MEKETA
INVESTMENT GROUP

San Jose Federated City Employees' Retirement System

First Quarter 2026

Private Markets Program
PUBLIC

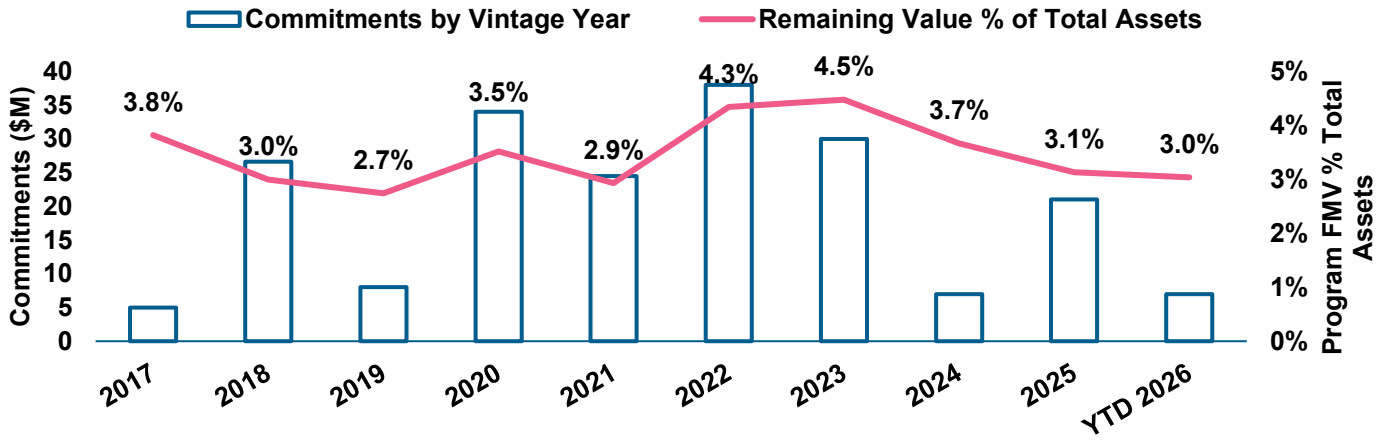
Snapshot

By Account

Account Type	Inception Year	Committed ($M)	Unfunded ($M)	Contributed ($M)	Distributed ($M)	Remaining Value ($M)	TVPI (X)	IRR (%)	PME IRR (%)
Legacy Private Equity	2005	174.3	12.1	162.8	236.2	10.7	1.52	7.5	7.0
NB Fund of One	2017	415.8	76.2	266.1	93.9	411.2	1.90	15.2	10.7
Private Debt	2010	373.1	80.2	378.0	361.0	111.2	1.25	6.5	6.1
Real Estate	2005	325.7	51.7	309.2	238.4	150.7	1.26	6.0	7.6
Real Assets	2016	176.3	58.4	130.9	75.5	107.7	1.40	12.4	5.1
Venture Capital	2021	129.8	58.6	71.3	2.4	78.9	1.14	7.5	9.5
Total		**1,595.0**	**337.2**	**1,318.3**	**1,007.3**	**870.4**	**1.42**	**8.5**	**NA**

Introduction

As of March 31, 2026, the San Jose Federated City Employees' Retirement System had committed $373.1 million to 27 private debt partnerships and 2 co-investments. The reported fair value of the aggregate Private Debt Program was $111.2 million at March 31, 2026, which equates to 3.0% of the overall Retirement System, equal with the 3.0% policy target.



Program Status

No. of Investments	29
Committed ($M)	373.1
Contributed ($M)	378.0
Distributed ($M)	361.0
Remaining Value ($M)	111.2

