocker structure for tax-exempt investors seeking to avoid UBTI.
FUNDRAISING UPDATE	Fund V held two closes, raising over **$182 million**; Final close expected to be held in June 2022
OTHER	Commitments accepted after the first close are subject to payment of catch up interest and management fees

TARGETED RETURNS ARE PROVIDED AS A GENERAL GUIDELINE AND INDICATOR OF HOW FUND V WILL BE MANAGED AND ARE NOT TO BE VIEWED AS AN INDICATOR OF LIKELY RESULTS. THERE CAN BE NO ASSURANCE THAT TARGETED RETURNS WILL BE ACHIEVED.

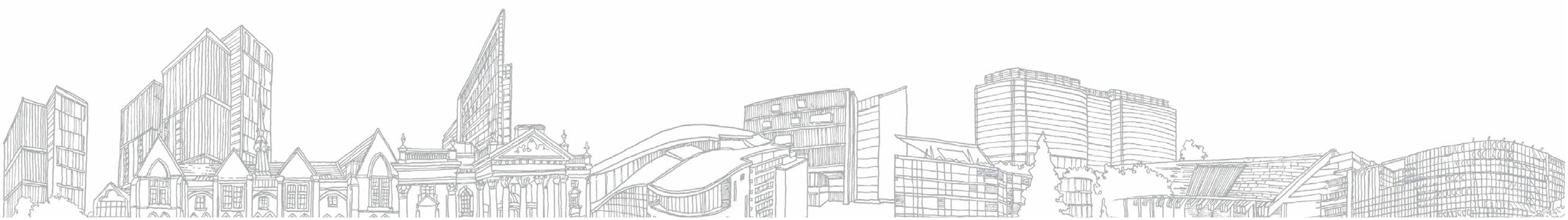
ALIDADE CAPITAL FUND V, LP INVESTMENTS

Fund V has closed on four transactions (7 total assets)

As of 3/15/2022

	TRANSACTION	ASSETS	LOCATION	TYPE	SQUARE FEET	CLOSING DATE	PURCHASE PRICE
1	**2501 & 2603 Discovery Lakes**	2	Orlando, FL	R&D Flex	150,228	December 14, 2021 / August 20, 2021	$30,291,223
2	**One Park Center**	1	Durham, NC	R&D Flex	103,150	October 26, 2021	$16,750,000
4	**Palisades I-III**	3	Raleigh, NC	Office	331,024	December 21, 2021	$87,500,000
3	**4900 Prospectus**	1	Durham, NC	R&D Flex	125,764	January 31, 2022	$16,850,000
	TOTAL	**7**			**710,166**		**$151,391,223**

Fund V has acquired 7 assets with purchase prices totaling $151.4 million



DISCOVERY LAKES I & II – ORLANDO, FL

ACQUISITION OVERVIEW & INVESTMENT RATIONALE

Purchase Price	**$30,291,223 ($202/SF)**
Closing Date	**TBD / August 20, 2021**
Asset Type	**R&D Flex**
Asset Size	**150,228 SF**
Number of Buildings	**2**
Occupancy	**88%**
Year Built	**1999**
In-Place Cap Rate	**6.6%**

Direct innovation industry exposure opportunity to purchase a two-building, single-story R&D Flex portfolio in the University of Central Florida ("UCF") Research Park submarket directly south of UCF's main campus in Orlando, FL.

UCF Research Park location fits squarely into Fund V's investment thesis while the buildings provide stable cash flow from a broad range of innovation industry tenants in a non-volatile leasing & insulated submarket.

Portfolio is currently 88% leased to 6 tenants with a WALT of 4.2 years and provides innovation industry exposure to autonomous vehicles, simulation and life sciences.

Scale was achievable by combining the broadly marketed Discovery Lakes II building with the non-marketed Discovery Lakes I building. Assets were priced below the deal size tranche that typically attracts large institutional investors, allowing Alidade Capital the opportunity to purchase the properties at an attractive basis.

Unleveraged Net Asset Level IRR (at acquisition): 8.3%

BREAKDOWN BY ASSET

	OCCUPANCY	SF	PURCHASE PRICE	($PSF)
Discovery Lakes I	**77%**	**74,949**	**$14,481,223**	**$193**
Discovery Lakes II	**100%**	**75,279**	**$15,810,000**	**$210**

INNOVATION ECOSYSTEM - FOUR PILLARS ANALYSIS

INFRASTRUCTURE: The properties (including Discovery Lakes I & II) in and around the UCF Research Park meet the needs of innovation companies. Defense contractors are required to work and locate within the boundaries of UCF Research Park, providing a location advantage for Discovery Lakes when compared to the assets located in the adjacent Quadrangle Park. Key attributes include clear heights, modern depths and bay sizes, truck and heavy utilities accessibility and parking ratios.

RESEARCH UNIVERSITIES: UCF is the second largest university in the U.S. and ranked in the top 50 research universities with expertise in engineering, aerospace/defense, lasers and simulation technology (2019 University research report). UCF research funding has grown 7.5% annually from 2011-2020.

FUNDING: Three organizations located within the UCF Research Park received NIH funding in 2019. In Q3 2020, the top three venture capital deals were awarded to firms located in the UCF Research Park, with Luminar (anchor tenant) receiving the largest amount.

TALENT: UCF produces a significant amount of STEM talent. 55.9% of the school's enrollment (inclusive of undergraduate, graduate, and medical schools) belongs to the College of Sciences, Engineering & Computer Science, Medicine & Health Sciences, and Optics & Photonics. The UCF Research Park tenancy base consists of 73.1% innovation industry tenants from essential technology-based industries.

ASSET UPDATE

Discovery Lakes II closed on August 20, 2021. Discovery Lakes I is anticipated to close in December following approval by the CMBS Master Servicer of the assumption of existing CMBS debt secured by the property.

ONE PARK CENTER – DURHAM, NC

ACQUISITION OVERVIEW & INVESTMENT RATIONALE

Purchase Price	**$16,750,000 ($162/SF)**
Closing Date	**October 26, 2021**
Asset Type	**R&D Flex**
Asset Size	**103,150 SF**
Number of Buildings	**1**
Occupancy	**80%**
Year Built	**1982**
In-Place Cap Rate	**3.2%**

Direct innovation industry exposure opportunity to acquire a single-story R&D Flex building in the main innovation corridor of Durham, NC, located in the RTP/I-40 submarket and positioned to capitalize on market tailwinds for R&D Flex space.

Asset is situated near the Research Triangle Park ("RTP") boundaries within the Patriot Park industrial park. Life science tenancy within Patriot Park, proximity to RTP, and R&D Flex conversions surrounding the property signal the strength of the location to potentially support life science uses in the future.

Property is currently 80% leased to 5 tenants with a WALT of 3.3 years and provides the opportunity for innovation industry exposure to the life sciences, information technology, and engineering fields.

2-Pronged Asset Management Strategy: Opportunity to reposition and to increase rates by re-tenanting through a mark-to-market strategy targeting innovation companies in a reportedly supply constrained market. Current rental rates are reported to be approximately 48% below market with traditional flex tenants. Potential additional opportunity exists to covert the building to life science lab use.

INNOVATION ECOSYSTEM - FOUR PILLARS ANALYSIS

INFRASTRUCTURE: Research Triangle Park is the largest research park in the U.S., encompassing 7,000 acres and hundreds of innovation companies. In 2021 multiple innovation companies announced expansions in the region including large companies such as Google, Apple, Amgen and Invitae. Key property attributes include clear heights, modern depths and bay sizes, truck and heavy utilities accessibility and parking ratios.

RESEARCH UNIVERSITIES: Centrally located near three Tier 1 research universities in Raleigh-Durham: Duke University, UNC Chapel Hill and NC State.

FUNDING: Raleigh-Durham was ranked as the 5th highest market for NIH funding as institutions were awarded $1.4B in NIH funding in 2019. Through April 2021, Raleigh-Durham companies received ~$1.5B in venture capital funding, heavily focused on life science industries.

TALENT: Raleigh-Durham boasts a STEM talent density of 12.0% of their employment workforce, ranked highest in the country and exceeding major markets and life science hubs of Boston, San Francisco, and San Diego. Raleigh-Durham's 21.5% STEM employment growth from 2015-2019 ranked 5th among U.S. markets. Among the three local Tier 1 research universities, there were ~2,400 life science and ~3,800 tech graduates in 2018, many of which are incentivized to remain in Raleigh-Durham.

REPOSITION / DESIGN / BRANDING

PALISADES I-III – RALEIGH, NC

ACQUISITION OVERVIEW & INVESTMENT RATIONALE	
Purchase Price	**$87,500,000 ($264/SF)**
Closing Date	**December 21, 2021**
Asset Type	**Office**
Asset Size	**331,024 SF**
Number of Buildings	**3**
Occupancy	**39% (79% excluding Palisades III)**
Year Built	**2001/2005/2022**
In-Place Cap Rate	**N/A**

Direct and indirect innovation industry exposure opportunity to purchase a three-building, 331,024 SF office portfolio in Raleigh, NC, within the West Raleigh submarket, reported to be one of the few premier office submarkets in Raleigh.

Palisades I-II: Buildings are 79% leased to 17 tenants with a WALT of roughly 3.0 years and slightly below market rents, providing an opportunity to re-lease/re-tenant at higher rental rates while collecting existing cash flow. Many of the existing tenants are in the legal, engineering, real estate and finance, industries, where a renovation of Palisades I-II to market standards may attract higher growth innovation industry tenants. Life science conversions of multi-story office in the region are beginning to occur, providing further potential upside for the investment.

Palisades III: Newly constructed asset complete with a rooftop amenity and parking structure; opportunity to acquire asset below replacement cost that may benefit from strong leasing velocity of innovation/technology and life science tenants in the region. Office supply and rents are benefiting from life science conversions and a lack of space deliveries. Potential opportunity is being explored for a conversion of the building to life science lab use to fill a void of available life science space. Asset is 1 of only 3 available new construction projects outside of downtown. It is surrounded by the new additions of Bandwidth's 400-500k SF HQ campus project and the Department of Health and Human Services (DHHS) 480k SF HQ project.

Palisades III - Construction Update
- Completed in Q1 2022
- First stage of life science conversion feasibility study completed in October 2021
- Follow-up contractor analysis expected to continue throughout Q1 2022

Palisades I

Palisades II

INNOVATION ECOSYSTEM - FOUR PILLARS ANALYSIS

INFRASTRUCTURE: Research Triangle Park is the largest research park in the U.S., encompassing 7,000 acres and hundreds of innovation companies. In 2021 multiple innovation companies announced expansions in the region including large companies such as Google, Apple, Amgen and Invitae. Demand in the area has created a lack of new technology/innovation office space availability as well as existing R&D lab space available for immediate occupancy.

RESEARCH UNIVERSITIES: Centrally located near three Tier 1 research universities in Raleigh-Durham: Duke University, UNC Chapel Hill and NC State.

FUNDING: Raleigh-Durham was ranked as the 5th highest market for NIH funding as institutions were awarded $1.4B in NIH funding in 2019. Through April 2021, Raleigh-Durham companies received ~$1.5B in venture capital funding, heavily focused on life science industries.

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BREAKDOWN BY ASSET

	OCCUPANCY	SF	PURCHASE PRICE	($PSF)
Palisades I	59%	82,246	$18,850,000	$229
Palisades II	100%	81,471	$20,150,000	$247
Palisades III	0%	167,307	$48,500,000	$290

4900 PROSPECTUS – DURHAM, NC

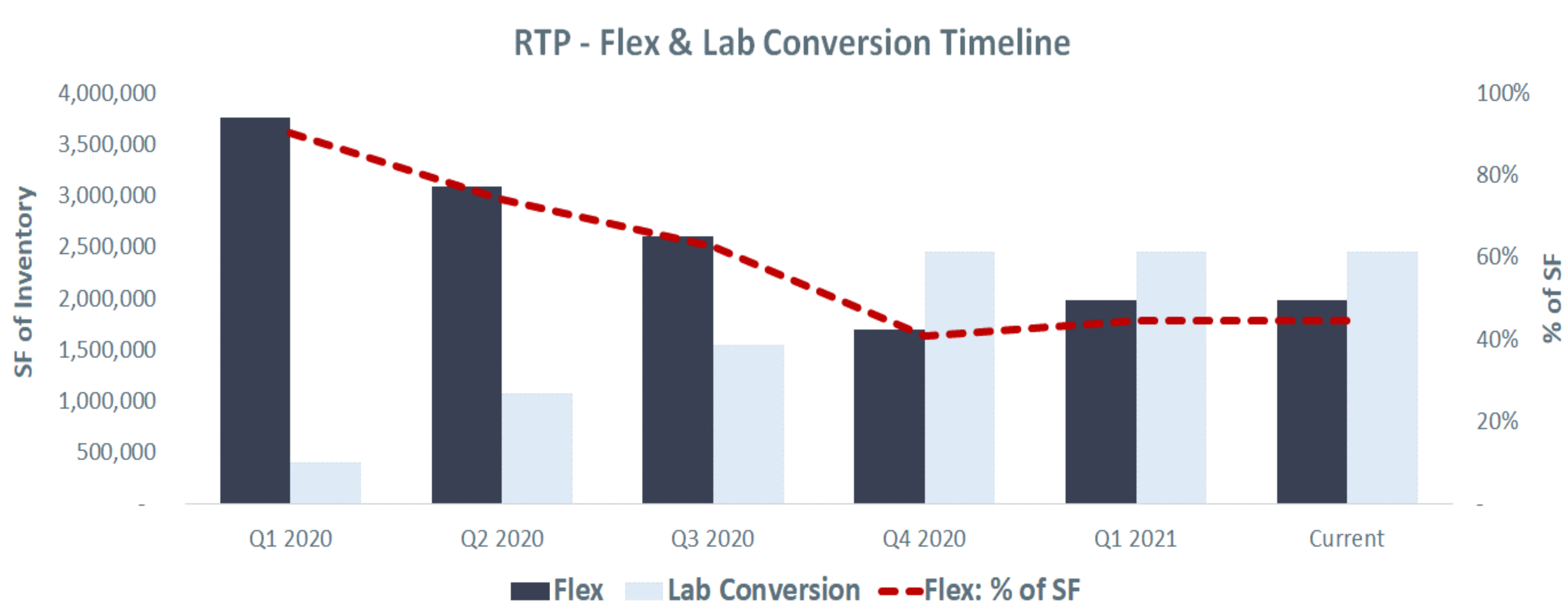
ACQUISITION OVERVIEW & INVESTMENT RATIONALE	
Purchase Price	**$16,850,000 ($146/SF)**
Closing Date	**January 31, 2022**
Asset Type	**R&D Flex**
Asset Size	**125,764 SF**
Number of Buildings	**1**
Occupancy	**100%**
Year Built	**1986**
In-Place Cap Rate	**4.7%**

Direct and indirect innovation industry exposure off-market opportunity to acquire a single-story R&D Flex building in Durham, NC at an attractive investment basis. Alidade Capital believes the purchase price is materially below recent trades and new construction and replacement cost.

Asset is located within a main innovation corridor of Raleigh-Durham in the RTP/I-40 submarket with access to amenities and a deep STEM talent pool for employers. Asset is adjacent to various new buildings and life science conversion projects as the immediate area is poised to benefit from continued life science tailwinds.

Asset is currently 100% leased to 3 tenants with a WALT of 4.1 years.

2-Pronged Asset Management Strategy: Opportunity to reposition and to increase rates by re-tenanting through a mark-to-market strategy targeting innovation companies in a reportedly supply constrained market. Current rental rates are reported to be approximately 40% below market with traditional flex tenants. Potential additional opportunity exists to convert the building to life science lab use.



Source: CoStar

INNOVATION ECOSYSTEM - FOUR PILLARS ANALYSIS

***INFRASTRUCTURE*:** Research Triangle Park is the largest research park in the U.S., encompassing 7,000 acres and hundreds of innovation companies. In 2021 multiple innovation companies announced expansions in the region including large companies such as Google, Apple, Amgen and Invitae. Key property attributes include clear heights, modern depths and bay sizes, truck and heavy utilities accessibility and parking ratios.

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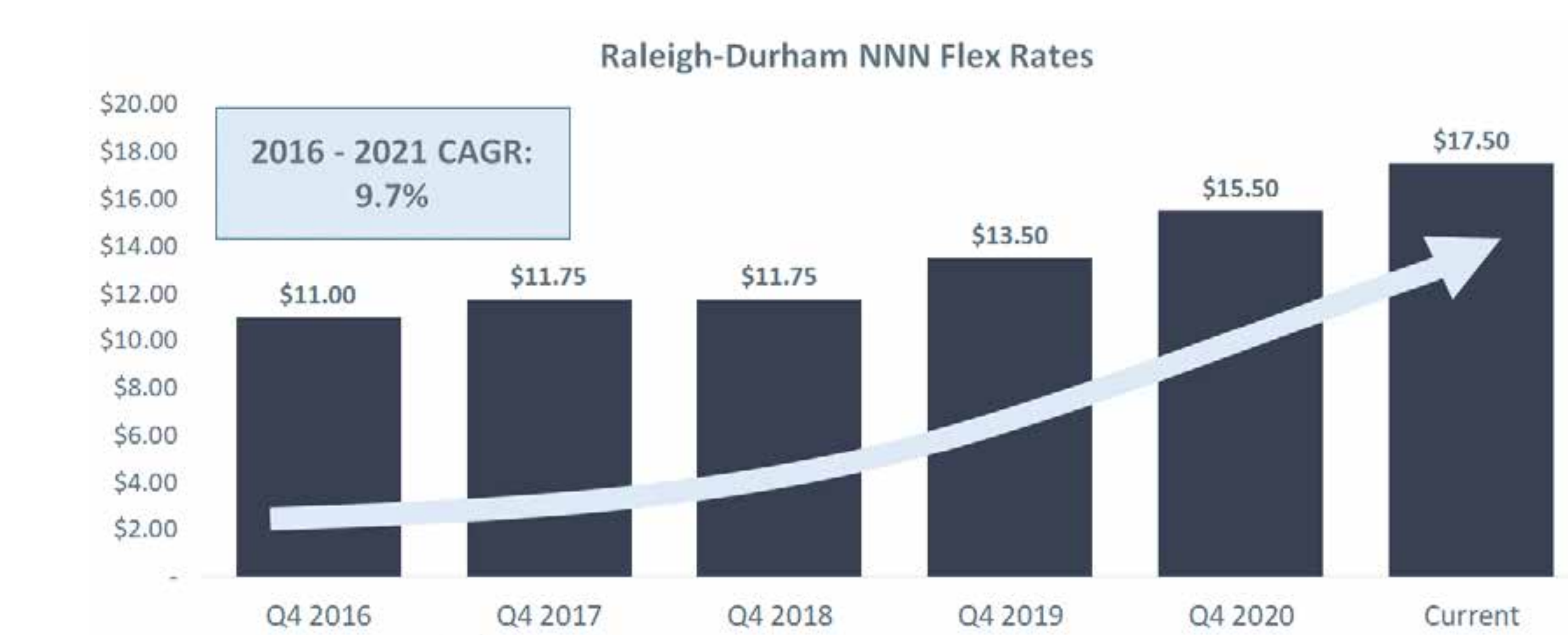

Source: CBRE, Cushman Wakefield and JLL

Section 6

TEAM & AFFILIATES

Alidade® Capital

FOUNDING PRINCIPALS & INVESTMENT COMMITTEE

MARK T. HAMMOND

Co-Founder & Managing Partner

Wharton School at The University of Pennsylvania

- Leads Strategic Planning, Transaction Origination and Complex Structuring; guides Investor Relations and Marketing Efforts
- Member of Alidade Capital's Investment Committees, Executive Committee and Valuation Committee
- Experience leading a bank through multiple real estate cycles provides valuable perspective in the investment process
- Flagstar Bancorp / Flagstar Bank, Co-founder and CEO; credited with helping Flagstar become the largest bank headquartered in Michigan
- Serves and has served on numerous major financial institutions' boards of directors and advisory boards

GEOFFREY R. LANGDON

Co-Founder & Managing Partner

Syracuse University

- Leads the Firm's Investment and Strategic Direction; guides Deal Sourcing and Acquisitions, Asset Management and Administration Activities
- Member of Alidade Capital's Investment Committees, Executive Committee and Valuation Committee
- Over 18 years of experience in acquiring, developing and repositioning commercial real estate properties
- Served 6 years as a senior officer in real estate lending operations at Flagstar Bank
- Built and sold a web-based software development company
- Launched commercial real estate investment and management firm, Midelem Companies, LLC in 2002

STEVEN J. FALISKI

Co-Founder, Managing Partner, & Chief Financial Officer

Yale University; J.L. Kellogg Graduate School of Management at Northwestern University, MBA

- Leads the Firm's Internal Operations and manages its resources; focuses on Credit & Risk Management, Acquisitions, Financing, Bank Relationships and Investor Reporting
- Member of Alidade Capital's Investment Committees, Executive Committee and Valuation Committee
- Extensive background in structured lending provides the Firm with a competitive advantage in regard to its strategic use of financing and leverage
- Managed a loan portfolio with $1 billion in total outstandings and $6.5 billion in total commitments at the bank now known as JPMorgan Chase
- Starting in 2000, managed a portfolio of ten manufactured housing communities for 10 years

INVESTMENT PROFESSIONALS

MATTHEW I. ROSLIN

Partner & Senior Advisor, of Counsel

Wharton School at The University of Pennsylvania, UCLA School of Law, J. D.

- Legal Structuring & Asset Management
- Joined Alidade Capital in 2011
- United Wholesale Mortgage LLC (largest residential wholesale lender in the U.S.), EVP, Investor Relations and Legal Affairs
- Served for 8 years as Chief Legal Officer and Executive Vice President of Administration for Flagstar Bank – with divisional oversight of the commercial real estate portfolio from 2008-2011
- Previously served as General Counsel and EVP-Corporate Development for MED3000 Group, and as a corporate securities attorney with Dewey Ballantine and Jones Day

ROBERT L. JONES

Managing Director, Asset Management

Eli Broad College of Business at Michigan State University, Wayne State University, MBA

- Asset Management
- Joined Alidade Capital in 2014
- Possesses over 11 years of expertise in commercial real estate
- Worked as Senior Acquisitions Analyst at Ramco-Gershenson Properties Trust, Assistant Director of Portfolio Management with McKinley Inc., and most recently as Director of Real Estate for Art Van Furniture, a medium-sized regional retailer

ROY F. ANNETT

Director, Asset Management

Gerstacker Institute for Professional Management at Albion College

- Asset Management
- Joined Alidade Capital in 2013; became Director in 2015
- Joined Midelem Companies, a former affiliate of Alidade Capital, as Senior Vice President in 2013
- Served as Vice President of Development for DeMattia Group where he led a team that developed and leased over 9 million SF of assets

THERE CAN BE NO ASSURANCE THAT ANY OF THESE PROFESSIONALS WILL REMAIN WITH FUND V OR ALIDADE CAPITAL OR THAT PAST PERFORMANCE OF SUCH PROFESSIONALS SERVES AS AN INDICATOR OF HIS OR HER PERFORMANCE OR SUCCESS.

INVESTMENT PROFESSIONALS (CONT.)

KAYLA M. BOLTON

Vice President, Acquisitions & Asset Management

Wellesley College

- Acquisitions & Asset Management
- Joined Alidade Capital in 2017
- Worked as a Financial Analyst at Life Technologies, a Thermo Fisher Scientific acquisition based in San Diego, CA, and most recently at Bain & Company in Boston, MA

JEFFREY M. HAMMOND

Vice President, Acquisitions & Asset Management

Cox School of Business at Southern Methodist University, Bachelor of Arts and MA

- Acquisitions & Asset Management
- Joined Alidade Capital in 2018 and is based in Dallas, TX
- Worked as a financial analyst at Wells Fargo in the Commercial Real Estate Lending Group and most recently as an associate at the Black Creek Group, a real estate private equity firm in Dallas, TX
- Currently serves as a member of The Real Estate Council and NAIOP and as an associate board member of the Folsom Institute for Real Estate at the SMU Cox School of Business

ALEX J. VASILEFF

Vice President, Acquisitions & Asset Management

University of Michigan

- Acquisitions & Asset Management
- Joined Alidade Capital in 2021
- Worked most recently as an Assistant Vice President of Acquisitions at Heitman in Chicago, IL. Previously worked as a Senior Financial Analyst of Asset Management at LaSalle Investment Management and as an Analyst at Jones Lang LaSalle

INVESTMENT PROFESSIONALS (CONT.)

FRANCESCO A. MUNACO

Vice President

Stephen M. Ross School of Business
at the University of Michigan

- Asset Management & Portfolio Finance
- Joined Alidade Capital in 2017
- Worked as an intern prior to graduation in 2017 in the audit practice at KPMG in the Detroit, MI and Auckland, NZ offices

CHRIS CALHOUN

Associate

Stephen M. Ross School of Business
at the University of Michigan

- Acquisitions
- Joined Alidade Capital in 2019
- Internships prior to graduation in 2019 included working in Real Estate Banking at First Bank of Highland Park and as a financial analyst at the Danaher Corporation in Chicago, IL

JOSEPH A. HEWETT

Associate

Stephen M. Ross School of Business
at the University of Michigan

- Acquisitions
- Joined Alidade Capital in 2019
- Worked as an intern prior to graduation in 2019 as an investment banking analyst at Quarton International
- 5-year letter winner for the University of Michigan Football Team, Running Back and Special Teams

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FINANCE & OPERATIONS

MARY LITT

Vice President, Chief Compliance Officer

Walsh College, Oakland University, MA

- Compliance
- Joined Alidade Capital in 2018
- Most recently served as a Senior Compliance Manager at Ameriprise Financial and Compliance Specialist for Comerica Securities and Comerica Bank, both of which are operating subsidiaries of Comerica Incorporated
- Possesses over 25 years of experience in the securities industry with a focus on compliance initiatives

MICHAEL R. WENNER, CPA

Vice President, Controller

Michigan State University; Walsh College, MBA

- Corporate Finance and Accounting
- Joined Alidade Capital in 2020
- Served as the Director of Accounting and Internal Controls at Diplomat Specialty Pharmacy, Inc., and as the Global Director of Internal Audit and Technical Accounting at Rofin-Sinar Technologies, a developer and manufacturer of laser-based solutions

ROBIN PUDLO

Operations Manager

University of Findlay

- Administration and Capital Projects Tracking
- Joined Alidade Capital in 2016
- Worked as an Executive Assistant at Loeb Properties, a commercial real estate development and management company
- Possesses over 15 years of expertise in office management and accounting and administrative support for multiple C-level individuals

THERE CAN BE NO ASSURANCE THAT ANY OF THESE PROFESSIONALS WILL REMAIN WITH FUND V OR ALIDADE CAPITAL OR THAT PAST PERFORMANCE OF SUCH PROFESSIONALS SERVES AS AN INDICATOR OF HIS OR HER PERFORMANCE OR SUCCESS.

INVESTOR RELATIONS

MATTHEW J. RICHTER

Director

Michigan State University, Stephen M. Ross School of Business at the University of Michigan, MBA

- Investor Relations
- Joined Alidade Capital in 2013
- Worked as an Analyst at the Federal Reserve Bank of New York City, an Investment Banking Analyst at Wachovia Securities, and most recently as a Senior Financial analyst at ACI Worldwide, Inc.
- Elected as a Corporate Advisor on the Board of Directors for The Michigan Association of Public Employee Retirement System (MAPERS)

MICHAEL O'DONOGHUE

Vice President

Alfred Lerner College of Business and Economics at the University of Delaware

- Capital Markets and Distribution
- Joined Alidade Capital in 2021 and is based in the New York metro area
- Worked most recently as Vice President of Investor Relations at Angelo Gordon & Co. and previously as an Associate in the Financial Sponsors Group at JPMorgan Chase

THE LIST OF INDIVIDUALS INCLUDED HEREIN MAY NOT BE A COMPLETE LIST AND IS SUBJECT TO CHANGE AT ANY TIME.
THERE CAN BE NO ASSURANCE THAT ANY OF THESE PROFESSIONALS WILL REMAIN WITH FUND V OR ALIDADE CAPITAL OR THAT PAST PERFORMANCE OF SUCH PROFESSIONALS SERVES AS AN INDICATOR OF HIS OR HER PERFORMANCE OR SUCCESS.

