



**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**



PERIOD ENDING: JUNE 30, 2017

Real Assets Review

San Mateo County Employees' Retirement Association

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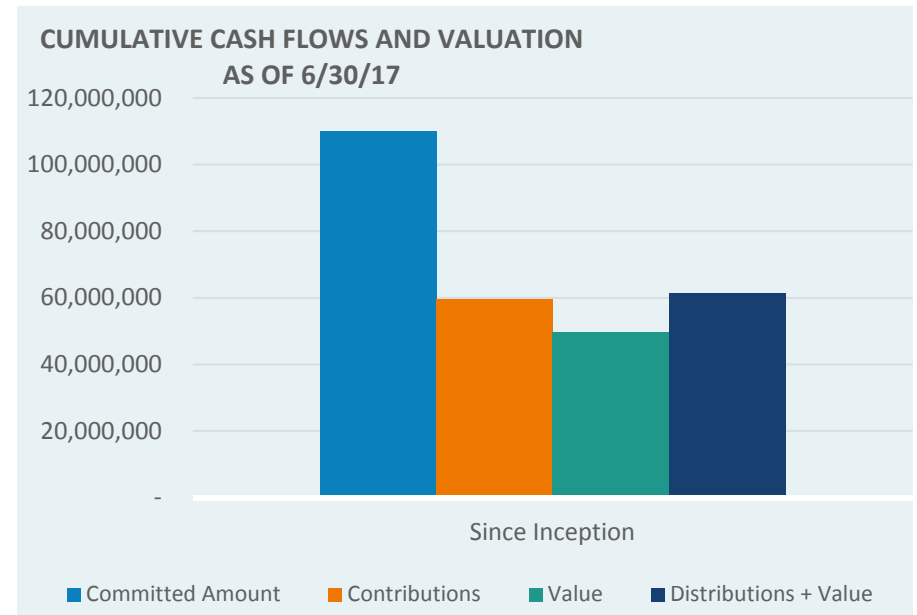