Performance Since Inception

	Program
DPI	0.96x
TVPI	1.25x
IRR	6.5%

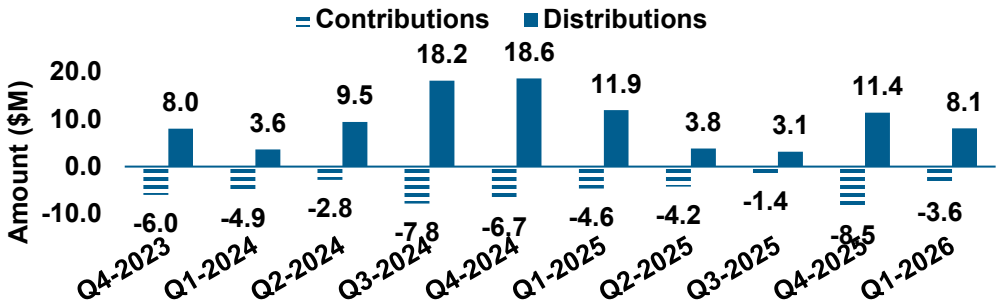
Commitments

Commitments This Quarter

Fund	Region	Amount ($M)
NBCS III	North America	7.00

Cash Flows

Recent Quarterly Cash Flows



Largest Contributions This Quarter

Fund	Vintage	Region	Amount ($M)
NBCS III	2025	North America	1.14
HPS Opps II	2022	North America	1.12
TPG AG Credit III	2025	Global: All	0.53

Largest Distributions This Quarter

Fund	Vintage	Region	Amount ($M)
AG Credit Fund II	2022	North America	1.41
Arbour Lane II	2021	North America	1.40
Eagle Point II	2022	North America	1.17

By Vintage

Group	Number	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	Exposure ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
2010	3	150.0	181.9	0.0	189.8	27.6	27.6	1.04	1.36	1.20	1.36	4.2	10.8
2016	1	15.0	12.0	12.7	14.7	0.3	13.1	1.22	1.05	1.25	1.32	6.1	8.3
2017	1	5.0	5.0	0.0	6.1	0.0	0.0	1.22	1.08	1.22	1.30	12.9	7.7
2018	2	26.6	22.9	0.0	28.6	0.0	0.0	1.25	0.97	1.25	1.34	15.9	8.6
2019	1	8.0	8.1	3.3	8.5	3.5	6.8	1.04	0.75	1.48	1.28	14.2	9.0
2020	3	34.0	34.5	10.7	38.1	14.5	25.2	1.11	0.70	1.53	1.29	13.0	9.5
2021	3	24.5	51.6	1.7	41.2	23.2	25.0	0.80	0.47	1.25	1.25	13.6	9.2
2022	4	38.0	33.3	7.1	20.7	22.6	29.7	0.62	0.32	1.30	1.22	13.3	10.6
2023	5	30.0	18.9	12.3	12.1	10.1	22.4	0.64	0.19	1.18	1.14	14.3	9.9
2024	1	7.0	3.4	3.6	0.0	3.4	7.0	0.00	0.09	0.99	1.10	-1.0	10.9
2025	4	28.0	6.3	21.8	1.2	5.9	27.7	0.23	0.00	1.11	1.04	NM	NM
2026	1	7.0	0.0	7.0	0.0	0.0	7.0	NM	NM	NM	NM	NM	NM
Total	**29**	**373.1**	**378.0**	**80.2**	**361.0**	**111.2**	**191.4**	**0.96**	**NA**	**1.25**	**NA**	**6.5**	**NA**

1 Source: MSCI Private Assets
2 Source: MSCI Private Assets
3 Source: MSCI Private Assets

Investment Performance: Sorted By Vintage

Investment	Vintage	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
GSO Direct Lending	2010	50.0	43.4	0.0	48.5	0.8	1.12	1.36	1.14	1.36	4.1	10.8
Medley II	2010	50.0	50.0	0.0	56.3	0.0	1.13	1.36	1.13	1.36	2.2	10.8
White Oak DL	2010	50.0	88.5	0.0	84.9	26.7	0.96	1.36	1.26	1.36	5.8	10.8
Cross Ocean ESS II	2016	15.0	12.0	12.7	14.7	0.3	1.22	1.05	1.25	1.32	6.1	8.3
ArrowMark Sep Acct	2017	5.0	5.0	0.0	6.1	0.0	1.22	1.08	1.22	1.30	12.9	7.7
Crestline Co-Inv. I	2018	1.6	1.6	0.0	2.6	0.0	1.60	0.97	1.60	1.34	12.4	8.6
Octagon CLO III	2018	25.0	21.3	0.0	25.9	0.0	1.22	0.97	1.22	1.34	16.8	8.6
HPS Special Sits.	2019	8.0	8.1	3.3	8.5	3.5	1.04	0.75	1.48	1.28	14.2	9.0
Crestline Fund II	2020	8.0	9.5	2.6	6.8	4.7	0.71	0.70	1.21	1.29	10.7	9.5
Cross Ocean ESS III	2020	18.0	17.2	7.8	24.9	5.3	1.45	0.70	1.75	1.29	15.1	9.5
Eagle Point I	2020	8.0	7.8	0.2	6.5	4.5	0.83	0.70	1.41	1.29	8.8	9.5
Arbour Lane II	2021	8.0	25.6	0.0	28.5	3.0	1.11	0.47	1.23	1.25	13.7	9.2
Arbour Lane III	2021	9.0	20.2	0.0	12.6	10.3	0.63	0.47	1.13	1.25	9.7	9.2
Strategic Value V	2021	7.5	5.8	1.7	0.1	9.9	0.01	0.47	1.72	1.25	17.9	9.2
AG Credit Fund II	2022	9.0	8.8	1.2	4.5	7.1	0.51	0.32	1.32	1.22	12.0	10.6
Eagle Point II	2022	10.0	9.2	0.9	3.0	9.6	0.33	0.32	1.38	1.22	13.9	10.6
Octagon Fund IV	2022	9.0	9.0	0.0	11.9	0.0	1.32	0.32	1.32	1.22	15.4	10.6
HPS Opps II	2022	10.0	6.3	4.9	1.3	5.9	0.21	0.32	1.15	1.22	10.1	10.6