THIRD PARTY PROFESSIONALS

ADVISOR TYPE	FIRM
LEGAL	PAUL HASTINGS LLP / DICKINSON WRIGHT LLP
AUDIT	BDO USA, LLP
SUBSCRIPTION FACILITY	us bank
ACCOUNTING & TAX	RSM
INSURANCE	THE HARTFORD
FUND ADMINISTRATION	SS&C
COMPLIANCE	FOCUS 1 ASSOCIATES
ESG	measurabl

The list of advisors included herein may not be a complete list and is subject to change at any time. No assurance can be given that particular firms will retain their current functions with respect to Alidade Capital or Fund V.

DATA DRIVEN FUND MANAGEMENT

Alidade Capital continues to invest in technology to support its data driven approach to real estate investing

RESEARCH → TRANSACTION → ASSET MANAGEMENT

DATA WAREHOUSE

MICROSOFT POWERBI

MARKET DATA & ANALYTICS

CoStar Group™
Bloomberg
preqin alternative assets. intelligent data.
EVESTMENT®

VALUATION

ARGUS Enterprise®
Office 365

Internally Developed Valuation Models and Pipeline Management Tools

ASSET MANAGEMENT, ACCOUNTING & TAX

mri REAL ESTATE SOFTWARE
VTS

Internally Developed Capital Project Tracking Tools

CRM

salesforce

ESG

measurabl

FUND ADMINISTRATION

SS&C

PROCESS MANAGEMENT & COMPLIANCE

Microsoft Teams
asana
BasisCode COMPLIANCE

Section 7

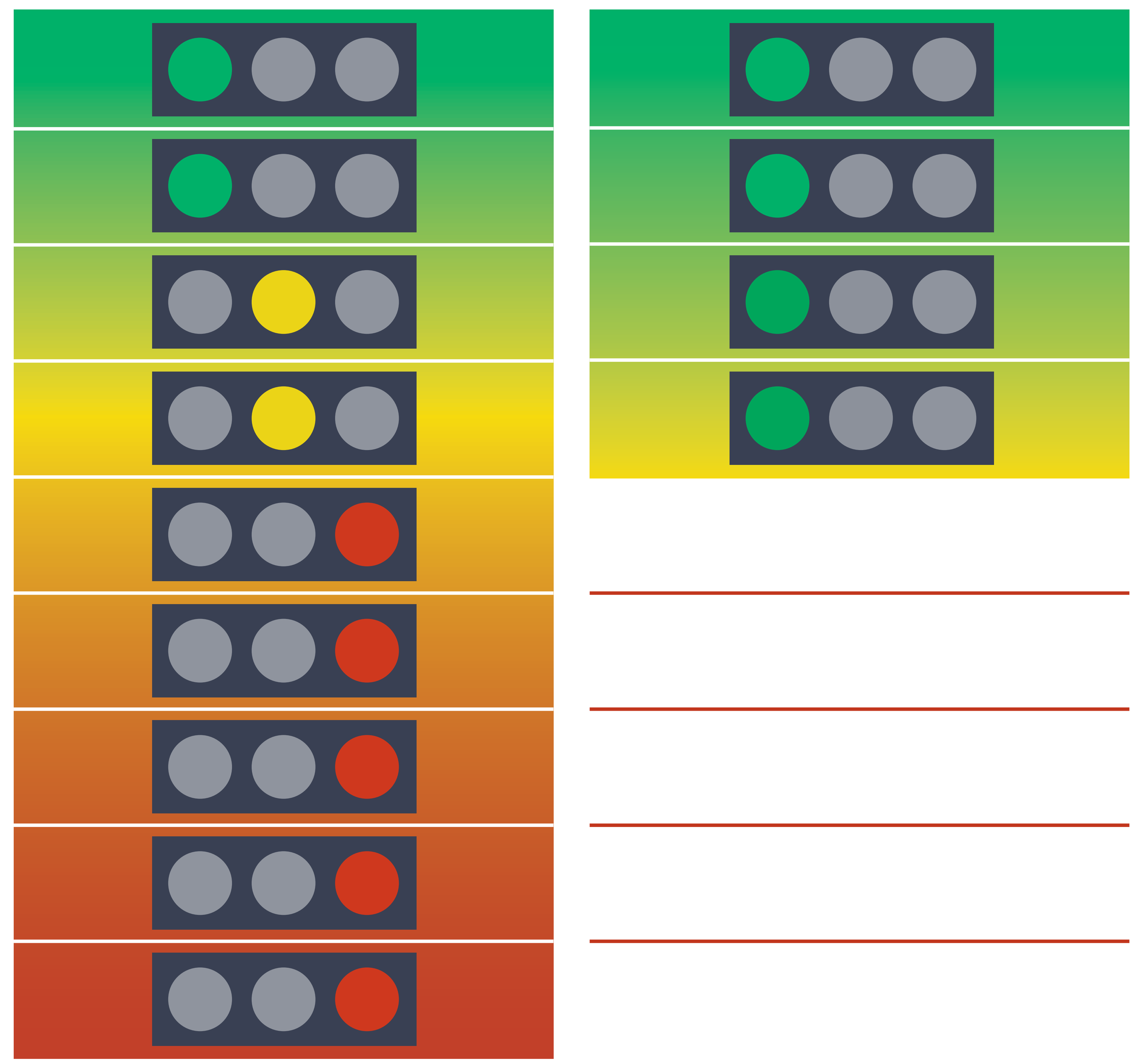
MACRO ASSET TYPE OUTLOOK

Alidade® Capital

OFFICE

Less dense Innovation Ecosystems are positioned for resiliency and outperformance

ASSET TYPE	SHORT TERM	LONG TERM
Long Term Leased		
*Innovation Markets		
Sun Belt Office		
Front Office		
Suburban		
Mass Transit Dependent		
Back Office		
Material Lease Rollover / Lease-Up		
Dense Urban & CBD High Rise		



* Represents a preferred asset type for Fund V

Not all Office is the Same

INDUSTRIAL

Modern industrial space is experiencing meaningful accelerations and is poised to outperform

ASSET TYPE	SHORT TERM	LONG TERM
*R&D Flex in Innovation Markets		
Big Box Logistics		
*Low-Finish and High-Finish Industrial Infill		
Cold Storage		
Business Park		

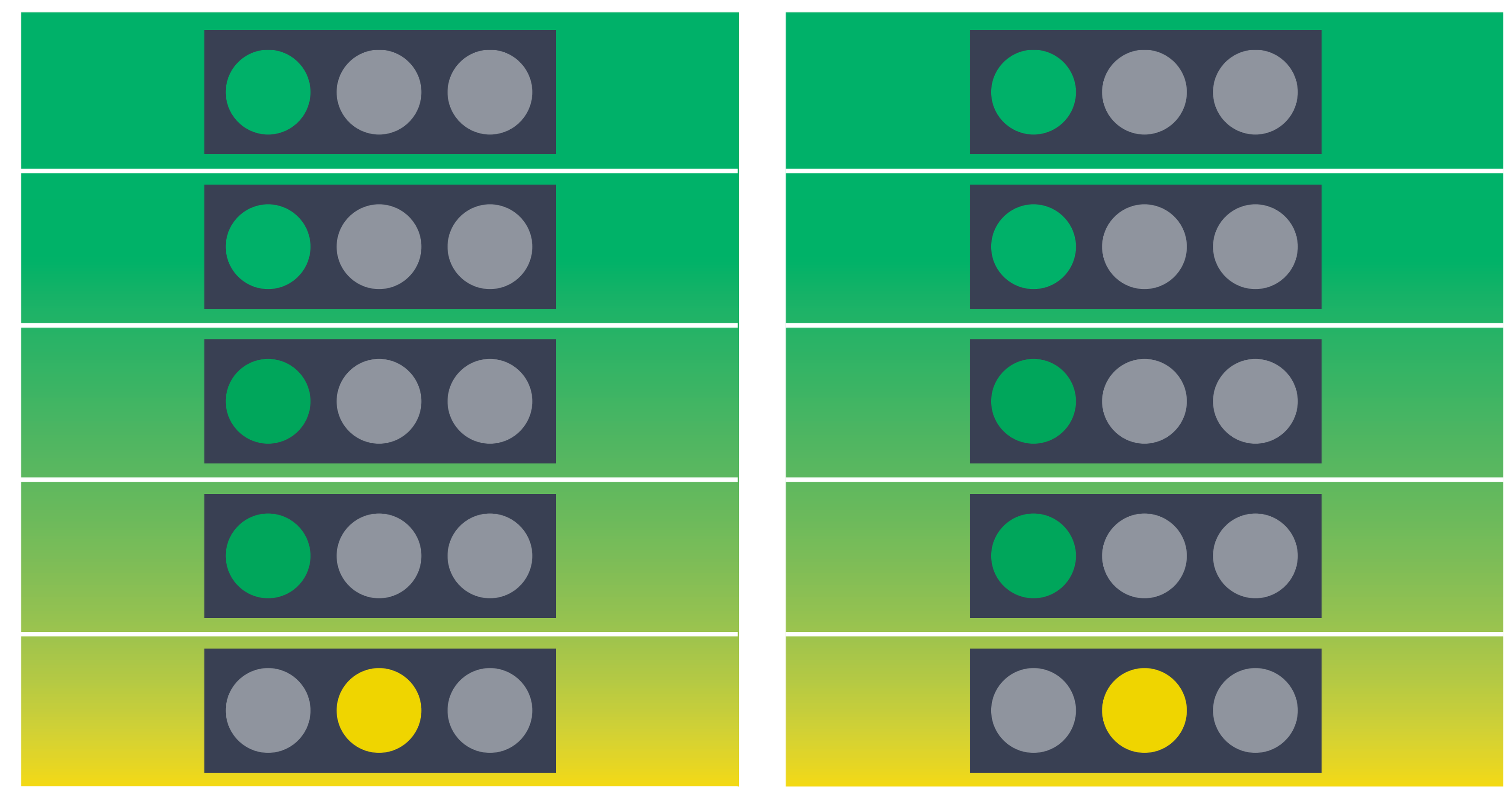
* Represents a preferred asset type for Fund V

Supports work that cannot be done virtually

SPECIALTY ASSETS

Specialty Assets are experiencing meaningful accelerations due to COVID-19

ASSET TYPE	SHORT TERM	LONG TERM
*Life Science/R&D Flex for Lab		
Data Center		
Production Plant		
*Engineering & High-tech Manufacturing		
Office Alternative		

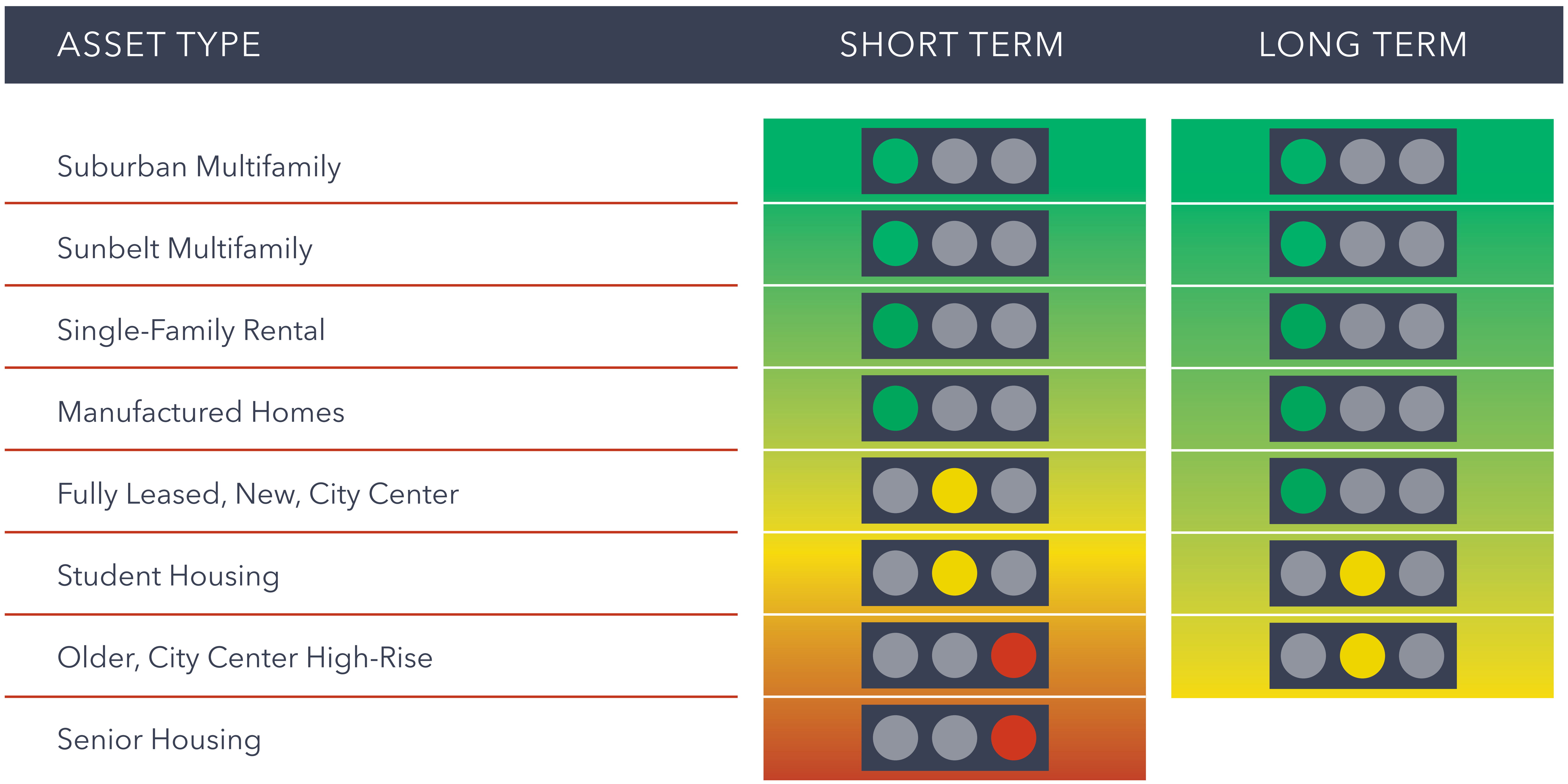


* Represents a preferred asset type for Fund V

Support work in leading innovation industries and work types that cannot be done virtually

RESIDENTIAL

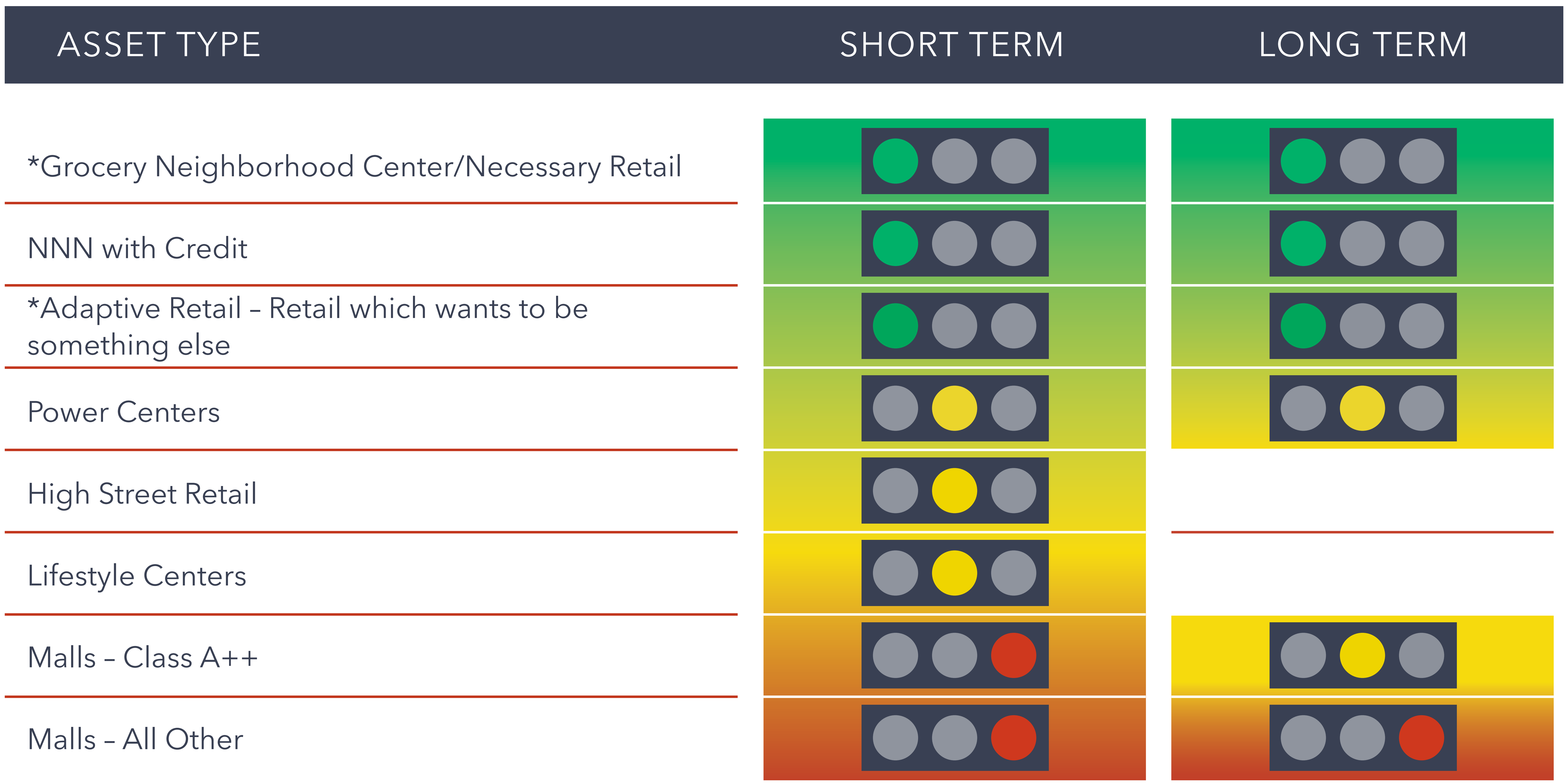
Less dense and suburban housing is experiencing meaningful accelerations and is poised to outperform



Housing choices are driven by density, interest rates, and resident profile

RETAIL

Adaptable and necessity driven retail in innovation markets provides interesting investment opportunities



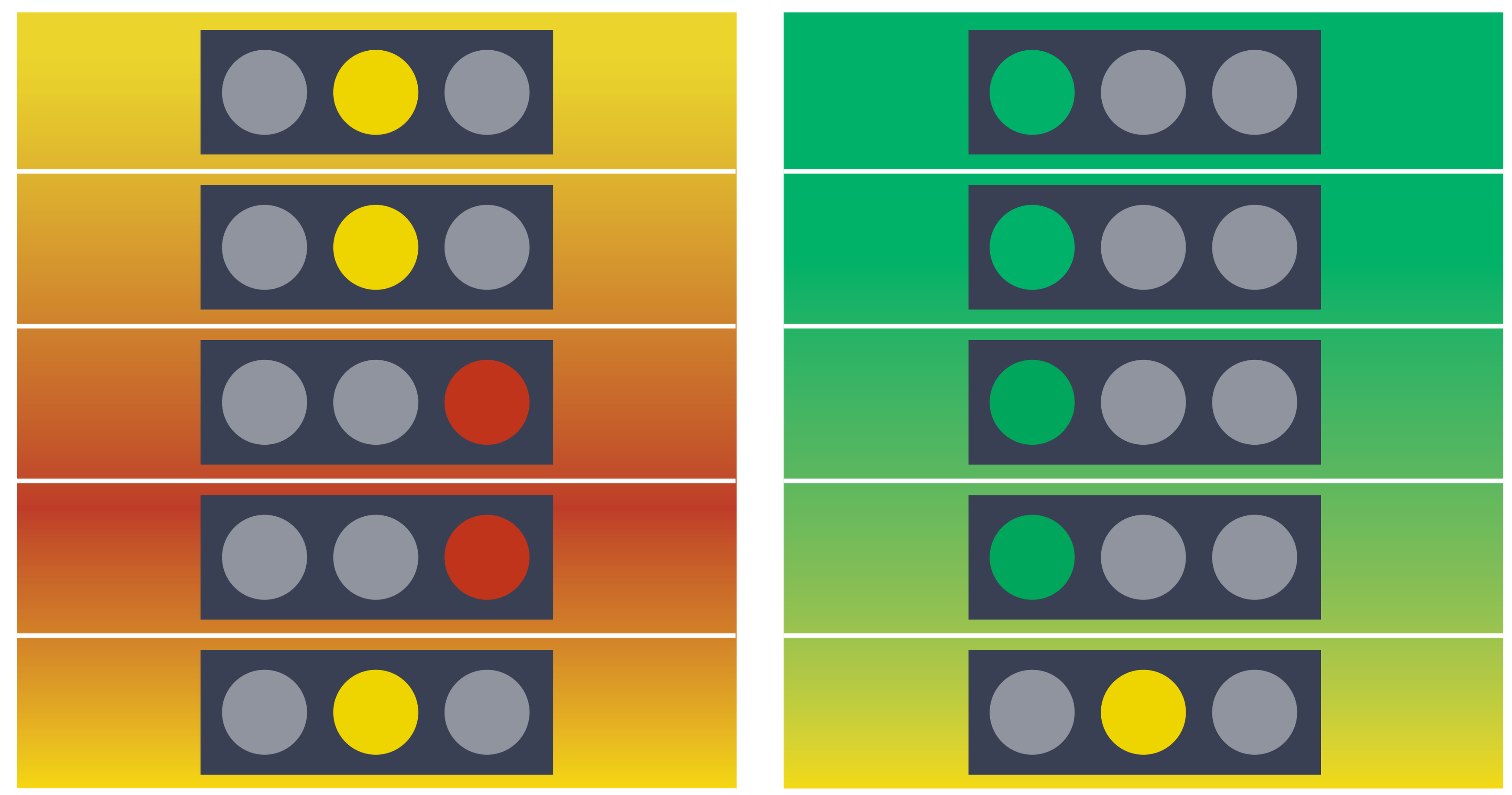
* Represents a preferred asset type for Fund V

Certain retail is resistant to the threat of E-Commerce acceleration

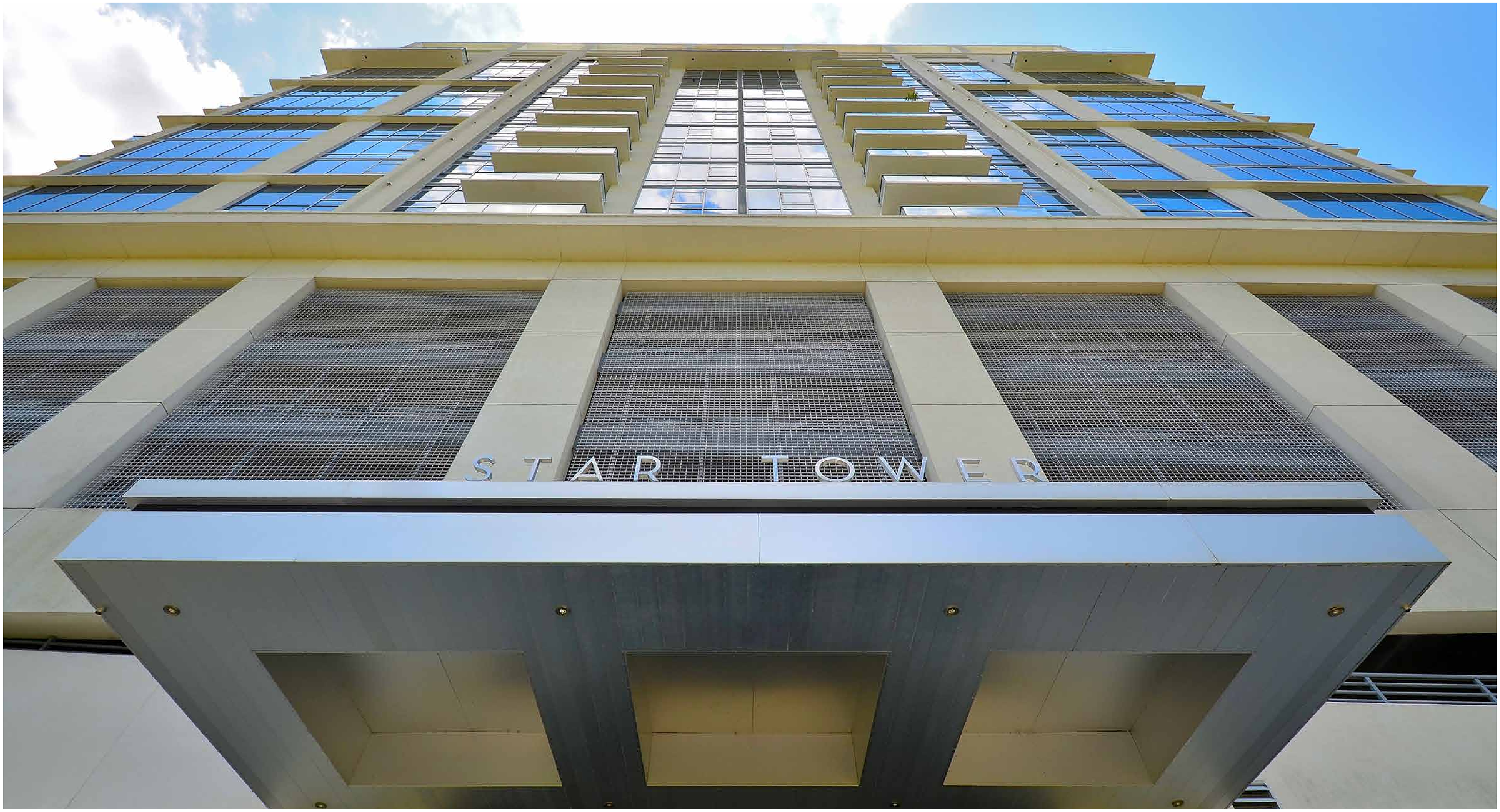
HOSPITALITY

Hospitality will likely present distressed investment opportunities

ASSET TYPE	SHORT TERM	LONG TERM
Drive to Resort		
Select Service		
Fly to Resort		
Convention		
City Center, Full-Service Business		



When was the last time you stayed in a hotel?