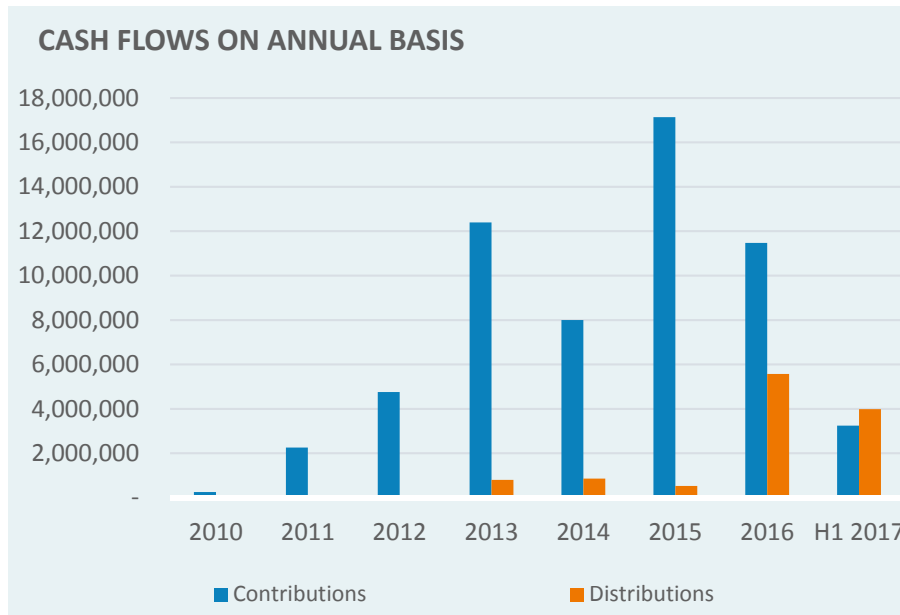
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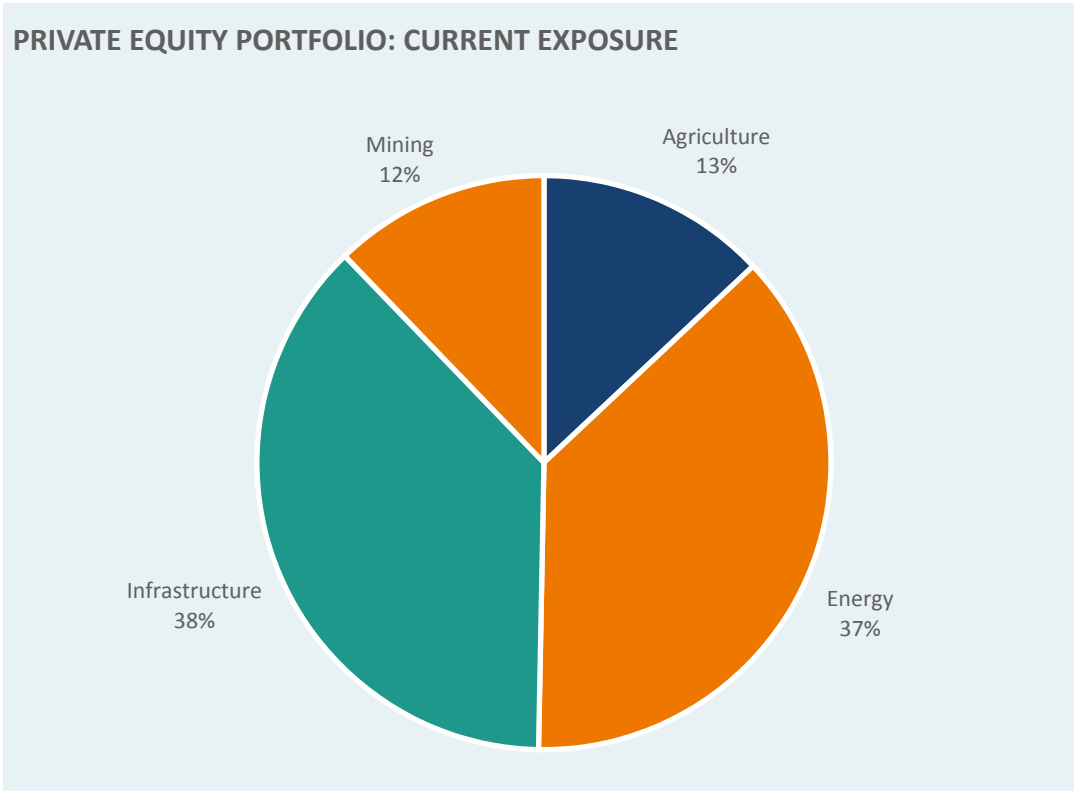
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Performance