1 Source: MSCI Private Assets
2 Source: MSCI Private Assets
3 Source: MSCI Private Assets

San Jose Federated City Employees' Retirement System Private Debt Program

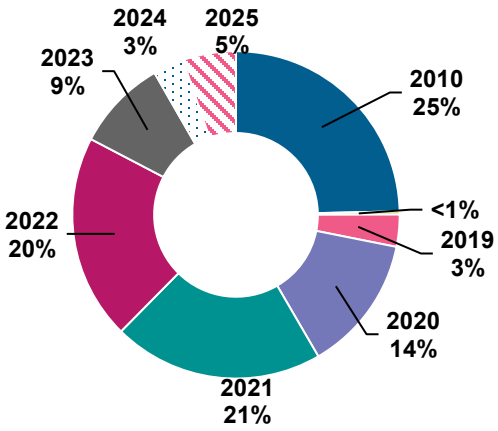
Performance Analysis | As of March 31, 2026

Investment	Vintage	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
Invesco Credit III	2023	5.0	2.6	2.4	0.4	2.3	0.17	0.19	1.08	1.14	5.5	9.9
Silver Point Dist II	2023	5.0	0.8	4.2	0.2	1.0	0.21	0.19	1.46	1.14	39.1	9.9
Charlesbank C. III	2023	5.0	4.1	2.0	1.7	3.3	0.41	0.19	1.22	1.14	20.3	9.9
Octagon Fund V	2023	8.0	8.0	0.0	9.3	0.0	1.16	0.19	1.16	1.14	12.4	9.9
Silver Point SC III	2023	7.0	3.4	3.7	0.5	3.5	0.15	0.19	1.17	1.14	16.8	9.9
Arbour Lane IV	2024	7.0	3.4	3.6	0.0	3.4	0.00	0.09	0.99	1.10	-1.0	10.9
Eagle Point III	2025	7.0	2.9	4.3	1.1	2.0	0.37	0.00	1.04	1.04	NM	NM
NBCS III	2025	7.0	1.1	5.9	0.0	1.4	0.00	0.00	1.24	1.04	NM	NM
TPG AG Credit III	2025	7.0	1.9	5.1	0.1	2.1	0.08	0.00	1.19	1.04	NM	NM
Strategic Special VI	2025	7.0	0.4	6.6	0.0	0.4	0.00	0.00	0.91	1.04	NM	NM
GC Customer Value	2026	7.0	0.0	7.0	0.0	0.0	NM	NM	NM	NM	NM	NM
Total		**373.1**	**378.0**	**80.2**	**361.0**	**111.2**	**0.96**	**NA**	**1.25**	**NA**	**6.5**	**NA**

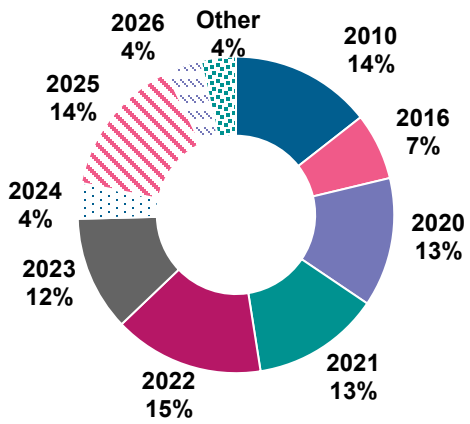
Fund Diversification | As of March 31, 2026