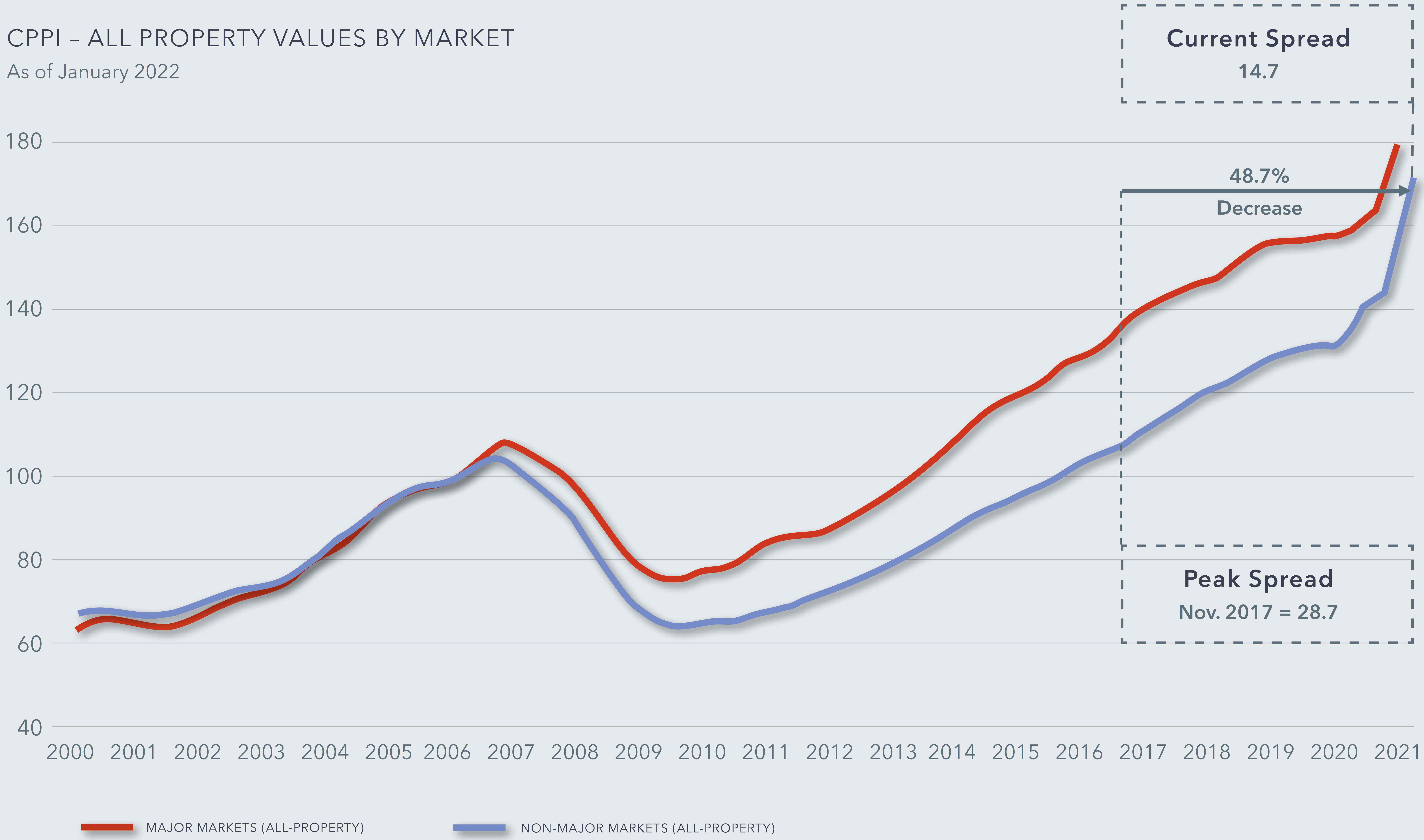
Section 8

MACRO GEOGRAPHIC MARKETS ANALYSIS

MAJOR MARKETS VS. NON-MAJOR MARKETS

CPPI – ALL PROPERTY VALUES BY MARKET

As of January 2022



SOURCE: RCA CPPI (Data index to 100 in December 2006)
MAJOR MARKETS INCLUDE: Boston, Chicago, Los Angeles, New York, San Francisco, and Washington, D.C.

GEOGRAPHIC MARKET FUNDAMENTALS

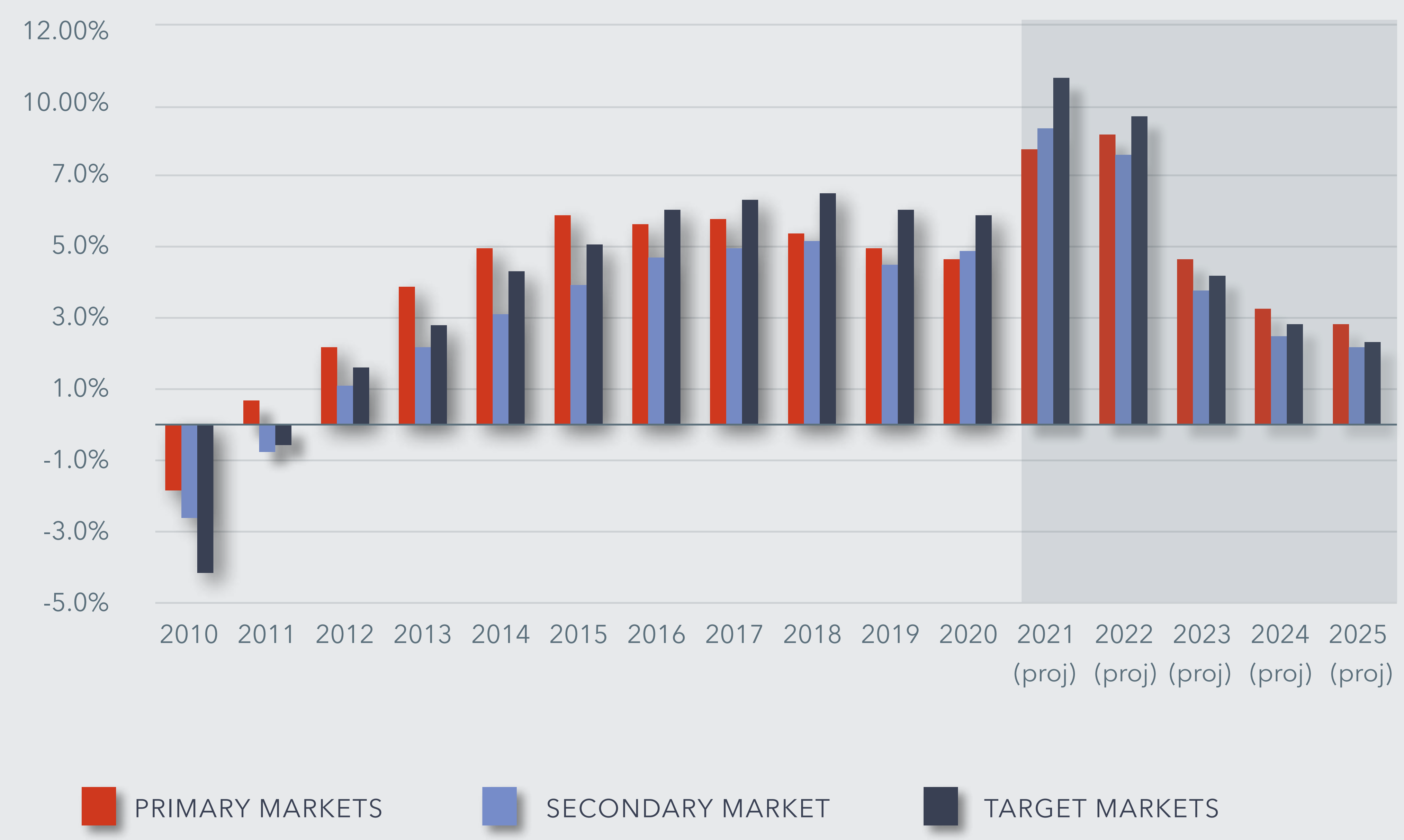
Additional metrics Alidade Capital utilizes for evaluating target Innovation Ecosystems include positive trending growth in the following categories:

R	E	D
Real Estate Fundamentals	**Economic Fundamentals**	**Demographic Fundamentals**

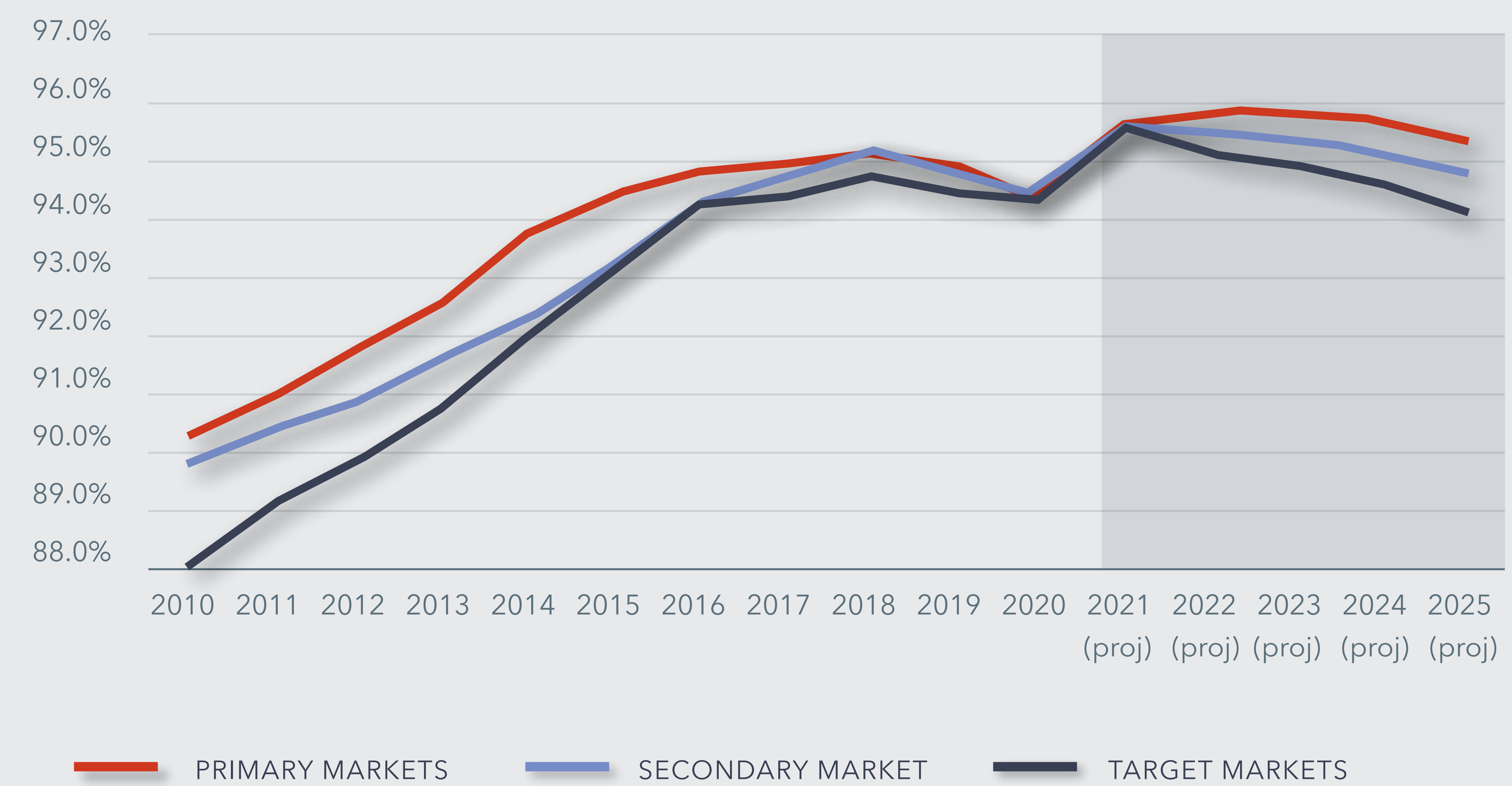
REAL ESTATE FUNDAMENTALS–ILLUSTRATIVE EXAMPLE

Alidade Capital's targeted secondary markets have strong forecasted occupancy and rent growth rates

RENT GROWTH – INDUSTRIAL



OCCUPANCY RATES – INDUSTRIAL



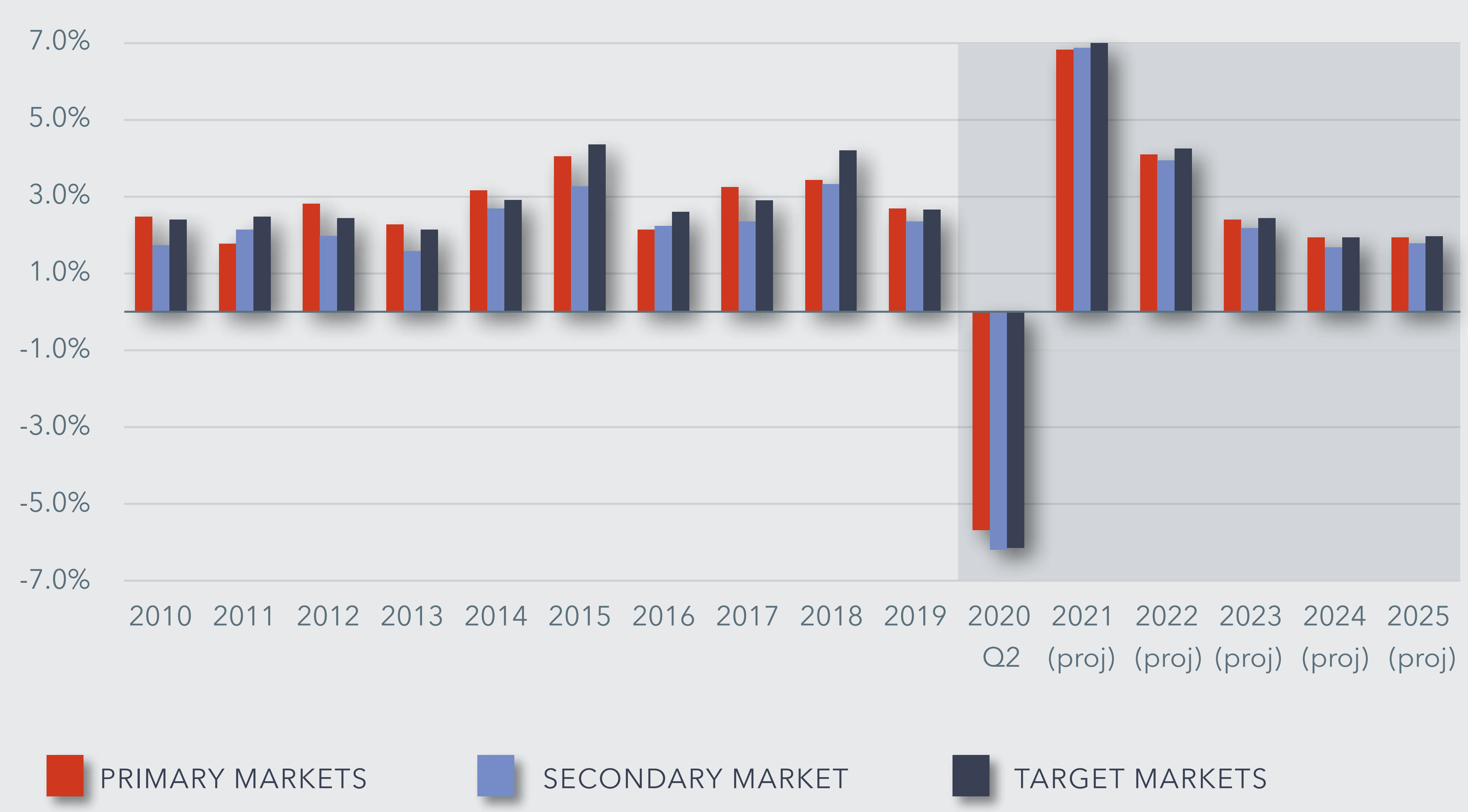
SOURCES: CoStar.com

NOTE: Primary and secondary markets are defined as presented in Exhibit 4 of the Morgan Stanley Wealth Management *Opportunities in Private Real Estate* article published on 11/3/2016. Alidade Capital's target markets include 9 select secondary markets indicated on the demographics slide of this presentation and denoted with an Innovation Ecosystem icon.

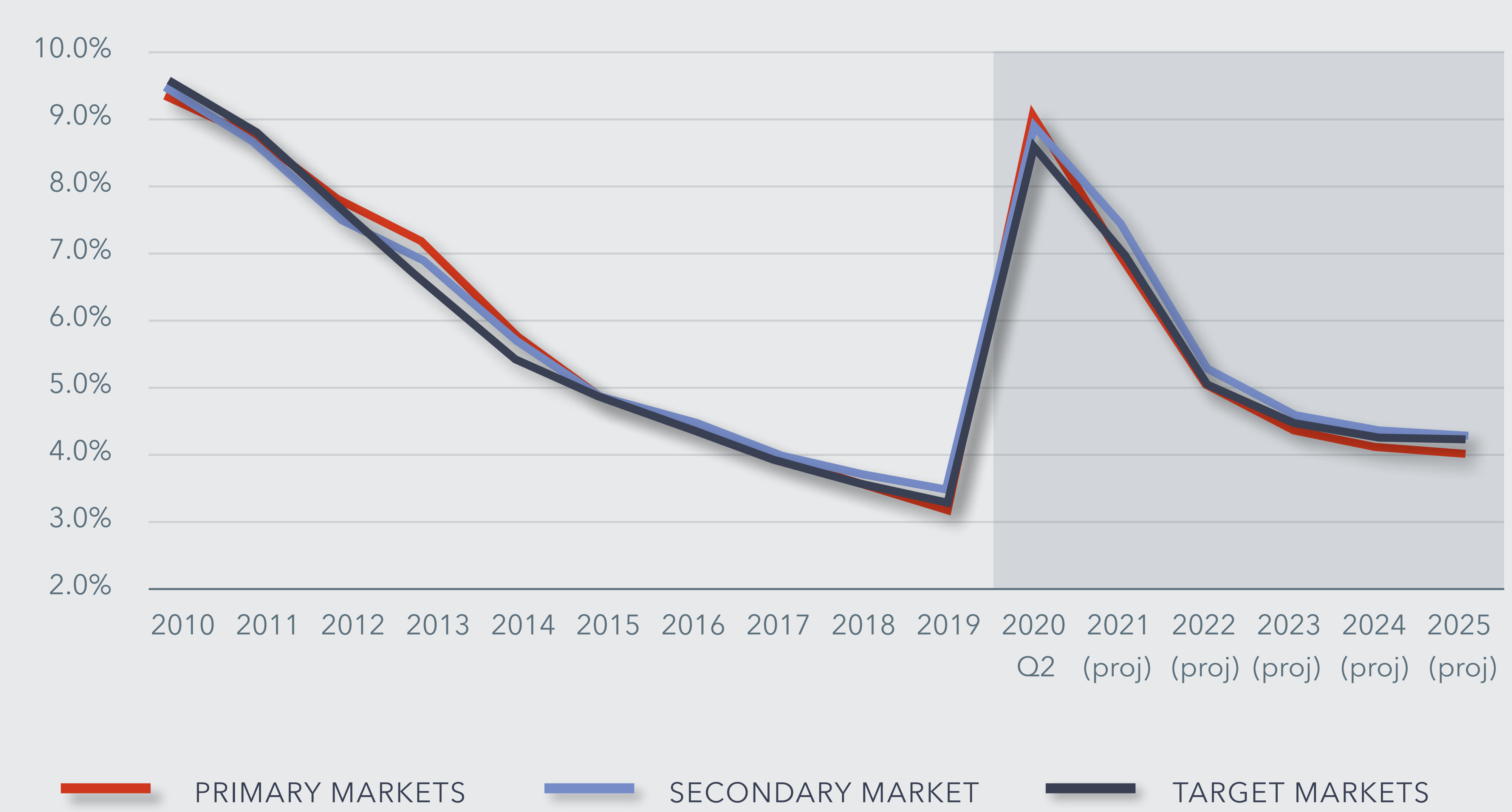
ECONOMIC FUNDAMENTALS–ILLUSTRATIVE EXAMPLE

Alidade Capital's targeted secondary markets show steady projected GDP growth and attractive employment statistics

YOY GDP GROWTH BY REGION



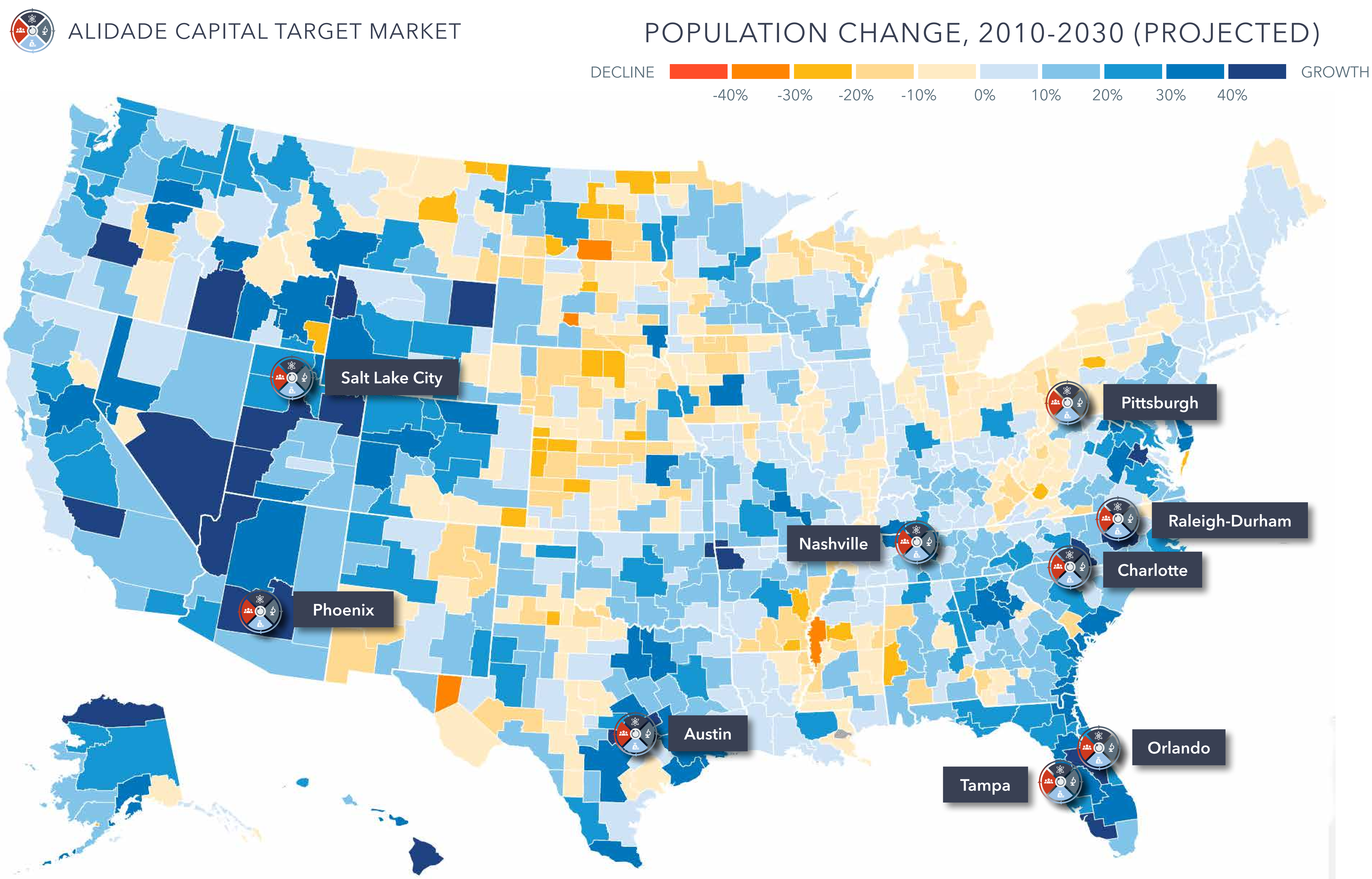
UNEMPLOYMENT RATE BY REGION



SOURCES: Historical data from U.S. Bureau of Economic Analysis and U.S. Bureau of Labor Statistics; Projections data from Oxford Economics and CBRE Research.

DEMOGRAPHIC FUNDAMENTALS–ILLUSTRATIVE EXAMPLE

Many of the strongest population growth rates are found in secondary markets and COVID-19 is further accelerating this trend



Alidade® *Capital*

Section 9

SAMPLE TRANSACTIONS

TRIANGLE BUSINESS CENTER – RALEIGH DURHAM, NC

INVESTMENT OVERVIEW

Purchase Price	**$20,150,000 ($74/SF)**
Purchase Date	**June 3, 2016**
Asset Type	**R&D Flex**
Asset Size	**270,933 SF**
Number of Buildings	**3**
Year Built	**1984 - 1988**
Ownership	**Fund III - 100%**
Sale Date	**April 2, 2020**
Gross Sale Proceeds	**$36,000,000**
Unleveraged Net Asset Level IRR	**16.3%**
Unleveraged Net Asset Level Multiple of Invested Capital	**1.60x**

FUND V RELEVANCE

The Triangle Business Center Portfolio ("TBC Portfolio") is a primary example of properties which fully capture the essence of the Fund V investment thesis. It is located within the established, thriving Raleigh-Durham, North Carolina Innovation Ecosystem, which is marked by recognized academic, research driven institutions in Duke University, North Carolina State University and the University of North Carolina, a pool of STEM talent, much of it trained at the aforementioned universities but retained by the employment opportunities and lifestyle amenities available in the region, plentiful public and private funding sources and relevant, functional infrastructure to support companies operating there. The submarket where the TBC Portfolio is found represents a Cluster within the ecosystem where tenants compete for the resources fundamental to their success. Leasing activity at the TBC Portfolio prior to Fund III's sale of the properties evidenced its unique positioning to continue executing a R&D Flex lab conversion by leveraging its location, strong submarket fundamentals, building infrastructure, and innovation company tenant mix.

INVESTMENT ACTIVITY

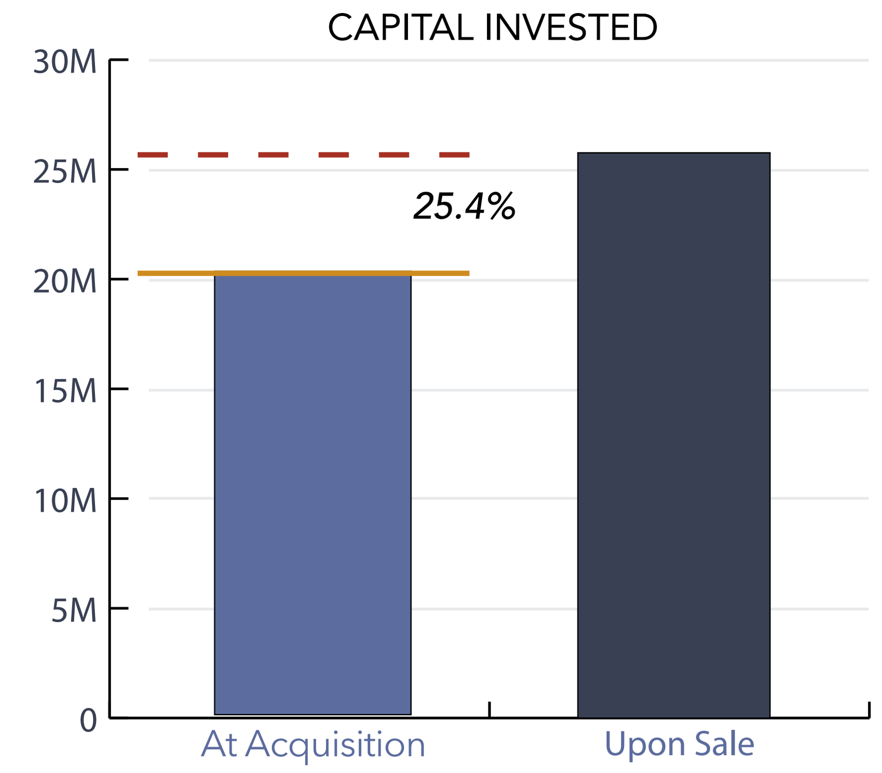
	TO DATE		PROJECTED AT EXIT	
	CAPITAL INVESTED	CASH PROCEEDS	CAPITAL INVESTED	CASH PROCEEDS
At Acquisition	$20,266,332	–	$24,590,379	$34,265,643
Upon Sale	$25,417,286	$40,722,005	$25,417,286	$40,722,005

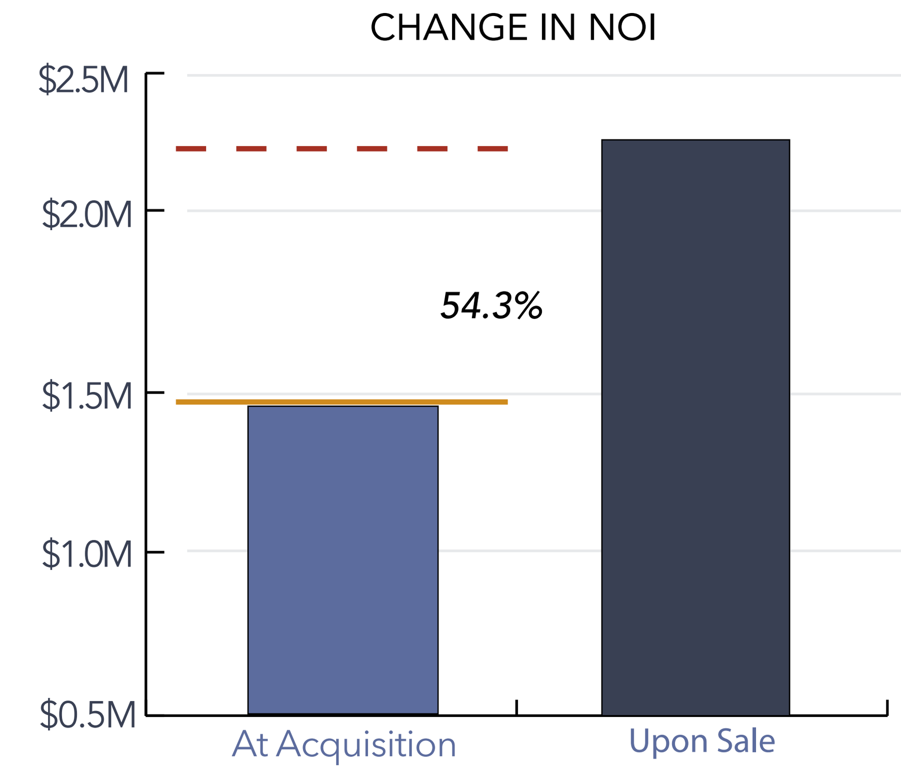
LEASING ACTIVITY

	NEW LEASE SF	RENEWED SF	EXPANDED SF	WEIGHTED AVG. RENT
At Acquisition	–	–	–	$10.63
Since Acquisition	43,683	59,667	44,917	$12.86

PERFORMANCE UPDATE

	OCCUPANCY	NTM NOI	WALT (YEARS)	VALUATION
At Acquisition	77%	$1,476,986	3.7	$20,666,332
Upon Sale	83%	$2,279,231	4.3	$33,454,084





The sample transactions described herein are intended solely as illustrative examples of the strategies employed by Alidade Capital in prior fund investments that are generally consistent with the investment themes targeted for Fund V. However, Fund V will not have any interest in these prior investments. See endnotes at end of performance tables.