- The portfolio is currently valued at \$49.7 million. Together with \$11.7 million in realized distributions, the Total Value at \$61.4 million is approximately \$1.9 million above \$59.5 million total capital contributions, resulting in a total value multiple of 1.03x and a net IRR of 1.28%. Capital weighted average investment age of the portfolio is 2.63 years.
- SamCERA funded a liquid real asset pool in 2016 that seeks to proxy many of the risk exposures targeted in private real assets. SSgA is managing the pool in a mix of passive exposures to infrastructure, natural resource equities and commodities.
- Within Private Real Assets, the current allocation of invested capital is 13.0% to Agriculture, 37.3% to Energy, 37.5% to Infrastructure, and 12.2% to Mining. The Portfolio is expected to be diversified over a period of 3 to 5 years.

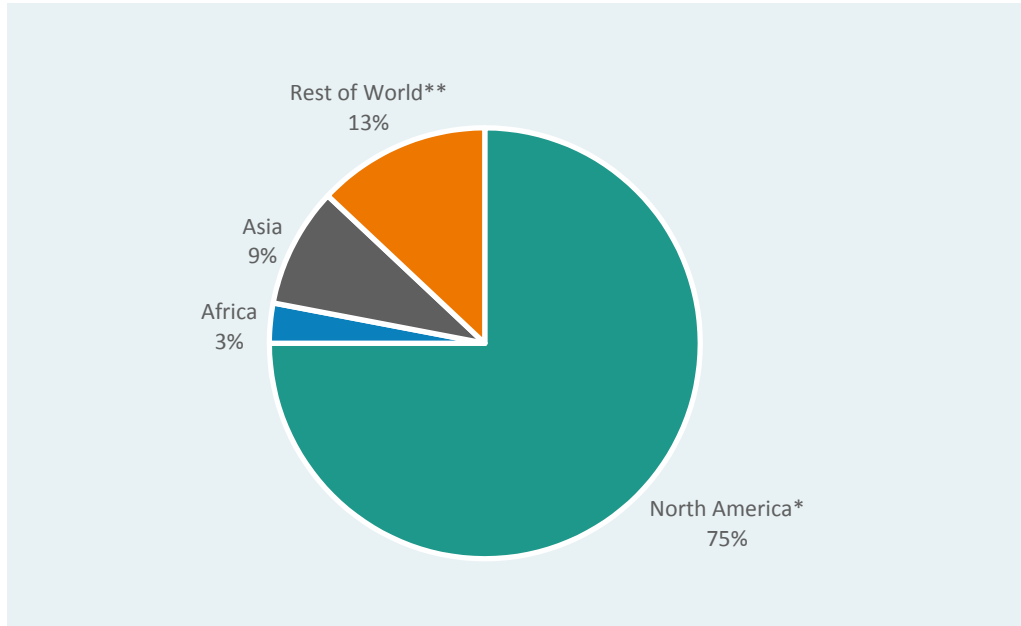




Geography

Portfolio Diversification

Period Ending: June 30, 2017



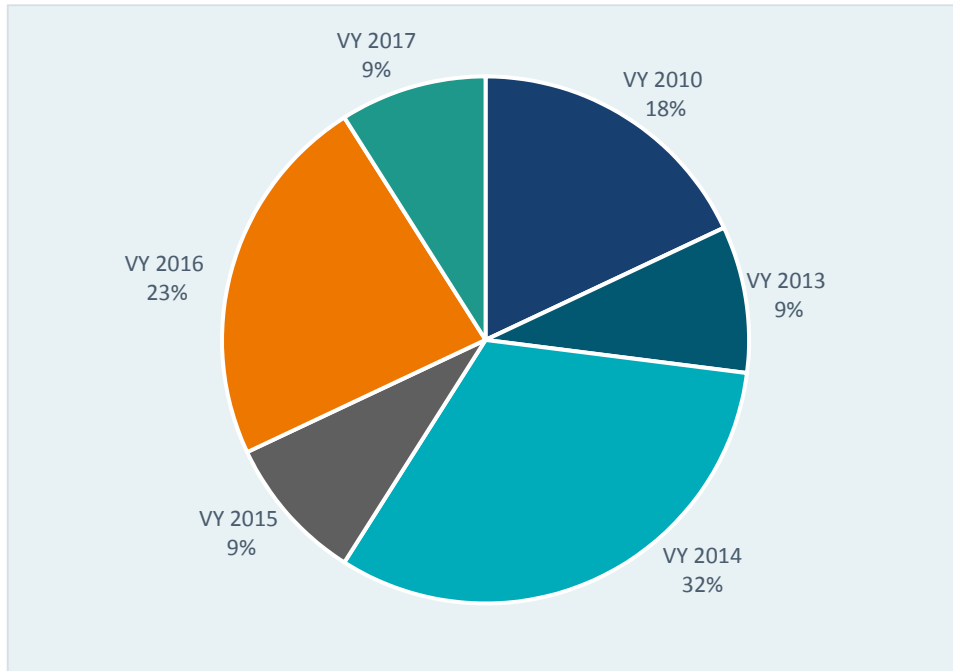
* North America includes 100% market value from Sheridan II-B.

** Rest of World includes Chile and Australia.

Based on invested capital as of June 30, 2017, if provided by the partnerships. The portfolio is expected to be US-biased given the mandate to hedge domestic inflation.

Vintage Year Portfolio Diversification

Period Ending: June 30, 2017



- SamCERA committed to Quantum Energy VII in September 2017 which will be the Plan's first upstream energy investment since EnCap in 2013.
- Verus and Staff are in the final stages of due diligence on an global infrastructure fund which will mark our third infrastructure investment in the Private Real Assets portfolio.
- Looking forward, we expect to increase exposure to infrastructure as a way to balance out the risk associated with commodity-linked investments. Opportunities in power and sector-focused infrastructure funds appear promising in the 2018 pipeline.