By Vintage

Percent of FMV

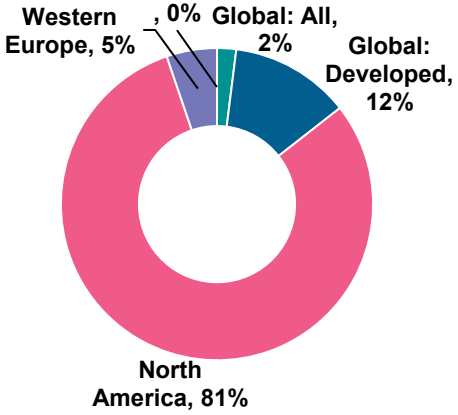


Percent of Exposure

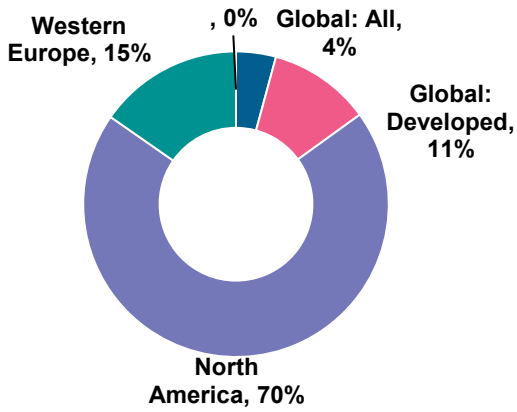


By Geographic Focus

Percent of FMV

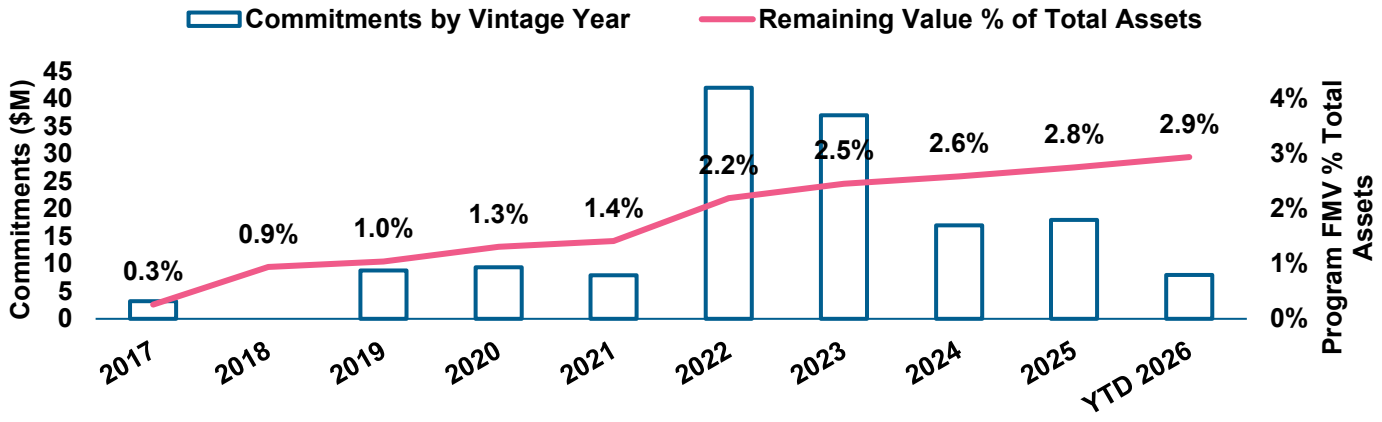


Percent of Exposure



Introduction

As of March 31, 2026, the Retirement System had committed $176.3 million to 26 real assets funds and 2 co-investments. The total reported fair value of real assets investments was $107.7 million at March 31, 2026, which equates to 2.9% of the overall Retirement System, versus a 3.0% policy target.



Program Status

No. of Investments	28
Committed ($M)	176.3
Contributed ($M)	130.9
Distributed ($M)	75.5
Remaining Value ($M)	107.7