HAMPTON OAKS – TAMPA, FL

INVESTMENT OVERVIEW

Purchase Price	**$20,800,000 ($80/SF)**
Purchase Date	**January 7, 2016**
Asset Type	**R&D Flex**
Asset Size	**259,425 SF**
Number of Buildings	**6**
Year Built/Renovated	**1987-1999**
Ownership	**Fund III - 100%**
Sale Date	**March 3, 2020**
Gross Sale Proceeds	**$36,650,000**
Unleveraged Net Asset Level IRR	**18.5%**
Unleveraged Net Asset Level Multiple of Invested Capital	**1.73x**

FUND V RELEVANCE

The Hampton Oaks investment represents the acquisition of a high-quality, well-located R&D Flex park purchased below replacement cost. It offers an example of Fund V's target investments, specifically properties located within Innovation Ecosystems. In particular, Hampton Oaks is an example of a property with the critical functional infrastructure required by innovation companies. The asset's location makes it particularly suited for data center and telecommunication users given its proximity to the fiber optic data line near the property that connects to the fiber optic data line running in a loop around Tampa, Florida. This transaction represents an example of Fund V's focus on gaining Direct Exposure to companies operating in suited Innovation Industries as tenants. At acquisition, Hampton Oaks housed existing tenants providing Direct Exposure to the telecommunications, medical device and life sciences industries. Additionally, the property's location helped make it feasible for Fund III to target new tenancy in the engineering, professional services and pharmacy services sectors.

INVESTMENT ACTIVITY

	TO DATE		PROJECTED AT EXIT	
	CAPITAL INVESTED	CASH PROCEEDS	CAPITAL INVESTED	CASH PROCEEDS
At Acquisition	$20,475,354	–	$24,884,614	$37,834,837
Upon Sale	$26,282,219	$45,406,637	$25,417,286	$45,406,637

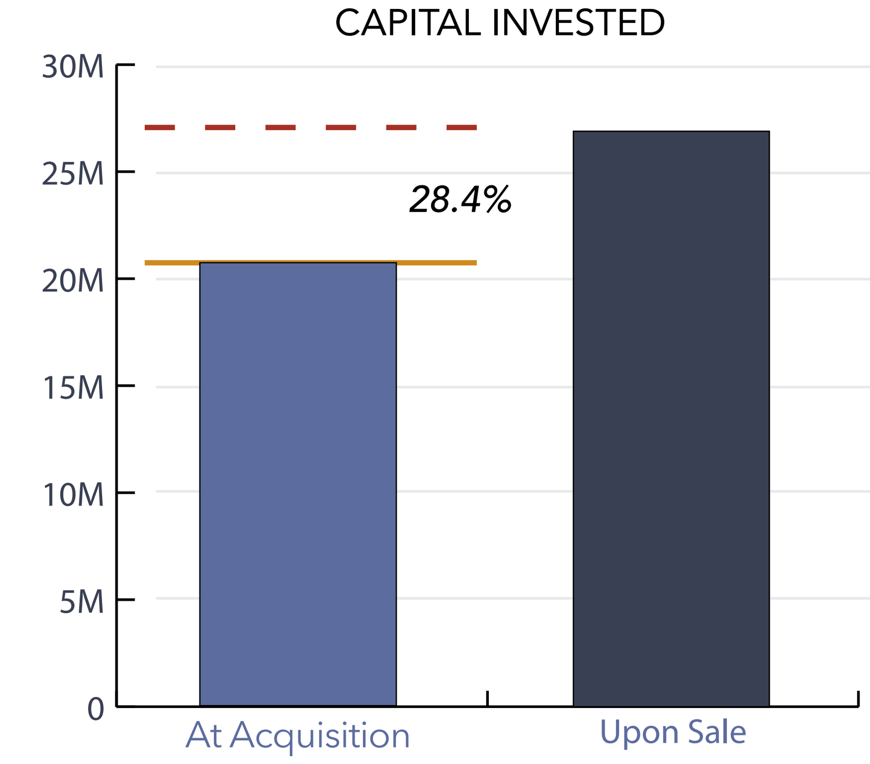
LEASING ACTIVITY

	NEW LEASE SF	RENEWED SF	EXPANDED SF	WEIGHTED AVG. RENT
At Acquisition	–	–	–	$14.45
Since Acquisition	81,838	106,852	2.884	$15.56

PERFORMANCE UPDATE

	OCCUPANCY	NTM NOI	WALT (YEARS)	VALUATION
At Acquisition	71%	$1,583,789	5.7	$20,475,354
Upon Sale	95%	$2,780,668	4.0	$36,065,979

CAPITAL INVESTED



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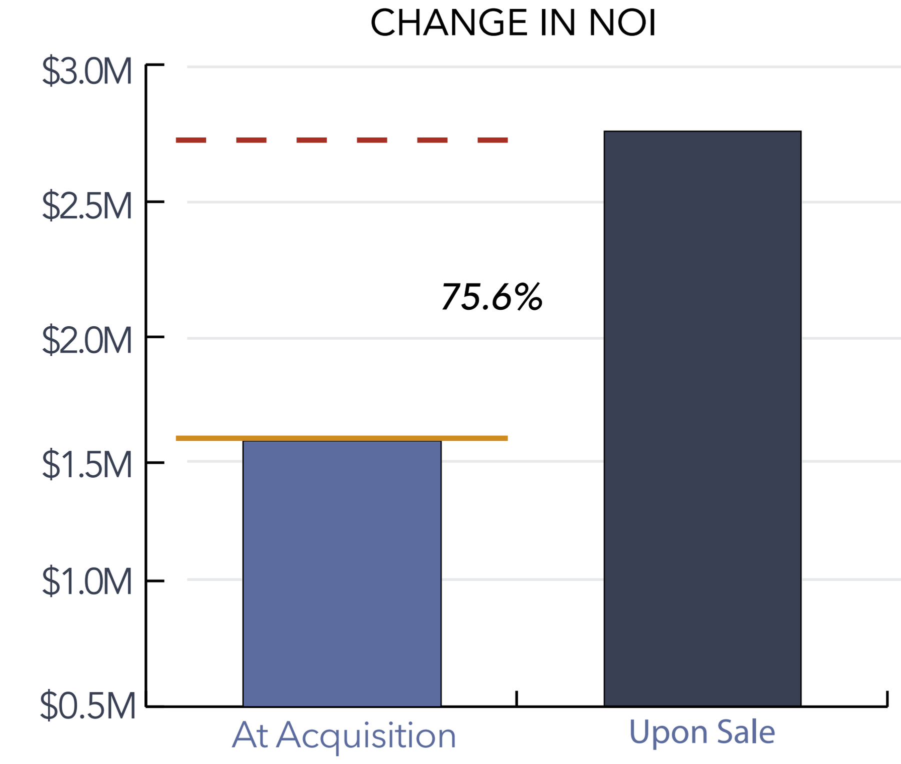


The sample transactions described herein are intended solely as illustrative examples of the strategies employed by Alidade Capital in prior fund investments that are generally consistent with the investment themes targeted for Fund V. However, Fund V will not have any interest in these prior investments. See endnotes at end of performance tables.

REGENCY PARK PORTFOLIO – CARY, NC

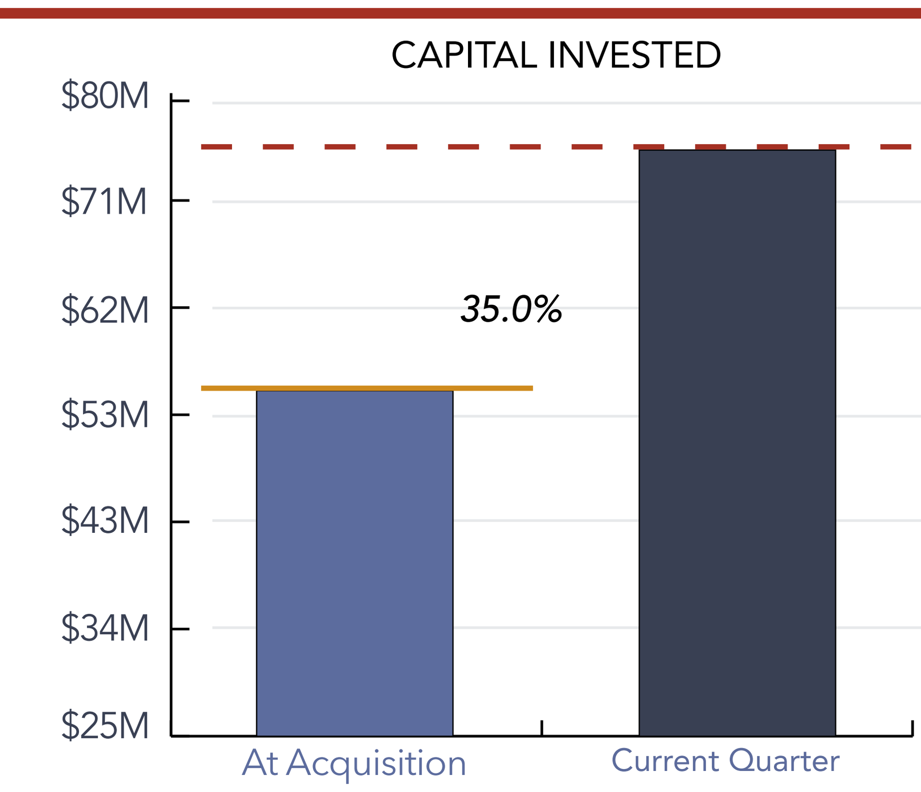
INVESTMENT OVERVIEW

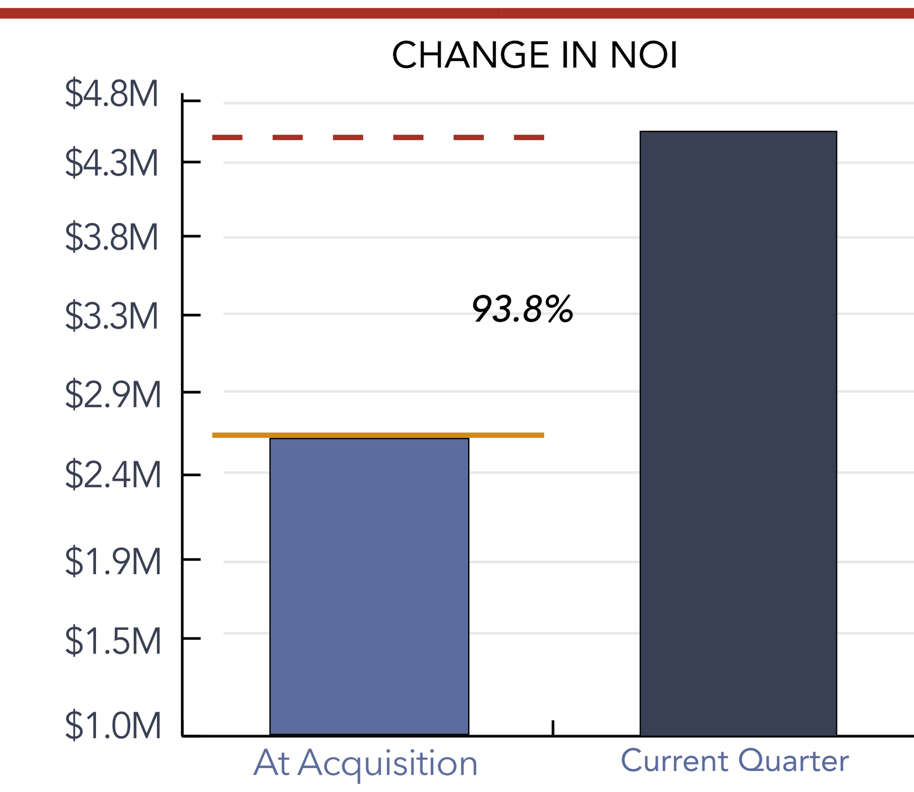
Purchase Price	**$53,000,000[1] ($137/SF)**
Purchase Date	**October 30, 2017**
Asset Type	**Adaptive Office / R&D Flex**
Seller	**Private Seller**
Asset Size	**387,987 SF**
Number of Buildings	**5**
Year Built	**1983 - 2001**
Occupancy at Acquisition	**62.4%**
Ownership	**Fund IV - 100%**

FUND V RELEVANCE

The Regency 2000, Regency 3300, Regency 3333, Regency 3700 and Regency 8000 buildings (collectively the "Regency Portfolio") are reflective of the value-add investment strategy employed by Alidade Capital in its Prior Funds in two primary facets. In particular, the acquisition presented the opportunity for Fund IV to complete a multi-building acquisition, facilitating a more efficient execution for the seller. Alidade Capital's ability to conduct significant due diligence and close large transactions on a timely basis with discretionary equity to capitalize the purchase provides a distinct advantage in the seller's evaluation of the chosen buyer. Secondly, the multi-story properties within the portfolio provided an opportunity to invest post-closing capital to complete significant exterior and interior building improvements to make well located properties more attractive to prospective tenants. The single-story buildings in the Regency Portfolio represent attractive R&D Flex space for tenants in the Innovation Ecosystem with access to STEM talent, funding, research universities, and infrastructure (all four pillars).

BUILDING	TYPE	SQUARE FEET	PURCHASE PRICE
2000 Regency Parkway	Office	158,190	$24,070,000
8000 Regency Parkway	Office	145,098	$20,036,605
3300 Regency Parkway	Flex R&D	28,233	$2,921,698
3333 Regency Parkway	Flex R&D	28,233	$2,921,690
3700 Regency Parkway	Flex R&D	28,233	$3,050,000
TOTAL		**387,987**	**$53,000,000**





[1]The purchase price of $53,000,000 was subject to $2,000,000 of additional consideration contingent upon lease revenues and property sales during the first two years following the acquisition. No consideration was paid pursuant to this arrangement other than $50,000 paid in connection with the 2000 Regency Cell Tower Lease Assignment.

The sample transactions described herein are intended solely as illustrative examples of the strategies employed by Alidade Capital in prior fund investments that are generally consistent with the investment themes targeted for Fund V. However, Fund V will not have any interest in these prior investments. See endnotes at end of performance tables.

REGENCY PARK PORTFOLIO – CARY, NC (CONT.)

Regency 2000 and Regency 8000 – Completed approximately $7.4 million in renovations to the two multi-story buildings. Improvements included upgrades to the exterior, facade entryways, elevators, common corridors, lobbies and the addition of new amenities to target creative and technology tenants.

EXTERIOR – BEFORE & AFTER

ELEVATOR LOBBY – BEFORE & AFTER

NEW AMENITIES

Section 10

PRIOR INVESTMENT PERFORMANCE

Alidade® Capital

HISTORICAL DISTRIBUTIONS

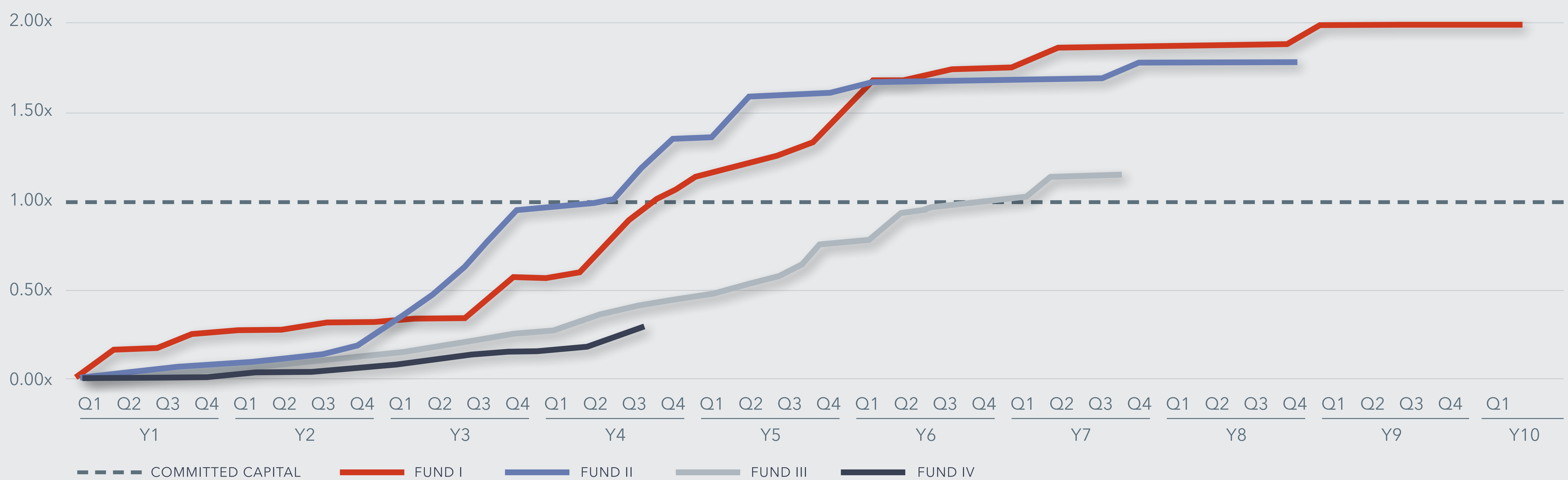
Alidade Capital seeks to distribute capital quickly

YEARS TO RETURN COMMITTED CAPITAL*

	50%	75%	100%
FUND I	3.25	3.75	4.00
FUND II	2.50	2.75	3.50
FUND III	4.25	5.00	6.25
FUND IV	NA	NA	NA

*Represents total distributions as a percentage of total commitments from the respective fund's final closing date

NET LP DISTRIBUTIONS RELATIVE TO COMMITTED CAPITAL OVER TIME



PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

FUND IV INVESTMENTS

Fund IV is 100.0% drawn and has completed acquisitions totaling $332.3 million (27 assets)

As of 12/31/2021

	TRANSACTION	TYPE	ASSETS	SQUARE FEET	CLOSING DATE	PURCHASE PRICE
1	**Glenwood Plaza**	Office	1	133,905	May 24, 2017	$21,250,000
2	**Woodland Corporate Park VII**	Office	1	118,954	July 10, 2017	$9,500,000
3	**Keystone at the Park Portfolio**	R&D Flex	4	411,434	October 17, 2017	$52,900,000 *(Partially Sold)*
4	**Regency Park Portfolio**	Office / R&D Flex	5	387,987	October 30, 2017	$53,000,000 [1]
	2000 Regency Parkway	*Office*	*1*	*158,190*		*$24,070,000*
	8000 Regency Parkway	*Office*	*1*	*145,098*		*$20,036,605*
	3300, 3333 & 3700 Regency Parkway	*R&D Flex*	*3*	*84,699*		*$8,893,395*
5	**Keystone at the Park Land**	Industrial Land	1	12.88 acres	March 1, 2018	$1,610,000
6	**7000 Regency Parkway Land**	Residential Land	1	12.91 acres	May 4, 2018	$3,037,500 *(Sold)*
7	**Red Mountain Corporate Center**	Office	1	132,263 [2]	October 31, 2018	$21,250,000
8	**Woodland Corporate Park VII Land**	Industrial Land	1	13.14 acres	November 1, 2018	$1,375,000
9	**Papago Spectrum**	Office	1	159,261	December 21, 2018	$34,000,000 *(Sold)*
10	**1400 Perimeter Park**	Office	1	44,916	January 10, 2019	$5,050,000
11	**Chandler Portfolio**	Flex Office / Industrial	3	186,040 [3]	November 7, 2019	$28,550,000
12	**Millpond Village**	Retail / Office	3	201,804 [4]	January 29, 2020	$34,886,875
13	**Bradford & Berrington**	R&D Flex	2	224,779	March 2, 2020	$40,900,000
14	**13000 & 14001 Weston**	R&D Flex	2	137,749	December 11, 2020	$25,000,000

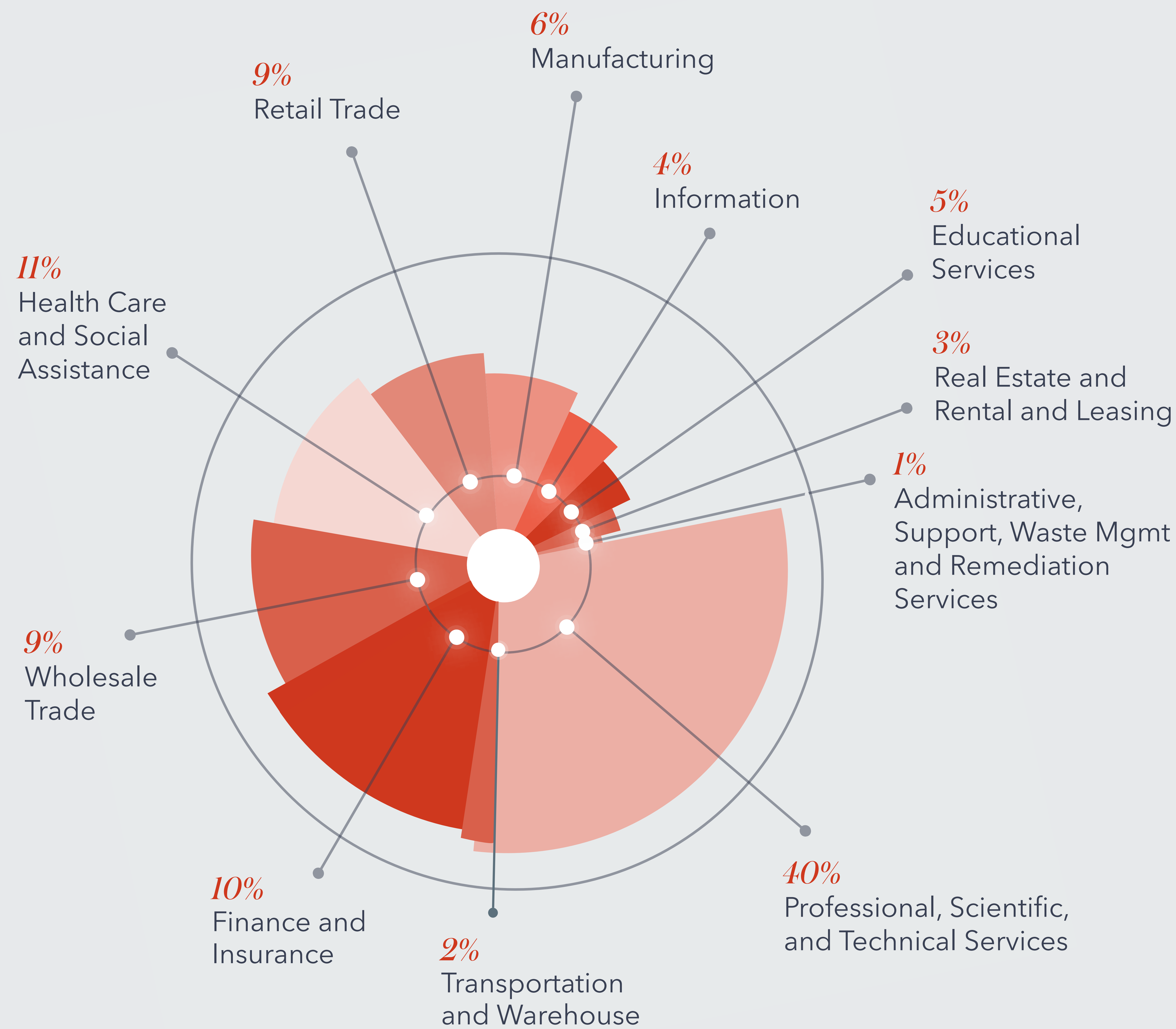
1 The purchase price of $53,000,000 was subject to $2,000,000 of additional consideration contingent upon lease revenues and property sales during the first two years following the acquisition. No consideration was paid pursuant to this arrangement other than $50,000 paid in connection with the 2000 Regency Cell Tower Lease Assignment.
2 Red Mountain Corporate Center was acquired as one Office asset on one tax parcel but includes a 6,170 square foot retail building. It is considered 100% Office for reporting purposes.
3 The Chandler Portfolio consists of one office building (85,797 SF), one industrial building (100,243 SF) and 8.65 acres of developable land.
4 Millpond Village consists of Phase I Retail (a Publix grocery-anchored retail center 84,363 SF), Phase II Retail (first floor retail adjacent to the office 25,491 SF), Phase II Office (a three-story office building 89,948 SF) and a Starbucks location. (2,002 SF).

The Fund IV portfolio when fully invested was comprised of 50.0% office, 38.4% R&D Flex, 5.8% retail, 3.3% industrial and 2.5% other/land assets.

FUND IV TENANT ANALYSIS

NAICS DESCRIPTION	Q4 2021 % OF TOTAL
Manufacturing	6
Professional, Scientific, and Technical Services	**40**
Health Care and Social Assistance	**11**
Information	4
Retail Trade	9
Wholesale Trade	9
Finance and Insurance	10
Administrative, Support, Waste Mgmt and Remediation Services	1
Construction	–
Educational Services	5
Other Services (except Public Administration)	–
Real Estate and Rental and Leasing	3
Accommodation and Food Services	–
Arts, Entertainment, and Recreation	–
Utilities	–
Transportation and Warehousing	2

PERCENT OF TOTAL SF LEASED*



* As of 12/31/2021, Fund IV has 1,526,528 SF leased.

No assurance can be given that Fund V's portfolio will be able to make comparable investments or have the same overall composition as shown above.

FUND III INVESTMENTS

As of November 7, 2016, Fund III was fully invested, having completed 11 acquisitions totaling $169.8 million (36 assets)

As of 12/31/2021

	TRANSACTION	LOCATION	TYPE	SQUARE FEET	CLOSING DATE	PURCHASE PRICE
1	**9200 Worthington**	Columbus, OH	Office	136,215	August 13, 2014	$12,040,000
2	**Heritage Park I & III (2 Buildings)**	Indianapolis, IN	Office	173,144	October 31, 2014	$10,600,000 *(Sold)*
3	**Mirabay Village**	Tampa Bay, FL	Retail/Residential Land	95,058	November 5, 2014	$13,000,000 *(Sold)*
4	**Madison Building (Note)**	Detroit, MI	Office	105,115	January 28, 2015	$3,650,000 *(Sold)*
5	**Minneapolis Tech (8 Buildings)**	Minneapolis, MN	R&D Flex	369,951	March 25, 2015	$26,600,000 *(Partially Sold)*
6	**Minneapolis Tech II (7 Buildings)**	Minneapolis, MN	R&D Flex	340,221	December 22, 2015	$24,100,000 *(Partially Sold)*
7	**1175 N. Opdyke**	Auburn Hills, MI	Industrial	143,150	December 23, 2015	$8,000,000 *(Sold)*
8	**Hampton Oaks (6 Buildings)**	Tampa, FL	R&D Flex	259,425	January 7, 2016	$20,800,000 *(Sold)*
9	**Triangle Bus. Center (3 Buildings)**	Durham, NC	R&D Flex	270,833	June 3, 2016	$20,150,000 *(Sold)*
10	**Gateway Centre East and West (2 Buildings)**	Raleigh-Durham, NC	R&D Flex	160,874	October 4. 2016	$15,000,000
11	**Gateway Centre North and South (2 Buildings)**	Raleigh-Durham, NC	R&D Flex	146,549	November 7, 2016	$15,850,000

The Fund III portfolio when fully invested was comprised of 15.5% office, 72.1% R&D Flex, 7.7% retail and 4.7% industrial.

