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THAT DRIVE  
ENTERPRISE  
SUCCESS**



**PERIOD ENDING: JUNE 30, 2018**

Real Assets Review

**San Mateo County Employees' Retirement Association**

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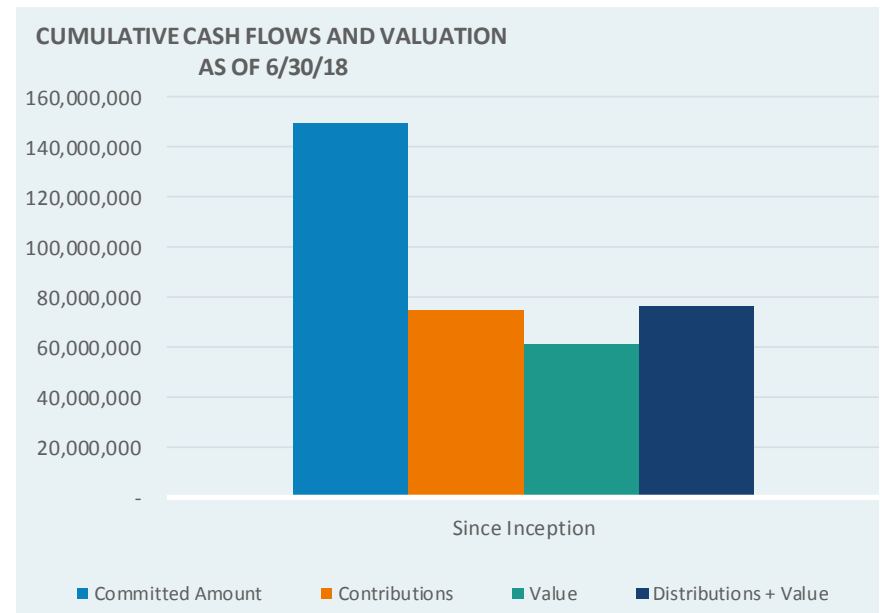
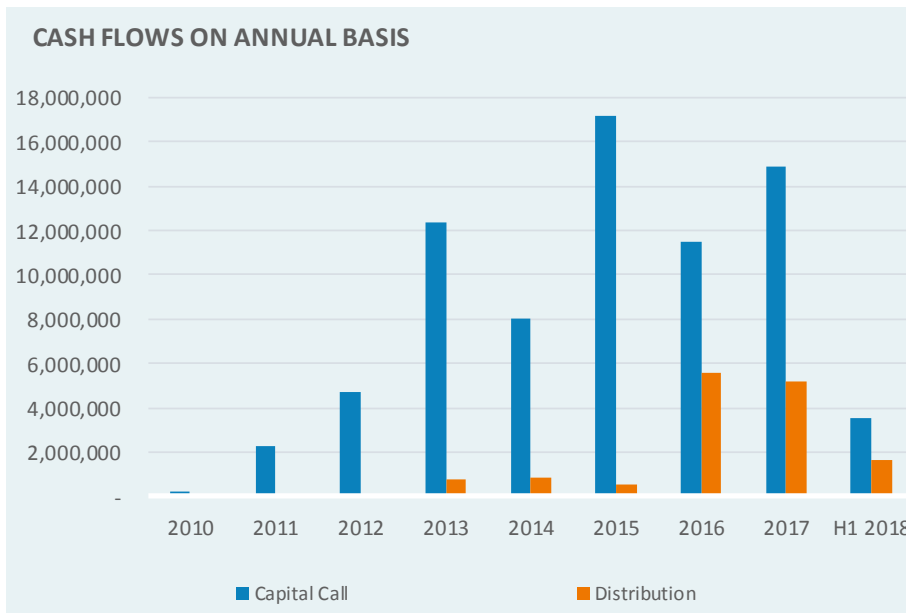
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## Performance

- The portfolio is currently valued at \$61.3 million. Together with \$14.6 million in realized distributions, the Total Value at \$75.9 million is approximately \$1.2 million above \$74.6 million total capital contributions, resulting in a total value multiple of 1.02x and a net IRR of 0.61%. Capital weighted average investment age of the portfolio is 3.05 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 12.7% to Agriculture, 35.5% to Energy, 18.3% to Mining, and 33.5% to Infrastructure. The Portfolio is expected to be diversified over a period of 3 to 5 years.