Performance Since Inception

	Program
DPI	0.58x
TVPI	1.40x
IRR	12.4%

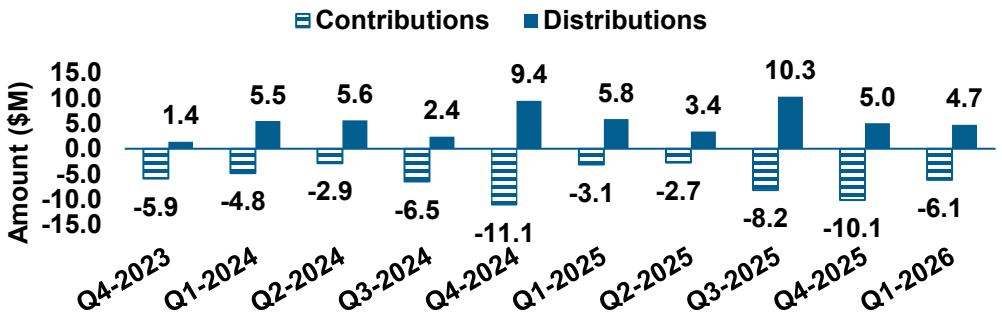
Commitments

Commitments This Quarter

Fund	Region	Amount ($M)
Warwick Energy V	North America	8.00

Cash Flows

Recent Quarterly Cash Flows



Largest Contributions This Quarter

Fund	Vintage	Region	Amount ($M)
Kimmeridge Fund VI	2022	North America	2.67
Seraya Partners II	2025	Asia	1.02
Ridgewood Water II	2022	North America	0.70

Largest Distributions This Quarter

Fund	Vintage	Region	Amount ($M)
GIP III	2016	Global: Developed	1.83
Tembo Capital III	2021	Global: Emerging	1.30
Kimmeridge Energy V	2019	North America	0.64

By Vintage

Group	Number	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	Exposure ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
2016	1	25.0	26.5	2.4	27.6	14.3	16.6	1.04	0.69	1.58	1.50	8.9	8.3
2017	1	3.2	3.8	0.0	3.7	3.0	3.0	0.96	0.77	1.74	1.45	12.8	9.0
2019	2	8.8	10.0	0.4	10.9	6.0	6.4	1.09	0.52	1.69	1.38	18.4	9.1
2020	3	9.4	9.0	1.0	6.7	5.4	6.4	0.74	0.28	1.34	1.27	10.3	7.8
2021	2	7.9	7.0	0.9	7.9	3.6	4.5	1.12	0.15	1.62	1.27	17.0	9.7
2022	7	42.0	35.7	10.6	9.6	34.8	45.3	0.27	0.08	1.24	1.18	12.5	8.5
2023	5	37.0	24.6	13.2	6.3	25.7	38.9	0.25	0.06	1.30	1.15	27.8	8.5
2024	3	17.0	12.2	6.2	2.9	13.1	19.3	0.24	0.01	1.31	1.09	24.9	9.1
2025	3	18.0	2.1	15.9	0.0	1.9	17.8	0.00	0.00	0.89	1.02	NM	NM
2026	1	8.0	0.0	8.0	0.0	0.0	8.0	0.00	NM	NM	NM	NM	NM
Total	**28**	**176.3**	**130.9**	**58.4**	**75.5**	**107.7**	**166.1**	**0.58**	**NA**	**1.40**	**NA**	**12.4**	**NA**

1 Source: MSCI Private Assets
2 Source: MSCI Private Assets
3 Source: MSCI Private Assets

Investment Performance: Sorted By Vintage

Investment	Vintage	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
GIP III	2016	25.0	26.5	2.4	27.6	14.3	1.04	0.89	1.58	1.57	8.9	10.0
Lime Rock VIII	2017	3.2	3.8	0.0	3.7	3.0	0.96	0.99	1.74	1.55	12.8	10.6
Kimmeridge Energy V	2019	3.8	5.2	0.0	6.9	3.4	1.35	0.64	2.01	1.63	27.0	12.2
Orion Mine III	2019	5.0	4.9	0.4	3.9	2.6	0.81	0.64	1.35	1.63	9.1	12.2
Energy Co-Invest	2020	1.2	1.2	0.0	0.0	0.0	0.00	0.20	0.00	1.28	NM	NM
GIP IV	2020	3.2	3.1	0.4	0.4	3.6	0.12	0.20	1.26	1.28	6.7	8.5
Lime Rock New Energy	2020	5.0	4.7	0.6	6.3	1.9	1.35	0.20	1.75	1.28	23.7	8.5
Tembo Capital III	2021	6.0	5.1	0.9	7.8	3.6	1.54	0.43	2.24	1.31	38.4	17.3
Crestline Co-Inv. II	2021	1.9	1.9	0.0	0.0	0.0	0.01	0.43	0.01	1.31	NM	NM
Paine Schwartz VI	2022	5.0	3.2	1.9	0.4	3.7	0.12	0.28	1.26	1.25	11.6	11.0
Kimmeridge Fund VI	2022	9.0	10.2	0.0	2.4	10.2	0.23	0.28	1.23	1.25	10.3	11.0
LimeRock Partners IX	2022	5.0	2.4	2.7	0.1	3.1	0.04	0.28	1.36	1.25	28.9	11.0
Mountain Capital II	2022	6.0	3.2	3.2	0.8	2.9	0.26	0.28	1.15	1.25	5.7	11.0
Aether Seed Partners	2022	6.0	7.2	0.0	3.8	4.9	0.52	0.28	1.20	1.25	17.3	11.0
Ridgewood Water II	2022	5.0	3.0	2.4	1.0	2.2	0.35	0.07	1.09	1.17	5.9	8.1
Hull Street II	2022	6.0	6.5	0.3	1.1	7.8	0.17	0.07	1.38	1.17	16.7	8.1
Melange Secondaries	2023	7.0	5.2	2.4	0.5	6.4	0.10	0.06	1.32	1.13	NM	NM
H.I.G. IS Partners	2023	11.0	8.3	2.7	2.3	8.8	0.28	0.06	1.35	1.13	22.0	8.3