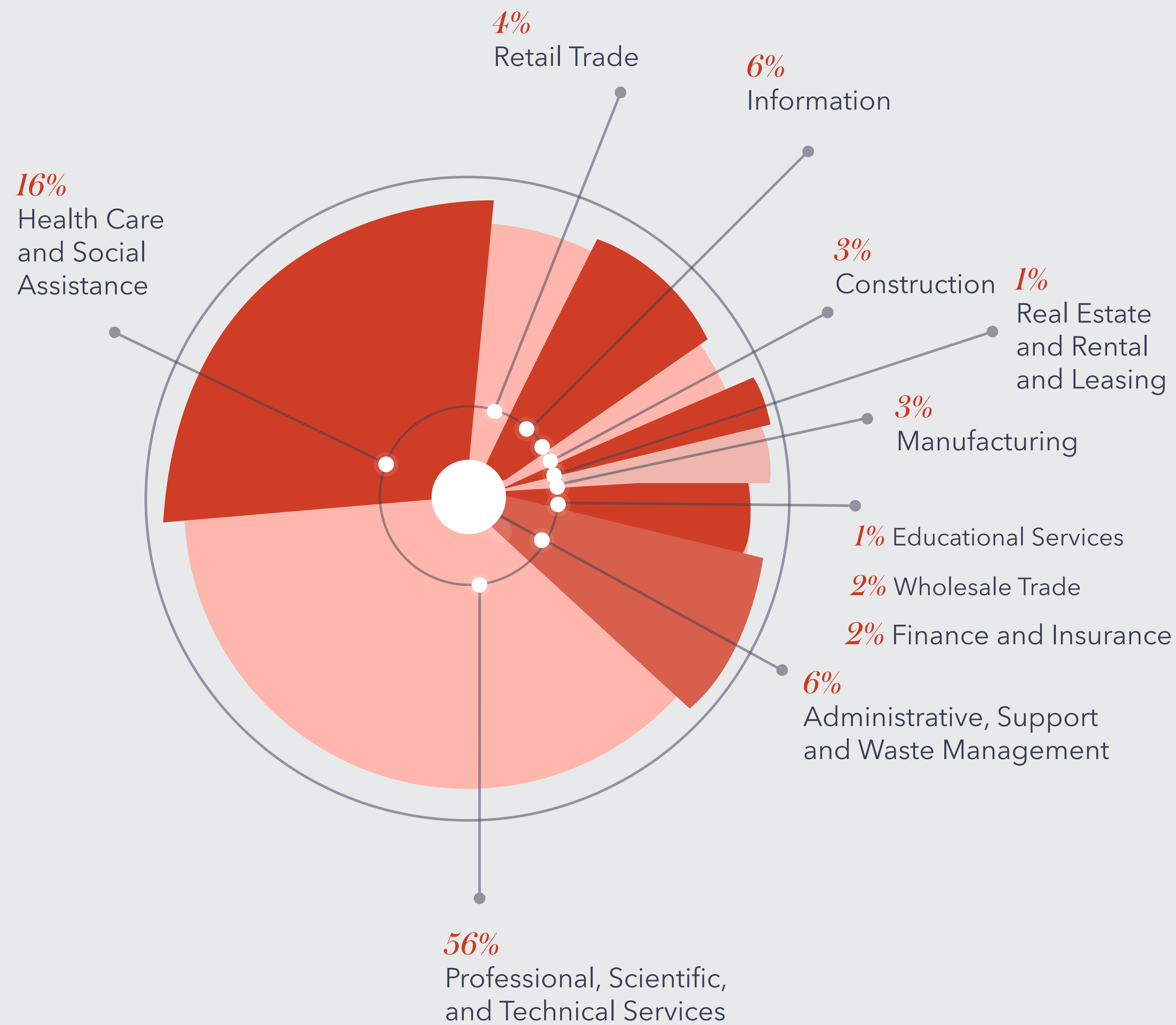
No assurance can be given that Fund V's portfolio will be able to make comparable investments or have the same overall composition as shown above.

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

FUND III TENANT ANALYSIS

NAICS DESCRIPTION	Q4 2021 % OF TOTAL
Manufacturing	3
Professional, Scientific, and Technical Services	**56**
Health Care and Social Assistance	**16**
Information	6
Retail Trade	4
Wholesale Trade	2
Finance and Insurance	2
Administrative, Support and Waste Management	6
Construction	3
Educational Services	1
Other Services (except Public Administration)	–
Real Estate and Rental and Leasing	1
Accommodation and Food Services	–
Arts, Entertainment, and Recreation	–
Utilities	–
Transportation and Warehousing	–

PERCENT OF TOTAL SF LEASED*



* As of 12/31/2021, Fund III has 638,928 SF leased.

No assurance can be given that Fund V's portfolio will be able to make comparable investments or have the same overall composition as shown above.

FUND III DISPOSITION ACTIVITY

As of 12/31/2021

ASSET	STATE	SF	BLDG/ ASSET COUNT	FUND III OWNERSHIP %	PROPERTY TYPE	PURCHASE DATE	SALE DATE	GROSS PURCHASE PRICE	GROSS SALE PROCEEDS	UNLEVERED NET ASSET LEVEL IRR	UNLEVERED NET ASSET LEVEL MULTIPLE OF INVESTED CAPITAL
Mirabay Village [1]	FL	95,058	4	100%	Retail / Land	11/5/2014	11/12/2021	$13,000,000	$22,425,000	11.8%	1.94x
Heritage Park I	IN	87,189	1	100%	Office	10/31/2014	4/20/2021	$6,081,601	$8,605,000	0.2%	1.01x
Cedar Business Center I [2]	MN	53,758	1	100%	R&D Flex	12/22/2015	12/23/2020	$3,977,605	$3,225,480	--	--
Triangle Business Center ("TBC")	NC	270,833	3	100%	R&D Flex	6/3/2016	4/2/2020	$20,150,000	$36,000,000	16.3%	1.60x
Hampton Oaks	FL	259,425	6	100%	R&D Flex	1/7/2016	3/3/2020	$20,800,000	$36,650,000	18.5%	1.73x
Eden Woods I [3]	MN	42,292	1	100%	R&D Flex	12/22/2015	1/9/2020	$3,195,158	$4,017,741	--	--
Heritage Park III	IN	85,338	1	100%	Office	10/31/2014	6/3/2019	$4,835,904	$8,300,000	11.5%	1.47x
Plymouth Tech I, II & III	MN	78,558	3	100%	R&D Flex	3/25/2015	2/1/2019	$6,180,000	$9,050,000	9.9%	1.33x
1175 N. Opdyke	MI	143,150	1	100%	Industrial	12/23/2015	11/5/2018	$8,000,000	$10,500,000	16.7%	1.51x
Olympia Business Center I & II	MN	54,355	2	100%	R&D Flex	12/22/2015	10/24/2018	$3,558,963	$4,650,000	13.6%	1.36x
Whitewater Plaza	MN	61,138	1	100%	R&D Flex	3/25/2015	10/24/2018	$3,189,595	$5,850,000	13.4%	1.39x
Southeast Technology Center	MN	58,645	1	100%	R&D Flex	3/25/2015	1/20/2017	$3,328,811	$7,350,000	39.5%	1.74x
Burnsville Bluffs II	MN	45,019	1	100%	R&D Flex	3/25/2015	8/2/2016	$1,270,554	$1,800,000	22.8%	1.31x
1900 St. Antoine	MI	105,115	1	100%	Office	1/28/2015	3/14/2016	$3,650,000	$7,338,898	47.2%	1.60x
Total		**1,439,873**	**27**					**$101,218,191**	**$165,762,119**		

(1) Mirabay Village Outlot "K" and Mirabay Village Residential Land represent two of four undeveloped retail land outparcels included in the $13,000,000 acquisition, consist of 0.94 and 9.79 acres of developable residential land and have been sold on 7/3/2019 and 9/30/2019 respectively.

(2) Cedar Business Center I was part of a portfolio and therefore a building specific Unlevered Net Asset Level IRR and Unlevered Net Asset Level Multiple of Invested Capital will not be available until the remainder of the portfolio is sold.

(3) Eden Woods I was part of a portfolio and therefore a building specific Unlevered Net Asset Level IRR and Unlevered Net Asset Level Multiple of Invested Capital will not be available until the remainder of the portfolio is sold.

No assurance can be given that Fund V's portfolio will be able to make comparable investments or have the same overall composition as shown above.

Alidade Capital

Section 11

ASSET LEVEL RETURNS

ALIDADE CAPITAL FUND, L.P.

As of December 31, 2019 (final asset in the portfolio was sold in November 2019)

($ in millions) ASSET	STATE	PROPERTY TYPE	FUND INTEREST	INITIAL INVESTMENT DATE	HARVESTED DATE	CAPITAL INVESTMENT (TO DATE)	CAPITAL INVESTMENT (FUTURE)	TOTAL CAPITAL INVESTMENT	CASH PROCEEDS (REALIZED)	CASH PROCEEDS (EST. UNREALIZED)	CASH PROCEEDS (REALIZED + EST. UNREALIZED)	UNLEVERAGED MULTIPLE OF INVESTED CAPITAL (ACTUAL)	UNLEVERAGED MULTIPLE OF INVESTED CAPITAL (ANTICIPATED)	UNLEVERAGED NET ASSET LEVEL IRR (ACTUAL)	UNLEVERAGED NET ASSET LEVEL IRR (ANTICIPATED)
						A	B	A + B	C	D	C + D	(C + D) / (A + B)			
Alidade Capital Fund, L.P.															
Harvested Investments															
Mountain Valley Loan	TX	MF/Condo	100.0%	Nov-24-10	May-20-11	$2.68	$0.00	$2.68	$2.94	$0.00	$2.94	1.10x		20.6%	
Station 3 Lofts	MI	MF/Condo	100.0%	Dec-29-10	Mar-13-12	3.65	0.00	3.65	5.81	0.00	5.81	1.59x		46.1%	
Eastlake Commons Loan	MI	Retail	100.0%	Jun-09-11	Sep-20-12	2.45	0.00	2.45	3.11	0.00	3.11	1.27x		22.2%	
5225 Crooks	MI	Office	100.0%	Nov-02-11	Apr-05-13	4.69	0.00	4.69	6.44	0.00	6.44	1.38x		32.6%	
Waverly Loan	MI	Industrial	100.0%	Mar-13-12	Jan-31-13	1.46	0.00	1.46	1.66	0.00	1.66	1.14x		17.4%	
Expressway Loan	MI	Industrial	100.0%	Mar-13-12	Jan-31-13	1.22	0.00	1.22	1.39	0.00	1.39	1.14x		17.4%	
45501 Helm	MI	Office	20.0%	Jan-14-13	Jun-30-14	0.08	0.00	0.08	0.11	0.00	0.11	1.40x		25.6%	
240 Feaster	SC	Industrial	40.0%	Oct-03-13	Jun-30-14	0.24	0.00	0.24	0.56	0.00	0.56	2.38x		350.5%	
Plymouth Oaks	MI	R&D Flex	20.0%	Jan-14-13	Dec-29-14	0.37	0.00	0.37	0.59	0.00	0.59	1.60x		32.1%	
LS Retail Portfolio	MI	Retail	24.5%	Dec-21-12	Mar-26-15	1.82	0.00	1.82	2.14	0.00	2.14	1.17x		13.2%	
111 North Ashley	MI	MF/Condo/Office/Retail	100.0%	Jun-29-11	May-15-15	6.87	0.00	6.87	13.29	0.00	13.29	1.93x		47.9%	
250 Feaster	SC	Industrial	40.0%	Oct-03-13	Jun-05-15	0.54	0.00	0.54	0.66	0.00	0.66	1.22x		13.8%	
149 Metro Court	SC	Industrial	40.0%	Oct-03-13	Aug-26-15	0.81	0.00	0.81	1.07	0.00	1.07	1.32x		18.3%	
153 Metro Court	SC	Industrial	40.0%	Oct-03-13	Aug-26-15	0.28	0.00	0.28	0.35	0.00	0.35	1.25x		14.0%	
154 Metro Court	SC	Industrial	40.0%	Oct-03-13	Aug-26-15	1.37	0.00	1.37	1.98	0.00	1.98	1.45x		25.0%	
169 Metro Court	SC	Industrial	40.0%	Oct-03-13	Aug-26-15	0.62	0.00	0.62	0.84	0.00	0.84	1.36x		22.2%	
1100 Piedmont	SC	Industrial	40.0%	Oct-03-13	Aug-26-15	1.89	0.00	1.89	2.60	0.00	2.60	1.38x		21.1%	
1102 Piedmont	SC	Industrial	40.0%	Oct-03-13	Aug-26-15	0.91	0.00	0.91	1.32	0.00	1.32	1.44x		24.3%	
1104 Piedmont	SC	Industrial	40.0%	Oct-03-13	Aug-26-15	0.72	0.00	0.72	1.26	0.00	1.26	1.74x		36.8%	
14835 Pilot	MI	Industrial	45.0%	Aug-23-13	Oct-21-15	2.57	0.00	2.57	3.88	0.00	3.88	1.51x		31.0%	
Research Drive	MI	Industrial	40.0%	May-28-14	Oct-30-15	1.13	0.00	1.13	1.53	0.00	1.53	1.36x		27.2%	
Star Tower	FL	MF/Condo	30.0%	Jun-26-12	May-31-16	4.18	0.00	4.18	6.02	0.00	6.02	1.44x		25.6%	
47912 Halyard	MI	R&D Flex	20.0%	Jan-14-13	Aug-23-16	1.16	0.00	1.16	1.90	0.00	1.90	1.64x		19.8%	
Technology Park	MI	R&D Flex	35.0%	Dec-05-12	Sep-22-16	3.50	0.00	3.50	5.80	0.00	5.80	1.66x		20.0%	
15035 Pilot	MI	Industrial	45.0%	Aug-23-13	Sep-22-16	0.77	0.00	0.77	1.49	0.00	1.49	1.95x		28.4%	
North Beck	MI	Office	20.0%	Jan-14-13	Oct-14-16	0.74	0.00	0.74	1.18	0.00	1.18	1.60x		16.8%	
Alpha Tech Park	MI	R&D Flex/Office	20.0%	Mar-15-13	Dec-06-16	2.09	0.00	2.09	4.09	0.00	4.09	1.96x		33.1%	
47799 Halyard	MI	R&D Flex	20.0%	Jan-14-13	Dec-21-16	0.34	0.00	0.34	0.60	0.00	0.60	1.76x		19.2%	
Stoneridge III	MI	Office	48.0%	Aug-29-13	Feb-13-18	3.85	0.00	3.85	4.84	0.00	4.84	1.26x		6.9%	
1500 Bull Lea	KY	Office	40.0%	Sep-30-13	Nov-21-19	3.55	0.00	3.55	4.64	0.00	4.64	1.31x		6.1%	
Unrealized Investments															
N/A															

This report should be read in conjunction with the endnotes presented after the performance tables.

ALIDADE CAPITAL FUND II, LP

As of December 31, 2019 (final asset in the portfolio was sold in November 2019)

($ in millions) ASSET	STATE	PROPERTY TYPE	FUND INTEREST	INITIAL INVESTMENT DATE	HARVESTED DATE	CAPITAL INVESTMENT (TO DATE)	CAPITAL INVESTMENT (FUTURE)	TOTAL CAPITAL INVESTMENT	CASH PROCEEDS (REALIZED)	CASH PROCEEDS (EST. UNREALIZED)	CASH PROCEEDS (REALIZED + EST. UNREALIZED)	UNLEVERAGED MULTIPLE OF INVESTED CAPITAL (ACTUAL)	UNLEVERAGED MULTIPLE OF INVESTED CAPITAL (ANTICIPATED)	UNLEVERAGED NET ASSET LEVEL IRR (ACTUAL)	UNLEVERAGED NET ASSET LEVEL IRR (ANTICIPATED)
						A	B	A + B	C	D	C + D	(C + D) / (A + B)			
Alidade Capital Fund II, LP															
Harvested Investments															
Waverly Equity	MI	Industrial	100.0%	Mar-13-12	Jan-31-13	$2.29	$0.00	$2.29	$2.94	$0.00	$2.94	1.28x		36.2%	
Expressway Equity	MI	Industrial	100.0%	Mar-13-12	Jan-31-13	0.94	0.00	0.94	1.25	0.00	1.25	1.33x		42.4%	
45501 Helm	MI	Office	80.0%	Jan-14-13	Jun-30-14	0.32	0.00	0.32	0.45	0.00	0.45	1.40x		25.6%	
Keel Street	MI	Industrial	100.0%	Jan-14-13	Jun-30-14	1.12	0.00	1.12	2.07	0.00	2.07	1.84x		64.6%	
240 Feaster	SC	Industrial	60.0%	Oct-03-13	Jun-30-14	0.35	0.00	0.35	0.84	0.00	0.84	2.38x		350.5%	
45550 Helm	MI	Industrial	100.0%	Jan-14-13	Oct-10-14	0.34	0.00	0.34	0.51	0.00	0.51	1.49x		31.7%	
Plymouth Oaks	MI	Flex R&D	80.0%	Jan-14-13	Dec-29-14	1.47	0.00	1.47	2.35	0.00	2.35	1.60x		32.1%	
LS Retail Portfolio	MI	Retail	45.5%	Dec-21-12	Mar-26-15	3.39	0.00	3.39	3.97	0.00	3.97	1.17x		13.2%	
250 Feaster	SC	Industrial	60.0%	Oct-03-13	Jun-05-15	0.81	0.00	0.81	0.99	0.00	0.99	1.22x		13.8%	
149 Metro Court	SC	Industrial	60.0%	Oct-03-13	Aug-26-15	1.22	0.00	1.22	1.61	0.00	1.61	1.32x		18.3%	
153 Metro Court	SC	Industrial	60.0%	Oct-03-13	Aug-26-15	0.42	0.00	0.42	0.52	0.00	0.52	1.25x		14.0%	
154 Metro Court	SC	Industrial	60.0%	Oct-03-13	Aug-26-15	2.05	0.00	2.05	2.98	0.00	2.98	1.45x		25.0%	
169 Metro Court	SC	Industrial	60.0%	Oct-03-13	Aug-26-15	0.93	0.00	0.93	1.26	0.00	1.26	1.36x		22.2%	
1100 Piedmont	SC	Industrial	60.0%	Oct-03-13	Aug-26-15	2.83	0.00	2.83	3.91	0.00	3.91	1.38x		21.1%	
1102 Piedmont	SC	Industrial	60.0%	Oct-03-13	Aug-26-15	1.37	0.00	1.37	1.98	0.00	1.98	1.44x		24.3%	
1104 Piedmont	SC	Industrial	60.0%	Oct-03-13	Aug-26-15	1.08	0.00	1.08	1.89	0.00	1.89	1.74x		36.8%	
14835 Pilot	MI	Industrial	55.0%	Aug-23-13	Oct-21-15	3.14	0.00	3.14	4.74	0.00	4.74	1.51x		31.0%	
Schoolcraft	MI	Industrial	100.0%	Jan-14-13	Oct-23-15	1.90	0.00	1.90	3.68	0.00	3.68	1.94x		32.6%	
Research Drive	MI	Industrial	60.0%	May-28-14	Oct-30-15	1.70	0.00	1.70	2.30	0.00	2.30	1.36x		27.2%	
Star Tower	FL	MF/Condo	70.0%	Jun-26-12	May-31-16	9.74	0.00	9.74	14.04	0.00	14.04	1.44x		25.6%	
47912 Halyard	MI	R&D Flex	80.0%	Jan-14-13	Aug-23-16	4.64	0.00	4.64	7.59	0.00	7.59	1.64x		19.8%	
Technology Park	MI	R&D Flex	65.0%	Dec-05-12	Sep-22-16	6.49	0.00	6.49	10.76	0.00	10.76	1.66x		20.0%	
15035 Pilot	MI	Industrial	55.0%	Aug-23-13	Sep-22-16	0.94	0.00	0.94	1.83	0.00	1.83	1.95x		28.4%	
North Beck	MI	Office	80.0%	Jan-14-13	Oct-14-16	2.95	0.00	2.95	4.73	0.00	4.73	1.60x		16.8%	
Alpha Tech Park	MI	R&D Flex/Office	80.0%	Mar-15-13	Dec-06-16	8.35	0.00	8.35	16.35	0.00	16.35	1.96x		33.1%	
47799 Halyard	MI	R&D Flex	80.0%	Jan-14-13	Dec-21-16	1.35	0.00	1.35	2.39	0.00	2.39	1.76x		19.2%	
Main North	MI	Office/Retail	100.0%	May-16-13	Jun-07-17	6.74	0.00	6.74	15.13	0.00	15.13	2.24x		25.9%	
Stoneridge III	MI	Office	52.0%	Aug-29-13	Feb-13-18	4.17	0.00	4.17	5.24	0.00	5.24	1.26x		6.9%	
1500 Bull Lea	KY	Office	60.0%	Sep-30-13	Nov-21-19	5.32	0.00	5.32	6.96	0.00	6.96	1.31x		6.1%	
Unrealized Investments															
N/A															

This report should be read in conjunction with the endnotes presented after the performance tables.

ALIDADE CAPITAL FUND III, LP

As of December 31, 2021

($ in Millions) ASSET	STATE	PROPERTY TYPE	FUND INTEREST	INITIAL INVESTMENT DATE	HARVESTED DATE	CAPITAL INVESTMENT (TO DATE)	CAPITAL INVESTMENT (FUTURE)	TOTAL CAPITAL INVESTMENT	CASH PROCEEDS (REALIZED)	CASH PROCEEDS (EST. UNREALIZED)	CASH PROCEEDS (REALIZED + EST. UNREALIZED)	UNLEVERAGED MULTIPLE OF INVESTED CAPITAL (ACTUAL)	UNLEVERAGED MULTIPLE OF INVESTED CAPITAL (ANTICIPATED)	UNLEVERAGED NET ASSET LEVEL IRR (ACTUAL)	UNLEVERAGED NET ASSET LEVEL IRR (ANTICIPATED)
						A	B	A + B	C	D	C + D	(C + D) / (A + B)			
Alidade Capital Fund III, L.P.															
Harvested Investments															
1900 St. Antoine	MI	Office	100.0%	Jan-25-15	Mar-14-16	$3.85	-	$3.85	$6.16	-	$6.16	1.60x		47.2%	
Burnsville Bluffs	MN	R&D Flex	100.0%	Mar-25-15	Aug-02-16	1.42	-	1.42	1.86	-	1.86	1.31x		22.8%	
Southeast Tech	MN	R&D Flex	100.0%	Mar-25-15	Jan-20-17	4.49	-	4.49	7.80	-	7.80	1.74x		39.5%	
Olympia Center	MN	R&D Flex	100.0%	Dec-22-15	Oct-24-18	3.98	-	3.98	5.43	-	5.43	1.36x		13.6%	
Whitewater	MN	R&D Flex	100.0%	Mar-25-15	Oct-24-18	4.55	-	4.55	6.34	-	6.34	1.39x		13.4%	
Opdyke	MI	Industrial	100.0%	Dec-23-15	Nov-04-18	8.04	-	8.04	12.11	-	12.11	1.51x		16.7%	
Plymouth Tech I-III	MN	R&D Flex	100.0%	Mar-25-15	Feb-01-19	7.67	-	7.67	10.19	-	10.19	1.33x		9.9%	
Heritage III	IN	Office	100.0%	Aug-13-14	Jun-03-19	6.87	-	6.87	10.12	-	10.12	1.47x		11.5%	
Hampton Oaks	FL	R&D Flex	100.0%	Jan-07-16	Mar-03-20	26.28	-	26.28	45.41	-	45.41	1.73x		18.5%	
TBC 4020 / 4022	NC	R&D Flex	100.0%	Jun-03-16	Apr-02-20	25.42	-	25.42	40.72	-	40.72	1.60x		16.3%	
Heritage I	IN	Office	100.0%	Oct-31-14	Apr-20-21	10.83	-	10.83	10.90	-	10.90	1.01x		0.2%	
Mirabay Village	FL	Retail	100.0%	Nov-05-14	Nov-12-21	14.38	-	14.38	27.88	-	27.88	1.94x		11.8%	
Unrealized Investments															
Worthington	OH	Office	100.0%	Aug-13-14		$18.23	$1.58	$19.81	$4.61	$17.23	$21.84		1.10x		2.0%
Plymouth Tech IV-V	MN	R&D Flex	100.0%	Mar-25-15		17.68	2.23	19.91	5.89	19.80	25.69		1.29x		5.7%
Eden Woods I-III*	MN	R&D Flex	100.0%	Dec-22-15		13.84	1.30	15.14	7.53	12.68	20.21		1.33x		6.6%
Cedar I-II**	MN	R&D Flex	100.0%	Dec-22-15		10.33	0.36	10.69	7.07	8.33	15.41		1.44x		8.6%
Gateway Portfolio	NC	R&D Flex / Office	100.0%	Oct-04-16		39.70	2.19	41.89	16.99	74.44	91.43		2.18x		17.4%

This report should be read in conjunction with the endnotes presented after the performance tables.