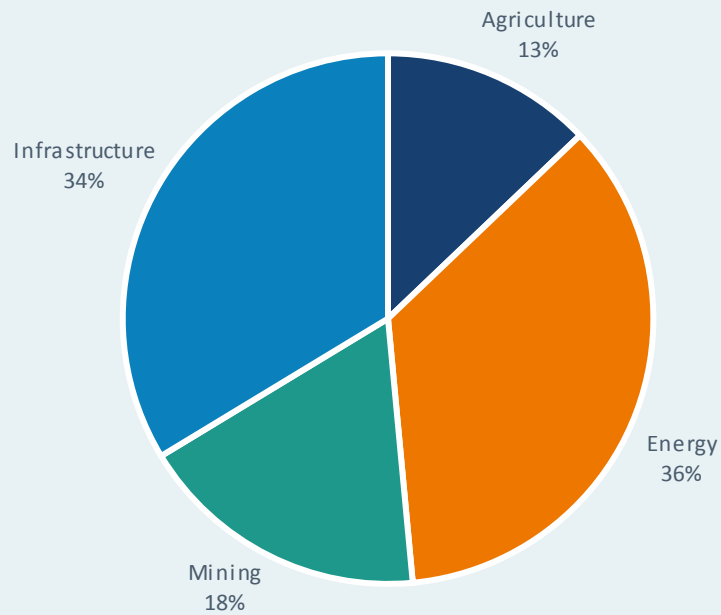
# Strategy

## Portfolio Diversification

Period Ending: June 30, 2018

Investment Type	Commitment	Current Exposure	Current Exposure as % of Portfolio
Agriculture	15,000,000	7,777,668	12.7%
Energy	49,800,000	21,761,465	35.5%
Mining	30,000,000	11,240,131	18.3%
Infrastructure	55,000,000	20,509,193	33.5%
<b>Total Portfolio</b>	<b>149,800,000</b>	<b>61,288,457</b>	<b>100.0%</b>

REAL ASSETS PORTFOLIO: CURRENT EXPOSURE

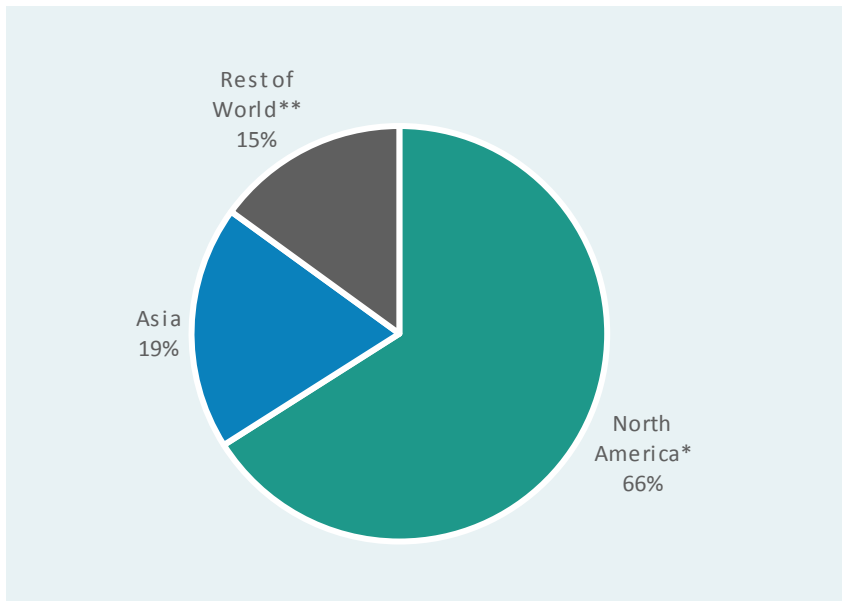


# Geography

## Portfolio Diversification

Period Ending: June 30, 2018

Geography	Reported Fair Value
North America*	40,459,383
Asia	11,565,455
Rest of World**	9,263,618
<b>Total Portfolio</b>	<b>61,288,456</b>