1 Source: MSCI Private Assets
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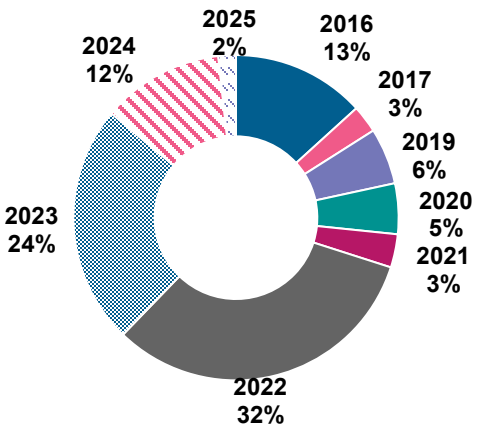
3 Source: MSCI Private Assets

Investment	Vintage	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
Primary Wave 4	2023	7.0	3.6	2.2	0.8	2.9	0.23	0.06	1.05	1.13	NM	NM
Pelican Energy BZ	2023	7.0	4.5	2.6	0.1	5.5	0.03	0.06	1.25	1.13	NM	NM
Orion Mine IV	2023	5.0	2.9	3.2	2.4	2.1	0.83	0.04	1.53	1.23	42.8	18.5
Scout VI	2024	5.0	4.6	0.5	1.4	5.2	0.31	0.03	1.43	1.13	30.1	9.6
Hull Street III	2024	7.0	1.3	5.7	0.0	1.6	0.00	0.01	1.26	1.07	49.2	6.7
Seraya Fund I	2024	5.0	6.3	0.0	1.5	6.3	0.24	0.01	1.23	1.07	18.6	6.7
Tembo Fund IV	2025	5.0	0.4	4.6	0.0	0.3	0.00	0.00	0.89	1.10	NM	NM
Seraya Partners II	2025	8.0	1.0	7.0	0.0	1.0	0.00	0.00	1.01	1.02	NM	NM
Lime Rock NE II	2025	5.0	0.7	4.3	0.0	0.5	0.00	0.00	0.73	1.02	NM	NM
Warwick Energy V	2026	8.0	0.0	8.0	0.0	0.0	0.00	NM	NM	NM	NM	NM
Total		**176.3**	**130.9**	**58.4**	**75.5**	**107.7**	**0.58**	**NA**	**1.40**	**NA**	**12.4**	**NA**

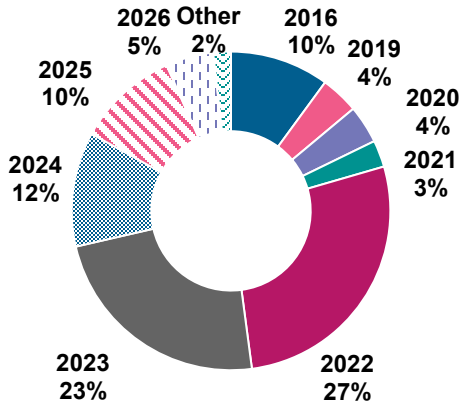
Fund Diversification | As of March 31, 2026