*Includes Eden Woods I which was sold in January 2020

**Includes Cedar I which was sold in December 2020

ALIDADE CAPITAL FUND IV, LP

As of December 31, 2021

($ in millions) ASSET	STATE	PROPERTY TYPE	FUND INTEREST	INITIAL INVESTMENT DATE	HARVESTED DATE	CAPITAL INVESTMENT (TO DATE)	CAPITAL INVESTMENT (FUTURE)	TOTAL CAPITAL INVESTMENT	CASH PROCEEDS (REALIZED)	CASH PROCEEDS (EST. UNREALIZED)	CASH PROCEEDS (REALIZED + EST. UNREALIZED)	UNLEVERAGED MULTIPLE OF INVESTED CAPITAL (ACTUAL)	UNLEVERAGED MULTIPLE OF INVESTED CAPITAL (ANTICIPATED)	UNLEVERAGED NET ASSET LEVEL IRR (ACTUAL)	UNLEVERAGED NET ASSET LEVEL IRR (ANTICIPATED)
						A	B	A + B	C	D	C + D	(C + D) / (A + B)			
Alidade Capital Fund IV, LP															
Harvested Investments															
7000 Regency Land	NC	Land	100.0%	May-04-18	Nov-27-19	$3.06	-	$3.06	$4.23	-	$4.23	1.38x		24.4%	
Papago Spectrum	AZ	Office	100.0%	Dec-20-18	Jul-13-20	34.20	-	34.20	40.74	-	40.74	1.19x		12.7%	
TPH Boyce	NC	Flex R&D	100.0%	Oct-17-17	Apr-29-21	19.32	-	19.32	27.53	-	27.53	1.42x		12.3%	
Unrealized Investments															
Glenwood	NC	Office	100.0%	May-24-17		22.64	2.74	25.38	7.75	27.49	35.25		1.39x		7.8%
WCP VII	IN	Office	100.0%	Jul-10-17		13.33	3.62	16.95	(0.28)	19.88	19.60		1.16x		2.6%
TPH Smith	NC	R&D Flex	100.0%	Oct-17-17		11.18	1.93	13.11	3.69	20.20	23.89		1.82x		14.8%
TPH Stewart	NC	R&D Flex	100.0%	Oct-17-17		12.57	0.24	12.81	4.25	21.71	25.96		2.03x		15.6%
TPH Campbell	NC	R&D Flex	100.0%	Oct-17-17		11.45	0.42	11.87	3.56	18.61	22.17		1.87x		13.8%
2000 Regency	NC	Office	100.0%	Oct-30-17		32.71	1.68	34.39	7.02	42.67	49.69		1.44x		8.6%
8000 Regency	NC	Office	100.0%	Oct-30-17		27.28	3.97	31.25	4.98	43.01	47.99		1.54x		10.1%
3300 Regency	NC	R&D Flex	100.0%	Oct-30-17		4.01	0.29	4.30	(0.21)	7.03	6.82		1.58x		10.0%
3333 Regency	NC	R&D Flex	100.0%	Oct-30-17		3.75	0.13	3.87	1.26	6.47	7.74		2.00x		16.2%
3700 Regency	NC	R&D Flex	100.0%	Oct-30-17		3.65	0.14	3.79	1.50	6.04	7.54		1.99x		16.5%
TPH Development*	NC	Industrial	100.0%	Mar-01-18		4.54	17.38	21.91	(0.31)	29.26	28.96		1.32x		45.4%
Red Mountain CC	AZ	Office	100.0%	Oct-30-18		21.00	6.87	27.87	5.78	30.93	36.72		1.32x		7.0%
WCP VII Development*	IN	Industrial	100.0%	Nov-01-18		5.35	10.73	16.08	2.95	20.31	23.26		1.45x		20.9%
1400 Perimeter	NC	Office	100.0%	Jan-10-19		5.88	2.39	8.27	(0.08)	9.80	9.72		1.18x		4.5%
Chandler Crossroads	AZ	Industrial	100.0%	Nov-07-19		12.17	0.65	12.83	1.02	20.50	21.52		1.68x		12.7%
Crossroads Development*	AZ	Industrial	100.0%	Nov-07-19		4.56	11.50	16.06	(0.28)	20.92	20.64		1.29x		18.7%
Norte at Chandler Corporate	AZ	Office	100.0%	Nov-07-19		15.90	0.57	16.47	1.85	20.51	22.36		1.36x		8.2%
Millpond Retail	NC	Retail	100.0%	Jan-29-20		17.36	0.45	17.81	2.07	25.03	27.10		1.52x		10.2%
Millpond Phase II Retail	NC	Retail	100.0%	Jan-29-20		6.22	0.29	6.51	0.91	8.43	9.34		1.44x		9.0%
Millpond Phase II Office	NC	Office	100.0%	Jan-29-20		9.89	0.92	10.81	1.56	14.68	16.24		1.50x		10.7%
Millpond Outparcel	NC	Retail	100.0%	Jan-29-20		1.74	-	1.74	0.16	2.08	2.23		1.29x		5.8%
Berrington	NC	R&D Flex	100.0%	Mar-02-20		22.87	4.52	27.39	3.06	39.45	42.51		1.55x		12.3%
Bradford	NC	R&D Flex	100.0%	Mar-02-20		20.06	7.39	27.45	3.89	43.87	47.76		1.74x		16.1%
13000 Weston	NC	R&D Flex	100.0%	Dec-11-20		12.12	1.71	13.83	0.88	19.01	19.89		1.44x		9.1%
14001 Weston	NC	R&D Flex	100.0%	Dec-11-20		13.22	1.69	14.91	1.05	22.40	23.46		1.57x		11.5%

*As of 12/31/2021 these investments are in the development stage to construct industrial properties. These investments are presented at the project level and include capital investment and cash proceeds beyond Alidade Fund IV, LP's equity position.

This report should be read in conjunction with the endnotes presented after the performance tables.

ENDNOTES

HARVESTED INVESTMENTS: Investments that have been fully disposed of, with no or nominal future expected residual cash proceeds.

UNREALIZED INVESTMENTS: Investments that are currently owned by the respective fund and for which Alidade Capital is in the process of executing asset management and disposition strategies.

CAPITAL INVESTMENT: Represents the aggregate capital invested to date (e.g., purchase price, capital improvements, and/or principal loan amount, including closing costs, due diligence expenses, and transaction fees) or expected to be invested by the respective fund in the future (e.g., landlord-paid tenant improvements, property upgrades, etc.) for each investment.

CASH PROCEEDS (REALIZED): Represent the sum of all realized cash proceeds generated from the investment, including net operating cash flow and actual net cash proceeds from dispositions.

CASH PROCEEDS (EST. UNREALIZED): for all Unrealized Investments is determined as of the date listed, unless otherwise noted. The unrealized value is determined by Alidade Capital on behalf of the respective fund in accordance with each such fund's valuation criteria and policies and is calculated based on internal cash flow and valuation expectations for each of the investments. Actual realized returns will depend on various factors, including future operating results, market conditions at the time of disposition, legal and contractual restrictions on transfer that may limit liquidity, any related transaction costs and the timing and manner of disposition, all of which may differ materially from the assumptions and circumstances on which the current unrealized valuations are based. Accordingly, the actual realized returns may differ materially from the returns indicated herein.

NET MULTIPLE OF INVESTED CAPITAL: Calculated based on actual capital contributions, actual distributions, and estimated net asset value for each fund based on internal cash flow and valuation expectations as of and through the date listed for the fund investments, unless otherwise noted. The Multiple of Invested Capital is presented after Fund Level Income and Expenses.

UNLEVERAGED NET ASSET LEVEL MULTIPLE OF INVESTED CAPITAL: Calculated based on all asset-level cash inflows and outflows for each investment over the actual holding period for Harvested Investments or expected holding period for Unrealized Investments. Asset level cash inflows and outflows include all Capital Investment, Cash Proceeds (Realized) and Cash Proceeds (Est. Unrealized), but exclude fund level income and fund level expenses (collectively, "Fund Level Income and Expenses"). Anticipated Unleveraged Net Asset Level Multiple of Invested Capital is based on the estimated unrealized cash proceeds described above.

UNLEVERAGED NET ASSET LEVEL IRR: Calculated based on all asset-level cash inflows and outflows for each investment over the actual holding period for Harvested Investments or expected holding period for Unrealized Investments. Asset level cash inflows and outflows include all Capital Investment, Cash Proceeds (Realized) and Cash Proceeds (Est. Unrealized), but exclude Fund Level Income and Expenses. Anticipated Unlevered Net Asset Level IRR is based on the estimated unrealized cash proceeds described above.

NET FUND IRR: Calculated based on actual capital contributions, actual distributions, and estimated distributions assuming a liquidation and distribution of all unrealized investments as of the reporting period based on internally prepared net asset values. The Net Fund IRR is presented after Fund Level Income and Expenses. Because the Net Fund IRR is based on a hypothetical liquidation of the unrealized investments as of the reporting period, the Net Fund IRR shown for the respective fund does not account for actual target holding periods, the ultimate impact of ongoing business plans or the potential for appreciation and/or depreciation after the current reporting period..

ENDNOTES – SAMPLE TRANSACTION FINANCIAL METRIC DEFINITIONS

INVESTMENT ACTIVITY

CAPITAL INVESTED TO DATE

At Acquisition: Respective fund's purchase price.
Current Quarter: Respective fund's purchase price plus all additional investment through the end of the current quarter in the form of capital expenditures, tenant improvements and leasing commissions/costs.

CASH PROCEEDS TO DATE

At Acquisition: Not Applicable.
Current Quarter: Total operating income collected through the current quarter since acquisition.

CAPITAL INVESTED PROJECTED AT EXIT

At Acquisition: Respective fund's purchase price plus the total amount of capital estimated at acquisition to be invested in capital expenditures, tenant improvements and leasing commissions/costs throughout the entire hold period of the asset.
Current Quarter: Capital Invested to Date plus all future estimated investments in capital expenditures, tenant improvements and leasing commissions/costs throughout the remaining hold period of the asset.

CASH PROCEEDS PROJECTED AT EXIT

At Acquisition: Total operating income and net sale proceeds estimated at acquisition to be collected throughout the entire hold period of the asset.
Current Quarter: Total operating income collected to date plus total future operating income and net sale proceeds estimated to be collected throughout the remaining hold period of the asset.

LEASING ACTIVITY

NEW LEASE SQUARE FEET (“SF”)

At Acquisition: Not Applicable
Since Acquisition: Total square footage leased to new tenant(s) through the current quarter since acquisition.
Projected at Exit: Total square footage leased to new tenant(s) estimated as of the current quarter throughout the entire hold period of the asset.

RENEWED SQUARE FEET (“SF”)

At Acquisition: Not Applicable
Since Acquisition: Total renewal square footage leased to existing tenant(s) through the current quarter since acquisition.
Projected at Exit: Total renewal square footage leased to existing tenant(s) estimated as of the current quarter throughout the entire hold period of the asset

ENDNOTES – SAMPLE TRANSACTION FINANCIAL METRIC DEFINITIONS (CONT.)

EXPANDED SQUARE FEET ("SF")

At Acquisition: Not Applicable
Since Acquisition: Total expanded new square footage leased to existing tenant(s) through the current quarter since acquisition.
Projected at Exit: Total expanded new square footage leased to existing tenant(s) estimated as of the current quarter throughout the entire hold period of the asset.

WEIGHTED AVERAGE RENT

At Acquisition: Total in-place rental income divided by the average in-place occupied square footage over the twelve-month period following acquisition.
Since Acquisition: Total in-place rental income divided by the average in-place occupied square footage over the twelve-month period following current quarter end date.
Projected at Exit: Total projected rental income divided by the average projected occupied square footage over the twelve-month period following projected sale date estimated as of the current quarter.

PERFORMANCE UPDATE

OCCUPANCY

At Acquisition: Physical occupancy at the time of acquisition.
Current Quarter: Physical occupancy as of the end of the current quarter.
Projected at Exit: Projected physical occupancy at disposition, estimated as of the current quarter.

NEXT TWELVE MONTHS NET OPERATING INCOME ("NTM NOI")

At Acquisition: Net operating income at the time of acquisition.
Current Quarter: Net Operating Income as of the end of the current quarter.
Projected at Exit: Projected net operating income at disposition, estimated as of the current quarter.

WEIGHTED AVERAGE LEASE TERM ("WALT")

At Acquisition: In-place years of lease term at the time of acquisition weighted by then tenants' square footage.
Current Quarter: In-place years of lease term as of the end of the current quarter weighted by tenants' square footage.
Projected at Exit: Projected years of lease term at disposition weighted by then tenants' square footage, estimated as of the current quarter.

VALUATION

At Acquisition: Alidade Capital's purchase price.
Current Quarter: Alidade Capital's internal Fair Market Valuation as of the current quarter.
Projected at Exit: Projected gross sale price at disposition, estimated as of the current quarter

DISCLAIMER

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MONTHLY PERFORMANCE REPORT

MWRA EMPLOYEES’ RETIREMENT SYSTEM

FEBRUARY 28, 2022

GOALS & OBJECTIVES

Investment Return Objective

"Its primary goal is to provide promised benefits to participants and beneficiaries of the MWRA Employees' Retirement system. Plan assets should be equal to or greater than the present value of the projected benefit obligations ("fully funded"). When Plan assets are less than the present value of projected benefit obligations, a schedule will be established and a plan will be in place to meet a fully funded status. When achieving return objectives required to fully fund the system, the Board is intent on controlling risk. Consistency of returns and risk of loss are primary considerations. The Board has also determined that the annual performance of plan assets should not vary substantially from returns achieved by other public pension funds with similar goals and objectives."

Return Expectations

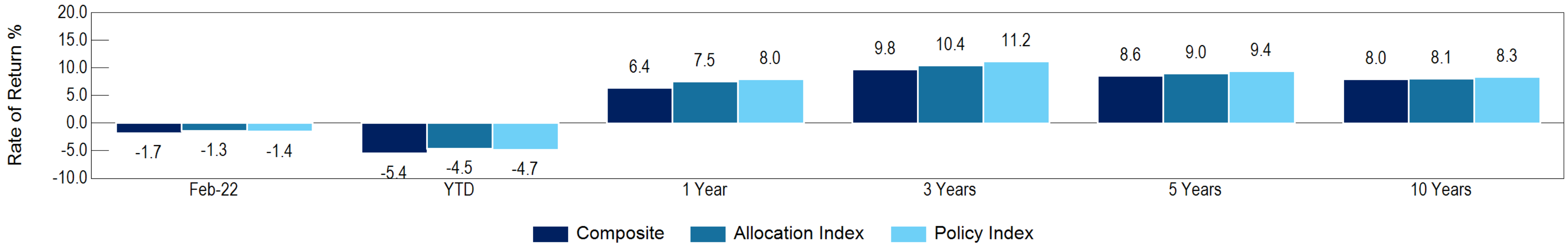
The investment growth should be maintained in such a manner that the minimum nominal rate of return does not cause a negative real rate of return over a full market cycle:

- **Time Horizon:** Return assumptions will be based on a ten-year time horizon with a detailed review and analysis to be made at least annually to monitor allocations and assumptions. Should a manager deviate from proscribed mandate or expected risk and return profile by a consequential degree, that manager may be reevaluated at any time.
- **Liquidity Needs:** Presently contributions exceed plan withdrawals to provide benefits, payouts, and/or plan expenses. Portfolio liquidity will be managed based on the cash flow needs of the System.
- **Regulatory Considerations:** Assets of this Fund shall be invested in a manner consistent with the fiduciary standards established under Code of Massachusetts Regulations 840 ("840 CMR"). The Board shall also use as precedent the Employee Retirement Income Security Act (ERISA).

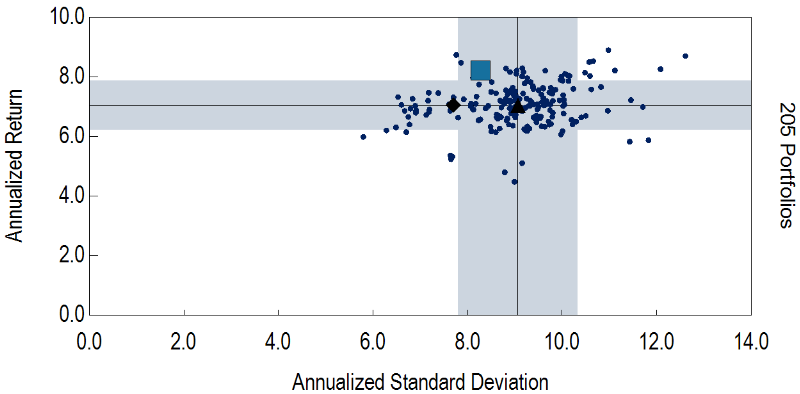
MWRA Employees' Retirement System

EXECUTIVE SUMMARY

Net Return Summary
Ending February 28, 2022



20 Years Ending December 31, 2021



Statistics Summary	Anlzd Ret	Anlzd Std Dev	Rank
Composite	8.2%	8.3%	12
Allocation Index	7.1%	7.7%	81
Policy Index	7.4%	8.3%	53
InvMetrics Public DB Gross Median	7.5%	9.1%	--

Performance

- The Composite had a return of -1.7% (net) for the month, trailing the Allocation Index (-1.3%) and the Policy Index (-1.4%).
- Risk-off sentiment washed over markets as the Ukraine-Russia conflict fueled concerns around the potential global impact. In the U.S., the S&P 500 Index fell 3% in February—the largest monthly pullback since the start of the pandemic in March 2020. Outside the U.S., the MSCI EAFE and MSCI Emerging Markets indexes fell 1.8% and 3%, respectively. The portfolio's Domestic Equity composite returned -2.6%(net) while the Non-US Equity composite was fell -3.6% (net) for the month.
- In fixed income, global yields trended higher. The 10- and 30-year Treasury yields increased five and eight basis points, respectively. The Fixed Income composite fell -0.9% (net) for the month while both the Bloomberg Agg and Bloomberg US HY fell -1.1% and -1.0% respectively.
- This brings the total plan return for the trailing one-year period to 6.4% (net), while the Allocation and Policy Index returned 7.5% (net) and 8.0% (net) respectively.

20 years Risk/Return is as of 12/31/2021. Chart reflects universe data on quarter end months only.
Returns for 20 years Risk/Return and Statistics Summary are gross of fees.
Since inception return is 8.6% gross of fees. Prior to 1999, performance history does not capture separate net and gross returns.

MWRA Employees' Retirement System

TOTAL FUND PERFORMANCE DETAIL (NET)

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Composite	**683,916,009**	**100.0**	**100.0**	**-1.7**	**-5.4**	**6.4**	**9.8**	**8.6**	**8.0**	**7.0**	**Jan-86**
Allocation Index				*-1.3*	*-4.5*	*7.5*	*10.4*	*9.0*	*8.1*	*--*	*Jan-86*
Policy Index				*-1.4*	*-4.7*	*8.0*	*11.2*	*9.4*	*8.3*	*--*	*Jan-86*
Total Balanced	**5,276,678**	**0.8**	**0.0**	**-1.1**	**-3.9**	**14.0**	**10.5**	**7.8**	**5.7**	**5.5**	**Dec-10**
PRIT Core Fund	5,276,678	0.8		-1.1	-3.9	14.0	12.5	10.8	9.4	7.4	Apr-99
60% S&P 500 / 40% Bloomberg Aggregate				*-2.2*	*-6.1*	*8.6*	*12.4*	*10.4*	*9.8*	*6.6*	*Apr-99*
Total Domestic Equity	**216,802,089**	**31.7**	**31.0**	**-2.6**	**-8.7**	**9.9**	**16.1**	**14.6**	**13.5**	**8.0**	**May-99**
Russell 3000				*-2.5*	*-8.3*	*12.3*	*17.6*	*14.7*	*14.3*	*7.6*	*May-99*
Large Cap	**168,315,197**	**24.6**	**24.0**	**-3.7**	**-9.2**	**12.6**	**17.3**	**15.5**	**14.1**	**14.0**	**Dec-10**
Rhumbline Advisors S&P 500 Index Fund	68,146,661	10.0	10.0	-3.0	-8.0	16.4	18.2	15.1	14.5	9.4	Apr-97
S&P 500				*-3.0*	*-8.0*	*16.4*	*18.2*	*15.2*	*14.6*	*9.3*	*Apr-97*
Coho Relative Value Equity	53,106,654	7.8	7.0	-2.0	-5.0	14.8	12.8	11.5	--	12.0	Mar-16
Russell 1000 Value				*-1.2*	*-3.5*	*15.0*	*12.2*	*9.5*	*11.7*	*12.5*	*Mar-16*
Polen Focused Growth	47,061,882	6.9	7.0	-6.5	-15.0	4.8	20.0	20.1	--	18.4	Feb-16
Russell 1000 Growth				*-4.2*	*-12.5*	*12.5*	*23.2*	*20.2*	*17.0*	*20.2*	*Feb-16*
Small Cap	**48,486,892**	**7.1**	**7.0**	**1.2**	**-7.0**	**1.7**	**12.9**	**12.0**	**12.3**	**12.6**	**Dec-10**
Boston Partners Small Cap Value	25,698,771	3.8	3.5	2.0	-1.1	13.1	12.6	8.5	10.7	10.8	Feb-97
Russell 2000 Value				*1.7*	*-4.3*	*6.6*	*10.9*	*8.0*	*10.7*	*9.3*	*Feb-97*
Loomis Sayles Small Cap Growth	22,788,121	3.3	3.5	0.3	-12.9	-9.5	12.3	14.8	13.5	7.2	Jan-97
Russell 2000 Growth				*0.4*	*-13.0*	*-17.4*	*9.2*	*10.5*	*11.4*	*7.3*	*Jan-97*
Total Non-US Equity	**117,928,849**	**17.2**	**19.0**	**-3.6**	**-9.7**	**-8.3**	**5.5**	**6.4**	**5.0**	**4.4**	**Mar-99**
International Equity	**77,715,315**	**11.4**	**12.0**	**-3.5**	**-10.2**	**-7.5**	**7.0**	**7.6**	**5.7**	**4.0**	**Sep-05**
SEG Baxter Street	32,864,384	4.8	5.0	-1.7	-9.2	-5.5	7.3	8.9	--	9.0	May-16
MSCI ACWI ex USA				*-2.0*	*-5.6*	*-0.4*	*7.7*	*7.3*	*5.4*	*7.5*	*May-16*
Schroder International Alpha Trust Class 1	29,208,184	4.3	4.0	-2.9	-7.0	1.4	12.9	11.3	7.8	7.8	Mar-12
MSCI ACWI ex USA				*-2.0*	*-5.6*	*-0.4*	*7.7*	*7.3*	*5.4*	*5.4*	*Mar-12*
Baillie Gifford International Growth Fund Class K	15,642,747	2.3	3.0	-7.9	-18.2	-26.9	--	--	--	-7.5	Oct-20
MSCI ACWI ex USA				*-2.0*	*-5.6*	*-0.4*	*7.7*	*7.3*	*5.4*	*13.1*	*Oct-20*

Since inception return is 8.6% gross of fees. Prior to 1999, performance history does not capture separate net and gross returns.
In November 2019, Loomis sayles and Schroders transitioned from a mutual fund to a CIT structure. Performance prior to the transition to the CIT investment vehicle is linked to mutual fun performance history.

MWRA Employees' Retirement System

TOTAL FUND PERFORMANCE DETAIL (NET)

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Emerging Markets Equity	**40,213,533**	**5.9**	**7.0**	**-3.8**	**-8.7**	**-14.5**	**--**	**--**	**--**	**-14.5**	**Mar-21**
Axiom Emerging Markets Trust Class 2	19,593,067	2.9	7.0	-4.0	-9.6	-15.7	--	--	--	-15.7	Mar-21
MSCI Emerging Markets				*-3.0*	*-4.8*	*-10.7*	*6.0*	*7.0*	*3.2*	*-10.7*	*Mar-21*
ABS Emerging Markets MA Fund	20,620,466	3.0		-3.6	-7.9	--	--	--	--	-5.9	Dec-21
MSCI Emerging Markets				*-3.0*	*-4.8*	*-10.7*	*6.0*	*7.0*	*3.2*	*-3.0*	*Dec-21*
Total Fixed Income	**158,260,374**	**23.1**	**20.0**	**-0.9**	**-2.7**	**-0.9**	**4.8**	**3.7**	**4.1**	**6.2**	**Mar-99**
Garcia Hamilton Fixed Income Aggregate	37,935,454	5.5	6.0	-1.0	-2.4	-2.5	2.9	--	--	2.8	Apr-18
Bloomberg US Aggregate TR				*-1.1*	*-3.2*	*-2.6*	*3.3*	*2.7*	*2.5*	*3.2*	*Apr-18*
Lord Abbett Core Fixed Income	37,304,089	5.5	4.0	-1.0	-2.8	-2.0	3.9	--	--	3.5	Apr-18
Bloomberg US Aggregate TR				*-1.1*	*-3.2*	*-2.6*	*3.3*	*2.7*	*2.5*	*3.2*	*Apr-18*
Rhumbline TIPS	14,144,926	2.1		0.9	-1.1	6.0	7.5	4.8	--	4.4	Jun-16
Bloomberg US TIPS TR				*0.9*	*-1.2*	*6.1*	*7.5*	*4.8*	*2.8*	*4.5*	*Jun-16*
Loomis Sayles Multisector Full Discretion Trust	54,639,776	8.0	8.0	-1.4	-3.9	-2.1	5.5	4.5	4.9	7.4	Mar-99
Bloomberg US Aggregate TR				*-1.1*	*-3.2*	*-2.6*	*3.3*	*2.7*	*2.5*	*4.5*	*Mar-99*
Bloomberg US High Yield TR				*-1.0*	*-3.7*	*0.6*	*5.3*	*4.9*	*5.9*	*6.6*	*Mar-99*
Octagon Senior Secured Credit Cayman Fund Ltd. - Class L Acc, Series 1	14,181,002	2.1	2.0	-0.6	-0.4	2.2	--	--	--	3.7	Aug-19
Credit Suisse Leveraged Loan				*-0.5*	*-0.1*	*3.2*	*4.0*	*4.1*	*4.5*	*3.8*	*Aug-19*
Invesco Mortgage Recovery Loans Feeder Fund	55,127	0.0		0.0	0.0	0.5	-1.4	1.9	6.4	10.7	Apr-10
Bloomberg US Aggregate TR				*-1.1*	*-3.2*	*-2.6*	*3.3*	*2.7*	*2.5*	*3.2*	*Apr-10*
Total Hedge Fund	**42,723,606**	**6.2**	**6.0**	**-0.8**	**-1.6**	**4.0**	**6.2**	**4.6**	**4.3**	**3.6**	**Oct-06**
PRIM Portfolio Completion Strategies	15,200,851	2.2		-0.8	-0.9	3.7	4.7	4.3	4.9	4.0	Oct-06
Corbin Pinehurst Partners	13,549,716	2.0		-1.1	-4.1	2.8	7.9	--	--	7.7	Nov-18
HFRI Fund of Funds Composite Index				*-0.6*	*-3.3*	*0.5*	*6.0*	*4.6*	*3.9*	*5.8*	*Nov-18*
UBS Neutral Alpha Strategies	13,230,450	1.9		-0.5	0.2	6.0	7.3	--	--	6.5	Nov-18
HFRI Fund of Funds Composite Index				*-0.6*	*-3.3*	*0.5*	*6.0*	*4.6*	*3.9*	*5.8*	*Nov-18*
Entrust Peru Wind Down	742,589	0.1		-0.1	-0.3	-1.1	-2.7	--	--	-3.3	Dec-17
HFRI Fund of Funds Composite Index				*-0.6*	*-3.3*	*0.5*	*6.0*	*4.6*	*3.9*	*4.3*	*Dec-17*
Other	**9,292,539**	**1.4**	**0.0**	**0.0**	**0.0**	**0.0**	**1.0**	**1.2**	**0.7**	**0.6**	**Dec-10**
Cash Account	9,292,539	1.4		0.0	0.0	0.0	1.0	1.2	0.7	1.7	Feb-00
91 Day T-Bills				*0.0*	*0.0*	*0.0*	*0.7*	*1.1*	*0.6*	*1.5*	*Feb-00*

Importantly, all returns in this report, including those of the private real estate managers, are based on a time weighted return calculation and not based on IRRs, which can result in return differences.
UBS Neutral Alpha Strategies, and Entrust Peru Wind Down are preliminary as of 02/28/2022 and are subject to change once finalized.