Based on invested capital as of June 30, 2018, if provided by the partnerships. The portfolio is expected to be US-biased given the mandate to hedge domestic inflation.

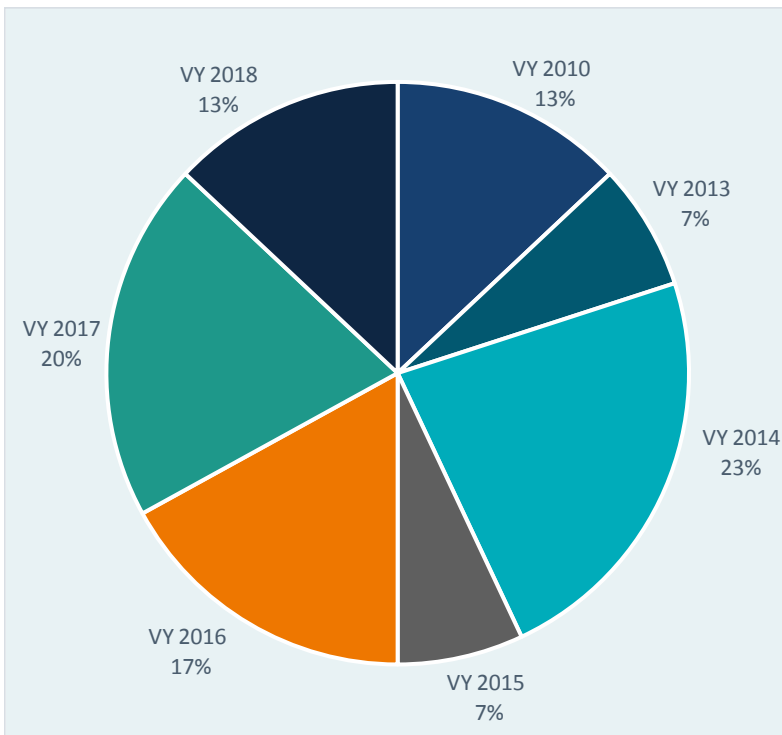
\* North America includes 100% market value from Sheridan II-B.

\*\* Rest of World includes Australia, Chile, and Senegal.

# Vintage Year Portfolio Diversification

Period Ending: June 30, 2018

Vintage Year	Commitment as of 6/30/18	% of Portfolio Commitment	Reported Value as of 6/30/18
2010	20,000,000	13.4%	9,153,000
2013	10,000,000	6.7%	7,521,141
2014	35,000,000	23.4%	16,378,708
2015	10,000,000	6.7%	13,668,525
2016	25,000,000	16.7%	6,840,668
2017	29,800,000	19.9%	7,726,415
2018	20,000,000	13.4%	0
<b>Total Portfolio</b>	<b>149,800,000</b>	<b>100%</b>	<b>61,288,457</b>



The portfolio is increasingly diversified by vintage year with larger capital commitments expected over the next 2-3 years.

- SamCERA committed \$20.0 million to LS Power in April 2018 which will focus on natural gas/renewable power producing assets
- Verus and Staff will be recommending a global infrastructure fund to the Board in December, which if approved will be the fourth infrastructure investment in the private real assets portfolio
- Looking forward, we will be exploring opportunities in non-energy natural resources, re-ups with existing managers in mining finance and a further build-out of the infrastructure portfolio