By Vintage

Percent of FMV

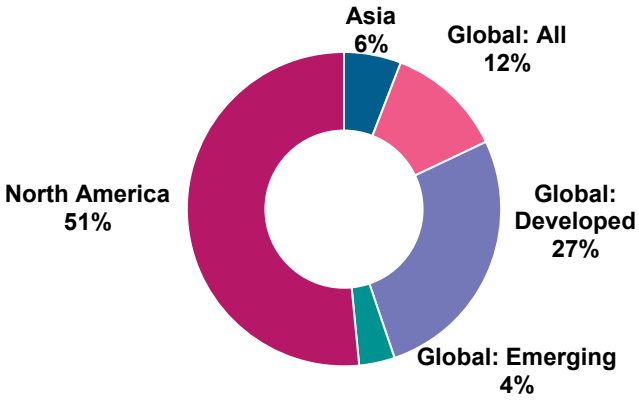


Percent of Exposure

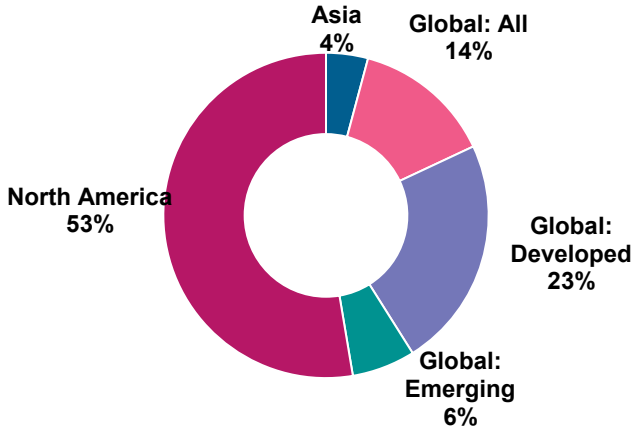


By Geographic Focus

Percent of FMV

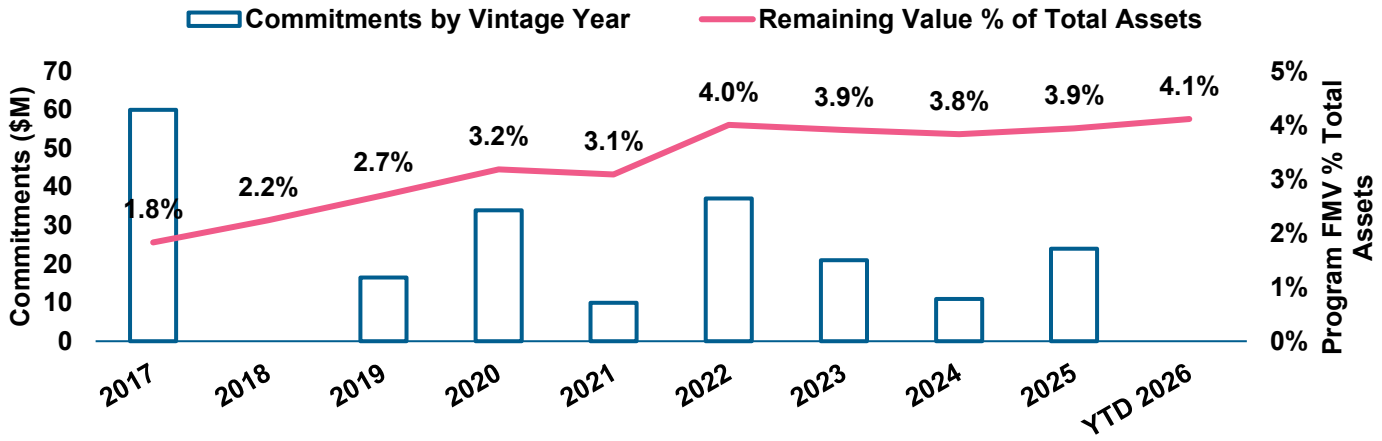


Percent of Exposure



Introduction

As of March 31, 2026, the Retirement System had committed a total of $325.7 million to 27 closed-end real estate funds. The Real Estate Program's reported fair value of real estate investments was $150.7 million at March 31, 2026, which equates to 4.1% of the overall Retirement System, versus a 3.0% policy target.