MWRA Employees' Retirement System

TOTAL FUND PERFORMANCE DETAIL (NET)

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Real Estate	**58,709,832**	**8.6**	**12.0**	**0.0**	**0.0**	**24.2**	**10.6**	**9.8**	**11.4**	**8.3**	**Apr-99**
NCREIF Property Index				*0.0*	*0.0*	*17.7*	*8.4*	*7.8*	*9.3*	*8.8*	*Apr-99*
Morgan Stanley Prime Property ($2.8m commitment in '95)	24,477,755	3.6		0.0	0.0	21.5	9.3	8.9	11.1	8.8	Sep-95
TA Realty Core Property Fund, LP ($15m commitment in '19)	25,384,555	3.7		0.0	0.0	29.7	--	--	--	13.8	Jun-19
Invesco Mortgage Recovery II ($3M commitment in '15)	980,203	0.1		0.0	0.0	10.4	-16.4	-4.7	--	-1.2	Oct-15
Landmark VI ($2m commitment in '11)	93,801	0.0		0.0	0.0	14.5	-8.0	-4.9	3.6	4.1	Jul-11
Landmark VIII ($4m commitment in '17)	1,654,367	0.2		0.0	0.0	32.6	15.4	--	--	18.9	Nov-17
StepStone Real Estate Fund II ($2m commitment in '11)	184,188	0.0		0.0	0.0	4.4	-3.0	0.5	--	2.5	May-12
Cerberus Institutional Real Estate Partners III ($1.5m commitment in '12)	649,585	0.1		0.0	0.0	67.3	26.7	17.7	--	17.5	May-13
TA Realty Fund X LP ($3.5m commitment in '12)	29,839	0.0		0.0	0.0	2.1	3.9	7.4	--	7.9	May-13
TerraCap Partners III, LP ($2.6m commitment in '15)	1,591,697	0.2		0.0	0.0	1.9	2.6	5.2	--	9.2	Jul-15
TerraCap Partners IV, LP ($4m commitment in '17)	3,663,842	0.5		0.0	0.0	18.1	11.5	--	--	11.4	Nov-17
Total Private Equity	**74,922,041**	**11.0**	**12.0**	**0.3**	**0.3**	**39.5**	**19.0**	**16.9**	**15.3**	**10.6**	**Apr-99**
C|A US All PE				*0.0*	*0.0*	*31.6*	*22.0*	*18.7*	*15.8*	*13.5*	*Apr-99*
NASDAQ W/O Income				*-3.4*	*-12.1*	*4.2*	*22.2*	*18.7*	*16.6*	*7.8*	*Apr-99*
PRIM Vintage Year 2008 ($3m commitment in '08)	829,768	0.1		0.6	0.6	38.2	17.4	20.8	20.2	10.5	Jun-08
PRIM Vintage Year 2009 ($1m commitment in '09)	137,740	0.0		1.1	1.0	82.1	52.4	39.1	28.7	16.6	Nov-09
PRIM Vintage Year 2010 ($1m commitment in '10)	851,224	0.1		-1.9	-1.9	125.9	42.2	35.8	25.8	16.8	Jun-10
PRIM Vintage Year 2011 ($1.5m commitment in '11)	1,017,329	0.1		1.6	2.7	114.6	37.1	32.3	22.3	11.5	May-11
PRIM Vintage Year 2012 ($1m commitment in '12)	745,075	0.1		0.0	-0.5	44.0	28.7	26.0	--	-7.3	Jun-12
PRIM Vintage Year 2014 ($2m commitment in '14)	2,365,513	0.3		0.0	-0.1	57.5	30.8	29.6	--	9.6	Jun-14
PRIM Vintage Year 2017 ($2m commitment in '17)	2,572,509	0.4		3.8	3.4	62.4	30.5	--	--	19.1	May-17
PRIM Vintage Year 2020 ($5m commitment in '20)	2,797,538	0.4		4.4	5.0	43.8	--	--	--	24.4	Mar-20
PRIM Vintage Year 2021 ($5m commitment in '21)	1,840,440	0.3		1.1	1.0	4.6	--	--	--	3.6	Dec-20
Alcentra European DLF ($5m commitment in '14)	177,096	0.0		0.0	0.0	56.9	13.6	11.2	--	10.3	Jan-15
Ascent Fund IV ($2m commitment in '04)	6,399	0.0		0.0	0.0	-13.7	-19.5	-37.0	-32.3	-20.8	Jul-04
Ascent Fund IV-B ($1m commitment in '16)	110,089	0.0		0.0	0.0	-14.3	-24.8	-16.5	--	-14.5	Jul-16
Ascent Fund V ($2m commitment in '08)	1,758,672	0.3		0.0	0.0	25.7	4.7	2.3	7.3	5.8	Oct-08
Ascent VI ($3m commitment in '15)	3,082,018	0.5		0.0	0.0	3.5	-1.9	3.6	--	0.8	Dec-15
CVI Credit Value Fund IV A LP ($6m commitment in '17)	6,107,826	0.9		0.0	0.0	14.7	8.1	--	--	6.3	Dec-17
Invesco Fund VI ($5m commitment in '13)	1,489,373	0.2		0.0	0.0	57.3	36.8	27.8	--	21.5	Jul-13

Importantly, all returns in this report, including those of the private markets managers, are based on a time weighted return calculation and not based on IRRs, which can result in return differences.

TOTAL FUND PERFORMANCE DETAIL (NET)

	Market Value ($)	% of Portfolio	Policy %	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Kayne Energy Fund VII ($5m commitment in '15)	2,075,064	0.3		0.0	0.0	76.3	-30.2	-15.5	--	-8.7	Jan-16
Foundry 2007 ($3m commitment in '07)	493,302	0.1		0.0	0.0	53.7	8.9	3.4	10.7	20.7	Dec-07
Foundry 2010 ($3m commitment in '10)	5,670,649	0.8		0.0	0.0	78.3	31.4	25.1	17.3	14.9	Jan-11
Foundry 2010 Annex ($0.4m commitment in '15)	1,116,397	0.2		0.0	0.0	200.5	106.7	72.1	--	48.7	Sep-15
Pinebridge PEP V ($6m commitment in '07)	516,786	0.1		0.0	0.0	4.7	10.8	6.7	9.9	--	Mar-08
Landmark XV ($3m commitment in '13)	1,210,473	0.2		0.0	0.0	14.0	12.8	13.9	--	14.3	Nov-13
JFL Equity Investors IV, L.P. ($6m commitment in '16)	2,050,729	0.3		0.0	0.0	44.2	41.0	40.2	--	38.7	Jan-17
Private Advisors Small Co. Coinvestment Fund, LP ($4m commitment in '17)	5,133,914	0.8		0.0	0.0	26.7	25.9	22.0	--	21.6	Feb-17
Park Square Credit Opportunities III ($3m commitment in '17)	2,636,019	0.4		0.0	0.0	8.8	9.0	--	--	7.1	Feb-18
Ironsides Constitution Opportunities ($3m commitment in '18)	2,185,007	0.3		0.0	0.0	11.0	13.6	--	--	12.0	Oct-18
HarbourVest Dover Street X ($9m commitment in '20)	4,874,507	0.7		0.0	0.0	51.6	--	--	--	89.0	Jun-20
Hamilton Lane Secondary Fund V LP ($9m commitment in '20)	6,449,365	0.9		0.0	0.0	43.3	--	--	--	44.6	Jul-20
Constitution Ironsides Co-Investment Fund VI ($12m commitment in '21)	10,006,109	1.5		0.0	--	--	--	--	--	0.0	Feb-22
JFL Equity Investors V, L.P. ($9m commitment in '20)	4,615,112	0.7		0.0	0.0	-4.7	--	--	--	-9.9	Sep-20
Private Equity Benchmark (1 Qtr. Lag)				*0.0*	*0.0*	*46.8*	*21.3*	*19.8*	*16.4*	*46.5*	*Sep-20*

Importantly, all returns in this report, including those of the private markets managers, are based on a time weighted return calculation and not based on IRRs, which can result in return differences.

MWRA Employees' Retirement System
ESTIMATED FEE SCHEDULE

Account	Fee Schedule	Market Value As of 2/28/2022	% of Portfolio	Estimated Annual Fee ($)	Estimated Annual Fee (%)
PRIT Core Fund	0.49% of Assets	$5,276,678	0.8%	$25,856	0.49%
Rhumbline Advisors S&P 500 Index Fund	0.05% of Assets	$68,146,661	10.0%	$34,073	0.05%
Coho Relative Value Equity	0.50% of First 75.0 Mil, 0.40% of Next 75.0 Mil, 0.35% Thereafter	$53,106,654	7.8%	$265,533	0.50%
Polen Focused Growth	0.65% of Assets	$47,061,882	6.9%	$305,902	0.65%
Boston Partners Small Cap Value	1.00% of Assets	$25,698,771	3.8%	$256,988	1.00%
Loomis Sayles Small Cap Growth	0.45% of Assets	$22,788,121	3.3%	$102,547	0.45%
SEG Baxter Street	1.00% of Assets	$32,864,384	4.8%	$328,644	1.00%
Schroder International Alpha Trust Class 1	0.55% of Assets	$29,208,184	4.3%	$160,645	0.55%
Baillie Gifford International Growth Fund Class K	0.60% of Assets	$15,642,747	2.3%	$93,856	0.60%
Axiom Emerging Markets Trust Class 2	0.73% of Assets	$19,593,067	2.9%	$143,029	0.73%
ABS Emerging Markets MA Fund	0.75% of Assets	$20,620,466	3.0%	$154,653	0.75%
Garcia Hamilton Fixed Income Aggregate	Performance-based 0.13 and 15.00	$37,935,454	5.5%	$47,419	0.13%
Lord Abbett Core Fixed Income	0.19% of Assets	$37,304,089	5.5%	$70,878	0.19%
Rhumbline TIPS Pooled Index Fund	0.04% of Assets	$14,144,926	2.1%	$5,658	0.04%
Loomis Sayles Multisector Full Discretion Trust	0.50% of First 20.0 Mil, 0.40% of Next 20.0 Mil, 0.30% Thereafter	$54,639,776	8.0%	$223,919	0.41%
Octagon Senior Secured Credit Cayman Fund Ltd. - Class L Acc, Series 1	0.40% of Assets	$14,181,002	2.1%	$56,724	0.40%
Invesco Mortgage Recovery Loans Feeder Fund	No Fee	$55,127	0.0%	--	--
PRIM Portfolio Completion Strategies	No Fee	$15,200,851	2.2%	--	--
Corbin Pinehurst Partners	0.85% of Assets	$13,549,716	2.0%	$115,173	0.85%
UBS Neutral Alpha Strategies	0.90% of Assets	$13,230,450	1.9%	$119,074	0.90%
Entrust Peru Wind Down	0.50% of Assets	$742,589	0.1%	$3,713	0.50%
Cash Account	No Fee	$9,292,539	1.4%	--	--
Morgan Stanley Prime Property ($2.8m commitment in '95)	No Fee	$24,477,755	3.6%	--	--
TA Realty Core Property Fund, LP ($15m commitment in '19)	No Fee	$25,384,555	3.7%	--	--
Invesco Mortgage Recovery II ($3M commitment in '15)	No Fee	$980,203	0.1%	--	--
Landmark VI ($2m commitment in '11)	No Fee	$93,801	0.0%	--	--

MWRA Employees' Retirement System

ESTIMATED FEE SCHEDULE

Account	Fee Schedule	Market Value As of 2/28/2022	% of Portfolio	Estimated Annual Fee ($)	Estimated Annual Fee (%)
Landmark VIII ($4m commitment in '17)	No Fee	$1,654,367	0.2%	--	--
StepStone Real Estate Fund II ($2m commitment in '11)	No Fee	$184,188	0.0%	--	--
Cerberus Institutional Real Estate Partners III ($1.5m commitment in '12)	No Fee	$649,585	0.1%	--	--
TA Realty Fund X LP ($3.5m commitment in '12)	No Fee	$29,839	0.0%	--	--
TerraCap Partners III, LP ($2.6m commitment in '15)	No Fee	$1,591,697	0.2%	--	--
TerraCap Partners IV, LP ($4m commitment in '17)	No Fee	$3,663,842	0.5%	--	--
PRIM Vintage Year 2008 ($3m commitment in '08)	No Fee	$829,768	0.1%	--	--
PRIM Vintage Year 2009 ($1m commitment in '09)	No Fee	$137,740	0.0%	--	--
PRIM Vintage Year 2010 ($1m commitment in '10)	No Fee	$851,224	0.1%	--	--
PRIM Vintage Year 2011 ($1.5m commitment in '11)	No Fee	$1,017,329	0.1%	--	--
PRIM Vintage Year 2012 ($1m commitment in '12)	No Fee	$745,075	0.1%	--	--
PRIM Vintage Year 2014 ($2m commitment in '14)	No Fee	$2,365,513	0.3%	--	--
PRIM Vintage Year 2017 ($2m commitment in '17)	No Fee	$2,572,509	0.4%	--	--
PRIM Vintage Year 2020 ($5m commitment in '20)	No Fee	$2,797,538	0.4%	--	--
PRIM Vintage Year 2021 ($5m commitment in '21)	No Fee	$1,840,440	0.3%	--	--
Alcentra European DLF ($5m commitment in '14)	No Fee	$177,096	0.0%	--	--
Ascent Fund IV ($2m commitment in '04)	No Fee	$6,399	0.0%	--	--
Ascent Fund IV-B ($1m commitment in '16)	No Fee	$110,089	0.0%	--	--
Ascent Fund V ($2m commitment in '08)	No Fee	$1,758,672	0.3%	--	--
Ascent VI ($3m commitment in '15)	No Fee	$3,082,018	0.5%	--	--
CVI Credit Value Fund IV A LP ($6m commitment in '17)	No Fee	$6,107,826	0.9%	--	--
Invesco Fund VI ($5m commitment in '13)	No Fee	$1,489,373	0.2%	--	--
Kayne Energy Fund VII ($5m commitment in '15)	No Fee	$2,075,064	0.3%	--	--
Foundry 2007 ($3m commitment in '07)	No Fee	$493,302	0.1%	--	--
Foundry 2010 ($3m commitment in '10)	No Fee	$5,670,649	0.8%	--	--
Foundry 2010 Annex ($0.4m commitment in '15)	No Fee	$1,116,397	0.2%	--	--
Pinebridge (AIG) PEP V Asia ($6m commitment in '07)	No Fee	$40,070	0.0%	--	--
Pinebridge (AIG) PEP V Co-Investment ($6m commitment in '07)	No Fee	$84,527	0.0%	--	--
Pinebridge (AIG) PEP V Europe ($6m commitment in '07)	No Fee	$22,533	0.0%	--	--

MWRA Employees' Retirement System
ESTIMATED FEE SCHEDULE

Account	Fee Schedule	Market Value As of 2/28/2022	% of Portfolio	Estimated Annual Fee ($)	Estimated Annual Fee (%)
Pinebridge (AIG) PEP V Large Market US Buyout ($6m commitment in '07)	No Fee	$91,895	0.0%	--	--
Pinebridge (AIG) PEP V Preferred Participation Fund ($6m commitment in '07)	No Fee	$106,747	0.0%	--	--
Pinebridge (AIG) PEP V Secondary ($6m commitment in '07)	No Fee	$33,880	0.0%	--	--
Pinebridge (AIG) PEP V Small-Mid Market US Buyout ($6m commitment in '07)	No Fee	$92,082	0.0%	--	--
Pinebridge (AIG) PEP V US Venture ($6m commitment in '07)	No Fee	$45,052	0.0%	--	--
Landmark XV ($3m commitment in '13)	No Fee	$1,210,473	0.2%	--	--
JFL Equity Investors IV, L.P. ($6m commitment in '16)	No Fee	$2,050,729	0.3%	--	--
Private Advisors Small Co. Coinvestment Fund, LP ($4m commitment in '17)	No Fee	$5,133,914	0.8%	--	--
Park Square Credit Opportunities III ($3m commitment in '17)	No Fee	$2,636,019	0.4%	--	--
Ironsides Constitution Opportunities ($3m commitment in '18)	No Fee	$2,185,007	0.3%	--	--
HarbourVest Dover Street X ($9m commitment in '20)	No Fee	$4,874,507	0.7%	--	--
Hamilton Lane Secondary Fund V LP ($9m commitment in '20)	No Fee	$6,449,365	0.9%	--	--
Constitution Ironsides Co-Investment Fund VI ($12m commitment in '21)	No Fee	$10,006,109	1.5%	--	--
JFL Equity Investors V, L.P. ($9m commitment in '20)	No Fee	$4,615,112	0.7%	--	--
Investment Management Fee		**$683,916,009**	**100.0%**	**$2,514,285**	**0.37%**

Note:
Estimate fee for privates are ~$1,556,212 annually, which brings the total expense ratio for privates to ~23 bps. This brings the total estimated expense ratio for MWRA to ~ 60bps.

MWRA Employees’ Retirement System
NOTES

1 - Results for periods longer than one year are annualized.

2 - Total Balances, Large Cap, Small Cap, and Other Composite performance starts 12/1/2010.

3 - Preliminary Total Composite net of fee since inception return is 7.0% for the current month.

4 - Preliminary Total Composite gross of fee since inception return is 8.6% for the current month.

5 - Targets, Allocation Index, and Policy Index have been updated to reflect new allocation of 06/01/2020.

6 - Policy Index changed from Nasdaq to Cambridge All PE to reflect as of 5/1/2012.

7 - Policy Index Consists of:24% S&P 500, 7% Russell 2000, 12% MSCI ACWI IMI, 7% MSCI Emerging Markets, 12% Bloomberg US Aggregate TR, 8% Bloomberg US Universal TR, 6% HFRI Fund of Funds Composite Index, 12% NCREIF Property Index, 12% C|A US All PE

8 - Allocation index consists of: Weighted index of underlying managers to their respective benchmark.

DISCLAIMERS & DISCLOSURES

Past performance is no guarantee of future results.

Returns for pooled funds, e.g. mutual funds and collective investment trusts, are collected from third parties; they are not generally calculated by NEPC. Returns for separate accounts, with some exceptions, are calculated by NEPC. Returns are reported net of manager fees unless otherwise noted.

A "since inception" return, if reported, begins with the first full month after funding, although actual inception dates (e.g. the middle of a month) and the timing of cash flows are taken into account in Composite return calculations.

NEPC's preferred data source is the plan's custodian bank or record-keeper. If data cannot be obtained from one of the preferred data sources, data provided by investment managers may be used. Information on market indices and security characteristics is received from additional providers. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within. In addition, some index returns displayed in this report or used in calculation of a policy index, allocation index or other custom benchmark may be preliminary and subject to change.

All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.

The opinions presented herein represent the good faith views of NEPC as of the date of this presentation and are subject to change at any time. Neither fund performance nor universe rankings contained in this report should be considered a recommendation by NEPC.

This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Source of private fund performance benchmark data: Cambridge Associates, via Refinitiv

MWRA Employees' Retirement System

Asset Allocation Rebalance Summary

March 24, 2022

	Market Value	Weight in Fund	Target Weight	Recommendation	New Market Value	New Weight
Composite	**$683,212,575**	**100.0%**	**100.0%**	**$0**	**$683,212,575**	**100.0%**
Total Balanced	**$5,276,678**	**0.8%**	**0.0%**	**$0**	**$5,276,678**	**0.8%**
PRIT Core Fund	$5,276,678	0.8%	0.0%	$0	$5,276,678	0.8%
Total Domestic Equity	**$221,105,412**	**32.4%**	**31.0%**	**$0**	**$221,105,412**	**32.4%**
Rhumbline Advisors S&P 500 Index Fund	$70,484,091	10.3%	10.0%	-$3,000,000	$67,484,091	9.9%
Coho Relative Value	$54,671,929	8.0%	7.0%	$0	$54,671,929	8.0%
Polen Focused Growth	$47,621,428	7.0%	7.0%	$3,000,000	$50,621,428	7.4%
Robeco Boston Partners Small Cap Value	$25,555,106	3.7%	3.5%	-$1,000,000	$24,555,106	3.6%
Loomis Sayles Small Cap Growth	$22,772,858	3.3%	3.5%	$1,000,000	$23,772,858	3.5%
Total International Equity	**$117,286,419**	**17.2%**	**19.0%**	**$0**	**$117,286,419**	**17.2%**
SEG - Baxter Street Fund	$32,864,384	4.8%	5.0%	$0	$32,864,384	4.8%
Schroders International Alpha	$29,091,351	4.3%	4.0%	$0	$29,091,351	4.3%
Baillie Gifford	$15,117,151	2.2%	3.0%	$0	$15,117,151	2.2%
Axiom Emerging Markets	$19,593,067	2.9%	3.5%	$0	$19,593,067	2.9%
ABS Emering Markets Strategic Portfolio	$20,620,466	3.0%	3.5%	$0	$20,620,466	3.0%
Total Equity	**$338,391,831**	**49.5%**	**50.0%**	**$0**	**$338,391,831**	**49.5%**
Total Fixed Income	**$155,036,300**	**22.7%**	**20.0%**	**-$5,000,000**	**$150,036,300**	**22.0%**
Garcia Hamilton	$37,109,859	5.4%	6.0%	$0	$37,109,859	5.4%
Lord Abbett	$36,084,245	5.3%	6.0%	$0	$36,084,245	5.3%
Loomis Sayles Multi Sector Bonds	$53,574,300	7.8%	7.0%	$0	$53,574,300	7.8%
Rhumbline TIPS	$14,031,767	2.1%	0.0%	-$5,000,000	$9,031,767	1.3%
Octagon Senior Secured Loans	$14,181,002	2.1%	1.0%	$0	$14,181,002	2.1%
Invesco Mortgage Recovery	$55,127	0.0%	0.0%	$0	$55,127	0.0%
Total Hedge Fund	**$42,723,606**	**6.3%**	**6.0%**	**$0**	**$42,723,606**	**6.3%**
PRIM Absolute Return Fund	$15,200,851	2.2%		$0	$15,200,851	2.2%
Corbin Pinehurst Partners	$13,549,716	2.0%		$0	$13,549,716	2.0%
UBS Neutral Alpha Strategies	$13,230,450	1.9%		$0	$13,230,450	1.9%
Entrust Peru Winddown	$742,589	0.1%		$0	$742,589	0.1%
Total Real Estate	**$58,709,832**	**8.6%**	**12.0%**	**$0**	**$58,709,832**	**8.6%**
TA Realty Core	$25,384,555	3.7%		$0	$25,384,555	3.7%
Morgan Stanley PPF	$24,477,755	3.6%		$0	$24,477,755	3.6%
Total Private Equity	**$74,922,041**	**11.0%**	**12.0%**	**$0**	**$74,922,041**	**11.0%**
Cash	**$8,152,287**	**1.2%**	**0.0%**	**$5,000,000**	**$13,152,287**	**1.9%**
Peoples United Cash	$8,152,287	1.2%	0.0%	$5,000,000	$13,152,287	1.9%

REAL ESTATE SEARCH FINALS

MWRA EMPLOYEES’ RETIREMENT SYSTEM

MARCH 2022

Sebastian Grzejka, CAIA, Principal

Kiley Fischer, Consulting Analyst

SUMMARY OF REAL ESTATE SEARCH

- **Target Fund Strategy**
  - Value-Add (private, closed-end)

- **Advertised Search Requirements:**

1. Candidates must have familiarity with and agree to comply (in writing) with Massachusetts G.L. Chapter 32 and Chapter 176 of the Acts of 2011. Additionally, candidates must have familiarity and agree to comply with the reporting and investment guidelines administered by PERAC.
2. Candidates must be registered with the SEC or with the Secretary of State where the firm is domiciled.
3. Candidates must read and agree to the attached side letter pertaining to mandatory contractual language, based on the guidelines above.
4. Preference will be given to candidates that have raised at least one prior fund for the proposed strategy, however, this is subject to the Board's discretion.
5. The funds final close date of the proposed fund must be no earlier than May 31, 2022.
6. It is preferred that the proposed fund is raising at least $200 million, however, lower amounts may be considered at the Board's discretion.

- **Responses were due on January 17, 2022 at 5:00 PM EST**
- **The search had a total of 23 respondents**

NEPC RECOMMENDATION

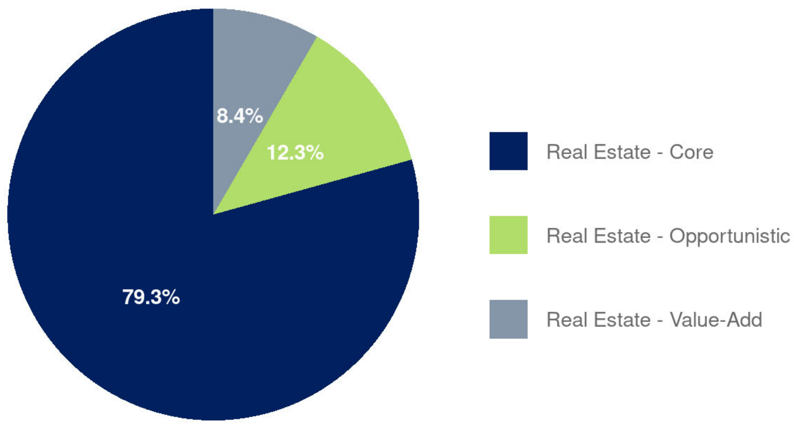
- **NEPC provides a review of the MWRA Retirement Systems private markets allocations to determine the commitment budget for the upcoming year**
  - We consider existing manager commitments and anticipated calls/distributions, adjustments to the target allocation and the forecasted net growth rate.
  - An annual review provides an opportunity to make adjustments to any of the above factors and assess the program carefully so as to not over-allocate to illiquid investments.
- **The strategy is to maintain an active commitment pace in each vintage year going forward, being mindful of Plan's liquidity needs**
  - Fund and manager recommendations are made in the context of the existing portfolio along with NEPC's market views
  - Our goal is to develop a program that will invest in various strategies and achieve returns in excess of public market returns
  - Recently, the Board approved increasing the real estate target to 12% from 10%
- **Based on the updated portfolio values and new target, the System should commit approximately $14 million to real estate strategies in 2022**
  - We recommend focusing on value-add strategies, which can encompass some of the opportunities discussed in the introductory section

SUMMARY

Plan Summary

Total Portfolio NAV 2-28-22	$683.9
Est. Current NAV % 2-28-22	8.6%
Current Total Exposure %	9.2%
Target Allocation %	12.0%
Ann. Expected Return %	5.5%
Ann. Payouts %	-2.3%
Net Growth Rate	3.2%

Private Market Exposures

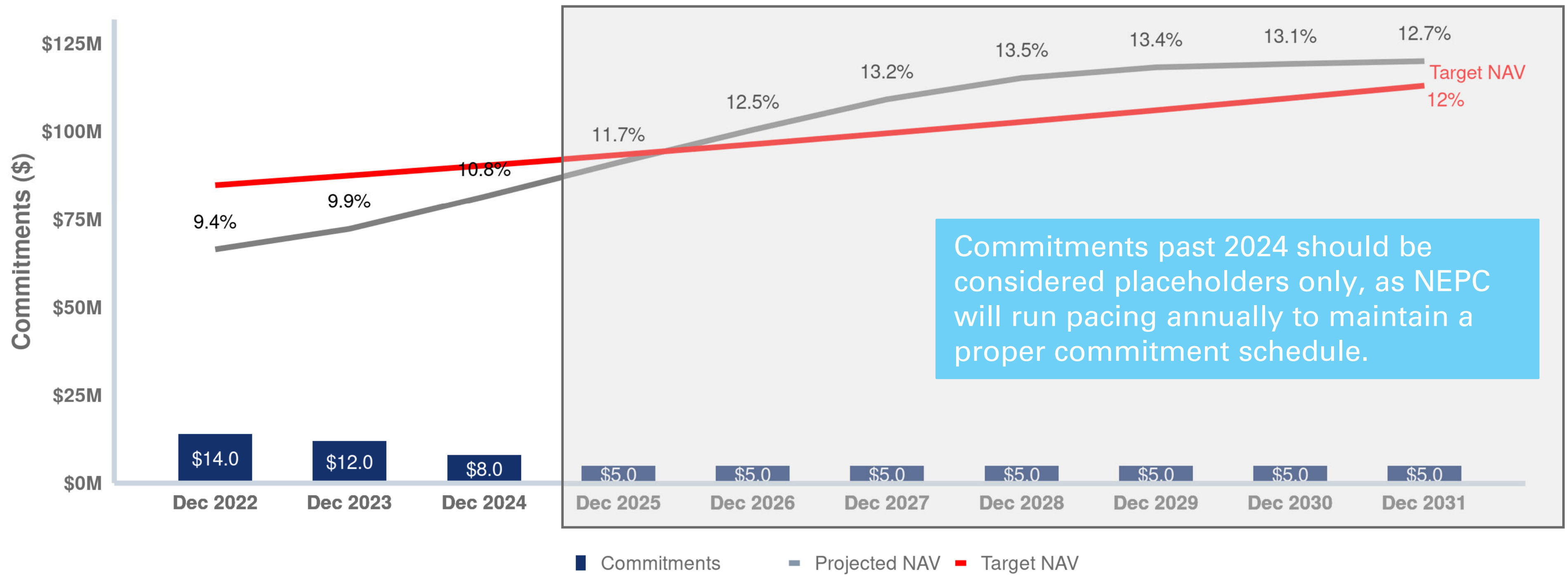


Current Allocations (in millions)

Asset Class	Investment Strategy	Commitment	Unfunded Commitment	NAV	Total Exposure
Real Estate	Real Estate - Core	$48.9	$0.0	$49.9	$49.9
	Real Estate - Opportunistic	$14.5	$4.2	$3.6	$7.7
	Real Estate - Value-Add	$10.1	$0.0	$5.3	$5.3
	Total	**$73.5**	**$4.2**	**$58.7**	**$62.9**
Grand Total		**$73.5**	**$4.2**	**$58.7**	**$62.9**

COMMITMENTS & ALLOCATION PROJECTIONS

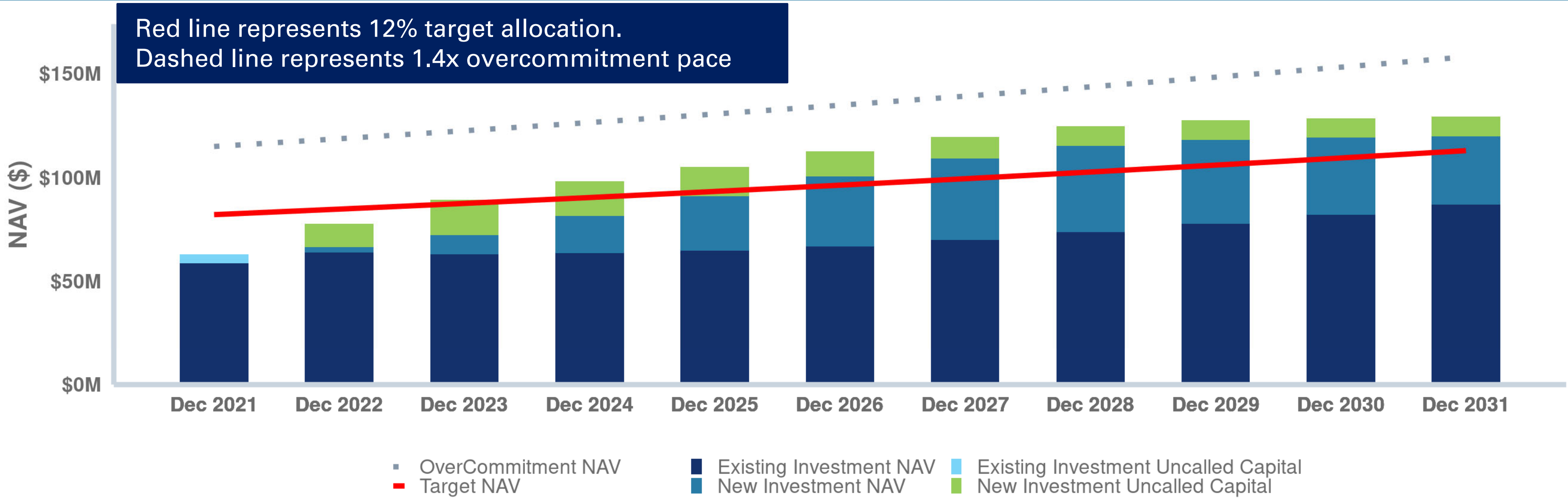
Private Markets Commitments by Vintage



		More Certain						Less Certain		
Description	Dec 2022	Dec 2023	Dec 2024	Dec 2025	Dec 2026	Dec 2027	Dec 2028	Dec 2029	Dec 2030	Dec 2031
Total Commitments ($M)	$14.0	$12.0	$8.0	$5.0	$5.0	$5.0	$5.0	$5.0	$5.0	$5.0
Target (%)	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Projected NAV / Total Portfolio Assets	9.4%	9.9%	10.8%	11.7%	12.5%	13.2%	13.5%	13.4%	13.1%	12.7%

ASSET PROJECTIONS

Private Markets Portfolio Projections



Projection Summary

Description	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Estimated Plan NAV	$683.9	$706.1	$729.0	$752.6	$777.0	$802.2	$828.1	$855.0	$882.7	$911.3	$940.8
Est. Real Estate NAV	$58.7	$66.4	$72.2	$81.4	$91.1	$100.4	$109.0	$115.1	$118.1	$119.1	$119.9
Uncalled Capital	$4.2	$11.3	$16.9	$16.8	$14.1	$12.2	$10.5	$9.6	$9.4	$9.4	$9.4
Target Real Estate NAV	$82.1	$84.7	$87.5	$90.3	$93.2	$96.3	$99.4	$102.6	$105.9	$109.4	$112.9
Estimated NAV (%)	8.6%	9.4%	9.9%	10.8%	11.7%	12.5%	13.2%	13.5%	13.4%	13.1%	12.7%
Target Allocation (%)	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%

VALUE ADD REAL ESTATE SEARCH SUMMARY

FUND PROFILE: ALIDADE

General Fund Information	
Fund Name	Alidade Capital Fund V, LP
Investment Manager	Alidade Capital, LLC
Main Address	40900 Woodward Avenue, Suite 250 Bloomfield Hills, MI 48304
Target Fund Size/Hard Cap	$250 million / $300 million
Capital Raised	$182 million
Expected Final Close	Q2 2022
Fund Structure	Delaware Limited Partnership
Investment Period	Three years from the final closing, subject to a 1-year extension with LPAC consent
Term of Entity	Seven years from the final closing, subject to a 1-year extension at the discretion of the GP and up to two 1-year extensions thereafter with LPAC consent
Minimum Investment	$5 million; less may be accepted at the discretion of the GP
Fund Auditor	BDO LLP

Fund Strategy	
Fund Strategy	Value-add real estate
Industry Focus	Diversified
Geographic Focus	North America
Target Fund Leverage	Leverage will be capped at 65% at the Fund-level
Target Deal Size	$10 million to $20 million
Strategy Description	Fund V will follow a similar investment strategy to its predecessor funds, targeting value-add real estate opportunities in research and development (“R&D”) flex, industrial, life science, and office properties. Alidade will invest primary in secondary markets, with a specific focus on “innovation ecosystems,” which are markets that are centers of economic growth and demographic strength emanating from (i) academic and research institutions, (ii) real estate supported by technology-based infrastructure, (iii) access to public and private funding resources and (iv) deep pools of “STEM” talent. These innovation ecosystems are well positioned to support businesses, ranging from small start-ups to large corporations, and as a result should benefit from population migration and growth in the availability of an educated workforce.

GP Fees, Promote and Commitment	
Target Net IRR	14%
Target Net Multiple	1.7x
Management Fees	During the Investment Period, the managements fee will be 1.5% on committed capital; post-Investment Period, the management fee will be 1.50% of invested capital. NEPC has negotiated the following fee schedule for its clients:
Preferred Return	8%
Carried Interest	20% subject to a 40/60 catch-up
GP Commitment	2% of capital commitments

Commitment Amount	Fee on Committed	Fee on Invested
$30 million	1.4%	1.4%
$50 million	1.3%	1.3%
$75 million	1.25%	1.25%

Fund Track Record ($ in Millions)

Fund Name	Fund Style	Vintage Year	Capital Committed	Capital Funded	Reported Value	Amount Distributed	Total Value	TVPI Multiple	DPI Multiple	Investor IRR
Alidade Capital Fund	Value-add	2010	$19	$19	$0	$36	$36	2.0x	2.0x	17.4%
Alidade Capital Fund II	Value-add	2012	$43	$43	$0	$76	$76	1.8x	1.8x	18.9%
Alidade Capital Fund III	Value-add	2014	$80	$80	$73	$81	$148	1.8x	1.0x	13.9%
Alidade Capital Fund IV	Value-add	2017	$150	$150	$195	$25	$207	1.4x	0.2x	11.3%

Track record data as of 09/30/21 and provided by the Manager.

FUND PROFILE: INVESCO

General Fund Information	
Fund Name	Invesco Real Estate U.S. Fund VI, LP
Investment Manager	Invesco Realty, Inc.
Main Address	2001 Ross Avenue, Suite 3400 Dallas, TX 75201
Target Fund Size/Hard Cap	$1.5 billion / none
Capital Raised	$855 million
Expected Final Close	Q2 2022
Fund Structure	Delaware Limited Partnership
Investment Period	Three years from the final closing
Term of Entity	Eight years from the final closing, subject to a 1-year extension at the discretion of the GP and an additional 1-year extension thereafter with LPAC consent
Minimum Investment	$10 million; less may be accepted at the discretion of the GP
Fund Auditor	KPMG LLP

Fund Strategy	
Fund Strategy	Value-add real estate
Industry Focus	Diversified
Geographic Focus	North America
Target Fund Leverage	Leverage will be capped at 60% at the Fund-level
Target Deal Size	$100 million to $200 million
Strategy Description	The Fund's investment strategy is to seek attractive risk-adjusted returns by identifying investments across all property types and throughout the capital structure. The Manager anticipates primarily investing in the industrial and residential real estate sectors (including several sub-sectors). The Fund will attempt to identify investments in sub-performing, distressed and mispriced real estate with value enhancement potential. The geographic focus of the Fund's investment activities will be primarily concentrated in the top 25 United States MSAs.

GP Fees, Promote and Commitment	
Target Net IRR	12%
Target Net Multiple	1.4x
Management Fees	During the Investment Period, the managements fee will be 1.5% on invested capital; post-Investment Period, the management fee will be 1.50% of invested capital
Preferred Return	9%
Carried Interest	20% subject to a 50/50 catch-up
GP Commitment	5% of capital commitments

Fund Track Record ($ in Millions)

Fund Name	Fund Style	Vintage Year	Capital Committed	Capital Funded	Reported Value	Amount Distributed	Total Value	TVPI Multiple	DPI Multiple	Investor IRR
Invesco Real Estate Fund I	Value-add	2005	$320	$296	$0	$321	$321	1.1x	1.1x	1.5%
Invesco Real Estate Fund II	Value-add	2007	$457	$420	$0	$546	$546	1.3x	1.3x	6.8%
Invesco Real Estate Fund III	Value-add	2012	$344	$318	$2	$505	$433	1.5x	0.5x	13.6%
Invesco Real Estate Fund IV	Value-add	2015	$759	$654	$285	$663	$877	1.4x	1.0x	12.0%
Invesco Real Estate Fund V	Value-add	2019	$884	$692	$851	$67	$836	1.3x	0.1x	19.8%

Track record data as of 09/30/21 and provided by the Manager.

FUND PROFILE: TA REALTY

General Fund Information	
Fund Name	TA Realty Value-Add Fund XIII, LP
Investment Manager	TA Realty LLC
Main Address	One Federal Street Boston, MA 02110
Target Fund Size/Hard Cap	$1.25 billion / none
Capital Raised	$200 million
Expected Final Close	Q4 2022
Fund Structure	Delaware Limited Partnership
Investment Period	Three years from the final closing
Term of Entity	Seven years from the earlier of the date when at least 90% of the capital commitments have been invested or committed and the expiration of the capital call period; with up to three one-year extensions
Minimum Investment	$5 million; less may be accepted at the discretion of the GP
Fund Auditor	Ernst & Young LLP

Fund Strategy	
Fund Strategy	Value-add real estate
Industry Focus	Diversified
Geographic Focus	North America
Target Fund Leverage	Leverage will be capped at 50% at the Fund-level
Target Deal Size	$35 million
Strategy Description	Fund XIII will invest in the four main property types in the United States. The Manager anticipates the Fund will be largely comprised of industrial and multifamily properties. While TA anticipates the Fund will have exposure to all regions within the US, the Manager's preference in recent years has been the Southeast and Southwest, which are both benefitting from strong demographic drivers. The Manager will aim to develop a diversified portfolio of 80-90 assets, mitigating concentration risk in any given market, property type, or single asset.

GP Fees, Promote and Commitment	
Target Net IRR	10% to 12.5%
Target Net Multiple	1.4x to 1.5x
Management Fees	0.5% in year one, 0.85% in year two, 1.15% in year three (based on capital commitments), 1.20% in year four, 1.25% in year 5, 1.20% in year six, 1.00% in year seven, and 0.60% thereafter (based on invested capital)
Distribution Waterfall	100%/0% LP/GP split until capital is returned plus an annual compounded preferred return representing inflation as measured by annual changes in the core Consumer Price Index (CPI-U). This scales, based on real rates of return. Once LPs earn an 8% real rate of return, the GP will collect 20% of the profits.
GP Commitment	1% of capital commitments

Fund Track Record ($ in Millions)

Fund Name	Fund Style	Vintage Year	Capital Committed	Capital Funded	Reported Value	Amount Distributed	Total Value	TVPI Multiple	DPI Multiple	Investor IRR
Realty Associates Fund VIII	Value-add	2006	$1,742	$1,742	$0	$1,729	$1,729	1.0x	1.0x	(0.1)%
Realty Associates Fund IX	Value-add	2008	$1,493	$1,493	$0	$2,502	$2,502	1.6x	1.6x	10.4%
Realty Associates Fund X	Value-add	2012	$1,562	$1,562	$104	$2,587	$2,545	1.6x	1.6x	12.6%
Realty Associates Fund XI	Value-add	2015	$879	$879	$1,086	$581	$1,583	1.7x	0.5x	14.1%
Realty Associates Fund XII	Value-add	2018	$1,178	$1,178	$1,526	$35	$1,497	1.3x	0.0x	43.3%

Track record data as of 09/30/21 and provided by the Manager.

FUND PROFILE: TERRACAP

General Fund Information	
Fund Name	TerraCap Partners V, LP
Investment Manager	TerraCap Management LLC
Main Address	999 Vanderbilt Beach Road, Suite 701 Naples, FL 34108
Target Fund Size/Hard Cap	$400 million / none
Capital Raised	$515 million
Expected Final Close	Q4 2022
Fund Structure	Delaware Limited Partnership
Investment Period	Four years from the initial closing
Term of Entity	Eight years from the final closing, subject to two 1-year extensions at the discretion of the GP
Minimum Investment	$1 million; less may be accepted at the discretion of the GP
Fund Auditor	CohnReznick

Fund Strategy	
Fund Strategy	Value-add real estate
Industry Focus	Diversified
Geographic Focus	North America
Target Fund Leverage	Leverage will be capped at 70% at the Fund-level
Target Deal Size	$25 million to $100 million
Strategy Description	The Fund will make value-add real estate investments in the Southern and Western United States with a focus on what it believes are the most liquid markets. The Fund is expected to be diversified by property type, including office, multifamily, industrial, and hotels. The Fund will focus on maximizing current income at the property-level through physical improvements and reductions to operating expenses.

GP Fees, Promote and Commitment	
Target Net IRR	15%
Target Net Multiple	1.5x to 1.75x
Management Fees	During the Investment Period, the managements fee will be 1.5% of committed capital; post-Investment Period, the management fee will be 1.50% of invested capital
Preferred Return	8%
Carried Interest	20% subject to a 50/50 catch-up (modified American waterfall)
GP Commitment	1.5% of capital commitments

Fund Track Record ($ in Millions)

Fund Name	Fund Style	Vintage Year	Capital Committed	Capital Funded	Reported Value	Amount Distributed	Total Value	TVPI Multiple	DPI Multiple	Investor IRR
TerraCap Partners II	Value-add	2011	$102	$102	$11	$147	$158	1.6x	1.5x	12.3%
TerraCap Partners III	Value-add	2014	$120	$120	$71	$100	$173	1.4x	0.8x	9.1%
TerraCap Partners IV	Value-add	2017	$311	$311	$277	$140	$408	1.3x	0.4x	10.3%

Track record data as of 09/30/21 and provided by the Manager.

IRR COMPARISON

Vintage / Firm	Alidade	Invesco	TA	Terra Cap	Thomson One Median IRR
2005		1.5%			0.2%
2006			(0.1%)		0.7%
2007		6.8%			6.5%
2008			10.4%		9.8%
2009					14.5%
2010	17.4%				13.4%
2011				12.9%	15.2%
2012	18.9%	13.6%	12.6%		11.3%
2013					10.9%
2014	13.9%			10.4%	10.4%
2015		12.0%	14.1%		11.8%
2016					11.9%
2017	11.3%			15.5%	12.5%
2018			43.3%		13.0%
2019		19.8%			7.9%
2020					*10.6%*
2021					---
2022					---
Above Median Quartile					

Results are not meaningful

TVPI COMPARISON

Vintage / Firm	Alidade	Invesco	TA	Terra Cap	Thomson One Median TVPI
2005		1.1x			1.0x
2006			1.0x		1.0x
2007		1.3x			1.3x
2008			1.6x		1.5x
2009					1.7x
2010	2.0x				1.6x
2011				1.6x	1.6x
2012	1.8x	1.5x	1.6x		1.5x
2013					1.4x
2014	1.8x			1.4x	1.4x
2015		1.4x	1.7x		1.4x
2016					1.4x
2017	1.4x			1.2x	1.3x
2018			1.3x		1.2x
2019		1.3x			1.1x
2020					*1.1x*
2021					---
2022					---
Above Median Quartile					

Results are not meaningful

DPI COMPARISON

Vintage / Firm	Alidade	Invesco	TA	Terra Cap	Thomson One Median DPI
2005		1.1x			1.0x
2006			1.0x		1.0x
2007		1.3x			1.3x
2008			1.6x		1.4x
2009					1.6x
2010	2.0x				1.6x
2011				1.4x	1.5x
2012	1.8x	1.5x	1.6x		1.2x
2013					1.2x
2014	1.0x			0.7x	0.9x
2015		1.0x	0.5x		0.7x
2016					0.4x
2017	0.2x			0.0x	0.2x
2018			0.0x		0.1x
2019		0.1x			0.1x
2020					*0.0x*
2021					---
2022					---
Above Median Quartile					

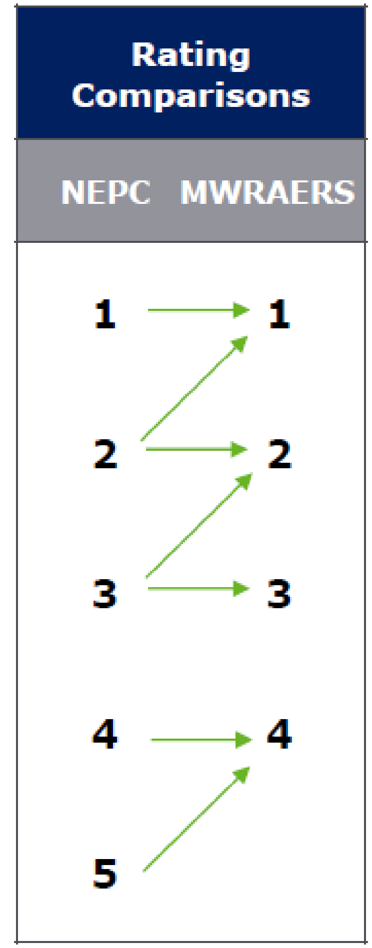
Results are not meaningful

APPENDIX

RATINGS FRAMEWORK COMPARISON

NEPC Research	
1	NEPC Research views 1-rated strategies as best ideas. The strategy has a clear investment thesis, and the manager is sufficiently resourced and incentivized to execute on the thesis. NEPC Research has high conviction that 1-rated strategies are positioned to deliver on a stated investment thesis and target return over a full investment cycle.
2	NEPC Research has a positive view of the strategy. The strategy has a clear investment thesis, and the manager is sufficiently resourced and incentivized to execute on the thesis. A single factor or mosaic of factors may lead to a 2 rating rather than a 1 rating.
3	NEPC Research has a constructive view of the strategy and believes the strategy can play an appropriate role in certain client portfolios. Through ongoing research, NEPC has not identified unreasonable risks from an organizational, process, operational or investment perspective.
4	NEPC has conducted a reasonable level of due diligence and has an unfavorable view of the strategy due to issues, weaknesses or risks that would challenge the manager's ability to execute on a stated investment thesis.
5	NEPC has conducted a reasonable level of due diligence and has significant concerns about the effectiveness or viability of the strategy. Through the due diligence process, NEPC has uncovered serious issues, weaknesses or risks that would challenge the manager's ability to execute on a stated investment thesis.

MWRAERS Searches (for PERAC)	
1	NEPC views these strategies as the best ideas and have high conviction in these firms and investment teams. These strategies meet all manager search requirements and are compatible with the client's portfolio.
2	Strategies that are positively viewed by NEPC and/or are existing managers for MWRAERS. These strategies meet all search requirements.
3	NEPC has a positive or neutral view of these strategies. Client and search specific factors may result in a three rating.
4	Strategies that are not applicable for the current search. These strategies do not fit the search description or qualify based on the search guidelines. Strategies that demonstrate serious weaknesses or risks will also receive a 4 rating.



*This is for indicative purposes only. Individual situations may vary.

REAL ESTATE RESPONDENTS

Fund	Target Fund Size (M)	Target Final Close	Target Net IRR	Strategy & Sector Focus	Comments	Fees	Rating
Aegon US Multifamily Value Add	$500	Dec-23	11-13%	Value-Add Apt./ Multifamily	Strategy will focus 100% on multifamily rental properties to middle income families. Aegon expects to make 25-30 deals. Manager will acquire, reposition, manage and operate the assets.	During IP: 1.5% on committed Post IP: 1.5% on invested	3
AIG U.S. Real Estate Fund IV	$1,000	Jan-23	12-14%	Value-Add Diversified	Strategy will focus primarily on multifamily and industrial properties, however, can also invest in office, retail and hospitality. AIG expects to invest across 40-50 assets.	Early Close: 0.90% on committed, 1.25% on invested Standard: 1% on committed, 1.5% on invested	3
Alidade Capital Fund V	$250	Jun-22	13-15%	Value-Add Diversified	Strategy will focus on R&D flex, industrial, life science and office properties, which they view as innovation ecosystems. Alidade expects to invest across 30-35 assets.	During IP: 1.5% on committed Post IP: 1.5% on invested * Fee Discount Available	1
Ares US Real Estate Fund X	$1,500	Q2 2022	12-14%	Value-Add Diversified	Strategy will invest primarily across industrial, residential and office, as well as other diversifying sectors. Ares expects to invest across 20-25 assets. Ares recently acquired Landmark Real Estate.	During IP: 0.75% on committed and 1.5% on invested Post IP: 1.5% on invested	2
Artemis Real Estate Partners Fund IV	$1,500	Q1 2023	14-15%	Value-Add Diversified	Artemis will look to build a highly diversified portfolio and invest across 40-50 middle-market investments.	During IP: 1.5% on committed Post IP: 1.5% on invested	3
Blue Vista Real Estate Partners VI	$750	Q4 2023	13-15%	Value-Add Diversified	Blue Vista will focus on making 60-70 investments, with a specific focus on residential, industrial, self storage and select office and hotel subsectors.	During IP: 1.5% on committed Post IP: 1.5% on invested	2
CenterSquare Value-Added Fund V	$300	2H 2022	13-15%	Value-Add Diversified	CenterSquare will focus on core property types in industrial and residential, as well as sub-property types such as cold storage, life sciences and residential. They expect to invest in 15-25 assets.	During IP: 1.5% on committed Post IP: 1.5% on invested * Fee Discount Available	2
Crow Holdings Capital Fund X	$3,000	Jan-23	12-14%	Value-Add Diversified	Crow will invest primarily in industrial and multifamily opportunities, as well as diversifying sectors such as manufactured housing, student housing and car wash. The manager expects to make 125-150 transactions.	During IP: 1.5% on committed Post IP: 1.5% on invested	2

NEPC

* Alidade offers a fee discount for NEPC clients once aggregated client commitments reach $30M ($30M = 1.4% fee; $50M = 1.3%; $75M = 1.25%)
* CenterSquare is offering a reduced fee of 135 bps for NEPC clients

REAL ESTATE RESPONDENTS

Fund	Target Fund Size (M)	Target Final Close	Target Net IRR	Strategy & Sector Focus	Comments	Fees	Rating
Elion Industrial Fund II	$750	Jun-23	13-15%	Value-Add Industrial	Elion will acquire, redevelop and reposition industrial properties across the US. The manager seeks to make 30-40 investments.	During IP: 1.5% on committed Post IP: 1.5% on invested	3
Farallon Real Estate Partners IV	$500	Q2 2023	N/A	Value-Add Diversified	Farallon will invest primarily in office, multi-family, retail, and industrial properties. The number of investments will be dependent upon the opportunity set, while the prior fund made 14 investments.	During IP: 1.5% on committed Post IP: 1.5% on invested	3
Greystar Equity Partners XI	$2,500	Q1 2023	11-12%	Value-Add Apt./ Multifamily	Greystar invest primarily in value-add multifamily, student, active adult and purpose-built single-family rental housing product and will invest in select development opportunities. The manager seeks to make 70 investments.	During IP: 1.5% on committed Post IP: 1.5% on invested	3
Griffith Properties Fund V	$100	Dec-22	16%	Value-Add Diversified/ Regional	Griffith will target investments in the life science, industrial/flex and office sectors within the New England and Mid-Atlantic regions. Firm is 100% woman owned. Manager seeks to make 15-18 deals.	During IP: 1.5% on committed Post IP: 1.5% on invested	3
Invesco Real Estate US Fund VI	$1,500	Q2 2022	11-13%	Value-Add Diversified	Invesco will invest in properties that can be transformed into core investments via re-tenanting, re-positioning, renovation and/or development. The manager seeks to make 20-40 deals. Existing MWRA manager.	Charged on Invested: $0 ≤ $25: 1.5%, $25 ≤ $50: 1.4%, $50 ≤ $75: 1.3%, $75 ≤ $100: 1.2%, $100 ≤ $150: 1.1%, $150+: 1.0% *Fee Discount Available	2
LaSalle Value Partners US IX	$1,250	TBD	12-14%	Value-Add Diversified	LaSalle will invest in a diversified portfolio of transitional or emerging properties across the US and seeks to make 25-40 deals.	Not provided	2
Nuveen Real Estate US Strategic Alternatives Fund I	$350	Jun-22	12-14%	Value-Add Diversified	The strategy will focus primarily on medical office buildings, single-family rentals, and self-storage facilities. Total transactions will vary dependent upon deal size and property type. This is Nuveen's first diversified US fund targeting value-add returns in the alternative healthcare and housing space.	During IP: 1.5% on committed Post IP: 1.5% on invested	3

* Invesco will determine the fee tier based on aggregated NEPC client commitments.

REAL ESTATE RESPONDENTS

Fund	Target Fund Size (M)	Target Final Close	Target Net IRR	Strategy & Sector Focus	Comments	Fees	
Sculptor Real Estate Credit Fund II	$1,000	Q4 2022	10-12%	Value-Add Credit/RE Debt	The Fund will invest in real estate credit and related opportunities in North America and Europe. Sculptor seeks to make 20-40 transactions.	1.5% on invested capital	2
TA Realty Fund XIII	$1,250	TBD	10-12.5%	Value-Add Diversified	TA Realty will focus on diversified portfolio focusing on industrial and apartment/multi-family, as well as office and retail real estate. The manager seeks to make 60-70 investments. Existing MWRA manager.	Yr. 1: 0.50%, Yr. 2: 0.85%, Yr. 3: 1.15% (on committed) Yr. 4: 1.20%, Yr. 5: 1.25%, Yr. 6: 1.20%, Yr. 7: 1.0%, thereafter: 0.60% (on invested)	1
TerraCap Partners V	$400	Oct-22	14-16%	Value-Add Diversified	TerraCap will invest in income properties including apartment/multifamily, industrial and office across the southeast, south central and western mountain US. The manager seeks to make 30-35 transactions. Existing MWRA manager.	During IP: 1.5% on committed Post IP: 1.5% on invested	2

REAL ESTATE RESPONDENTS

Fund	Target Fund Size (M)	Target Final Close	Target Net IRR	Strategy & Sector Focus	Comments	Fees	Rating
Cohen & Steers Real Estate Opportunities Fund	$650	2023	14-17%	Opportunistic Diversified	Cohen will invest in private real estate through direct joint ventures with operating partners, co-investments, club deals, private fund interests and pre-IPO/special situations. They will make 20-25 investments. This is the Manager's first private opportunistic real estate fund.	**Cornerstone Investors:** 1.25% on invested for direct investments & 0.75% for fund investments **Subsequent Investors:** 1.5% for direct investments & 0.75% for fund investments	4 given the opportunistic focus
Continental Realty Retail Fund I	$250	Aug-22	16-20%	Opportunistic Retail	Continental will target income producing retail real estate investments in the US. The manager will make 16-20 investments.	During IP: 1.5% on committed Post IP: 1.5% on invested	4 given the opportunistic focus
CrossHarbor Institutional Partners 2021	$850	Dec-22	14-16%	Opportunistic Diversified	CrossHarbor will prioritize business plan-driven strategies and high margin arbitrage scenarios. Examples of business plan-driven strategies are development, renovation, redevelopment, turnaround, and workout scenarios among others. Examples of high margin arbitrage are off-market transactions, corporate dispositions, and complex tax, ownership, or capital structures among others. The manager seeks to make 12-15 deals per year.	During IP: 1.5% on committed Post IP: 1.5% on invested	4 given the opportunistic focus
Rockpoint Fund VII	$4,500	Apr-23	13-15%	Opportunistic Diversified	Rockpoint will invest primarily in residential, office, hospitality and industrial properties. The manager seeks to make 50-70 deals.	During IP: 1.5% on committed Post IP: 1.5 on invested	4 given the opportunistic focus

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Past performance is no guarantee of future results.

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Information on market indices was provided by sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.

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