Program Status

No. of Investments	27
Committed ($M)	325.7
Contributed ($M)	309.2
Distributed ($M)	238.4
Remaining Value ($M)	150.7

Performance Since Inception

	Program
DPI	0.77x
TVPI	1.26x
IRR	6.0%

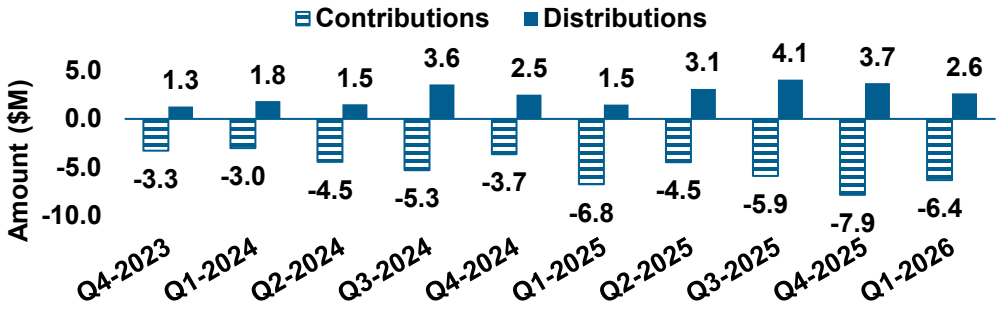
Commitments

Commitments This Quarter

Fund	Region	Amount ($M)
Foundry Owners' III	North America	8.00

Cash Flows

Recent Quarterly Cash Flows



Largest Contributions This Quarter

Fund	Vintage	Region	Amount ($M)
Blue Owl Digital III	2022	Global: All	1.99
Kayne Anderson VII	2024	North America	1.35
Centerbridge RE II	2021	Global: Developed	1.34

Largest Distributions This Quarter

Fund	Vintage	Region	Amount ($M)
DRA X	2019	North America	0.76
Torchlight VI	2017	North America	0.58
Exeter V	2020	North America	0.35

By Vintage

Group	Number	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	Exposure ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
2005	1	20.0	30.5	0.0	40.3	0.0	0.0	1.32	1.00	1.32	1.01	5.2	0.4
2006	1	20.0	18.2	0.0	8.8	0.0	0.0	0.48	0.83	0.48	0.83	-10.9	-2.4
2007	2	27.6	28.4	0.0	41.2	0.0	0.0	1.45	1.17	1.45	1.18	8.8	3.1
2011	1	15.0	16.0	0.0	36.7	0.0	0.0	2.29	1.40	2.29	1.44	21.5	12.8
2014	1	15.0	17.8	0.6	19.7	0.5	1.2	1.10	1.07	1.13	1.30	3.9	7.3
2015	1	14.7	13.3	1.4	6.0	10.5	11.9	0.45	1.01	1.24	1.27	3.7	6.3
2017	3	60.0	69.9	4.4	62.1	33.3	37.7	0.89	0.69	1.36	1.31	9.4	8.1
2019	2	16.5	18.0	0.8	7.7	14.3	15.1	0.43	0.25	1.23	1.17	6.9	3.9
2020	4	34.0	35.3	0.9	9.3	32.3	33.2	0.26	0.22	1.18	1.20	5.1	6.0
2021	1	10.0	8.5	2.7	1.8	7.2	9.9	0.22	0.13	1.07	1.11	4.0	4.0
2022	4	37.0	32.4	5.5	4.4	29.3	34.8	0.14	0.07	1.04	1.09	1.9	4.0
2023	2	21.0	11.0	10.2	0.5	11.4	21.5	0.04	0.06	1.08	1.06	5.8	4.2
2024	1	11.0	6.7	4.3	0.0	6.7	11.0	0.00	0.04	1.00	1.05	0.7	7.2
2025	3	24.0	3.2	20.8	0.0	5.3	26.1	0.00	0.01	1.64	1.01	NM	NM
Total	**27**	**325.7**	**309.2**	**51.7**	**238.4**	**150.7**	**202.4**	**0.77**	**NA**	**1.26**	**NA**	**6.0**	**NA**

1 Source: MSCI Private Assets
2 Source: MSCI Private Assets
3 Source: MSCI Private Assets

Investment Performance: Sorted By Vintage

Investment	Vintage	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
DRA V	2005	20.0	30.5	0.0	40.3	0.0	1.32	1.00	1.32	1.01	5.2	0.4
GEAM Value Add	2006	20.0	18.2	0.0	8.8	0.0	0.48	0.83	0.48	0.83	-10.9	-2.4
DRA VI	2007	9.7	10.6	0.0	17.5	0.0	1.65	1.17	1.65	1.18	10.6	3.1
Fidelity RE III	2007	17.9	17.9	0.0	23.7	0.0	1.33	1.17	1.33	1.18	7.3	3.1
DRA VII	2011	15.0	16.0	0.0	36.7	0.0	2.29	1.40	2.29	1.44	21.5	12.8
DRA VIII	2014	15.0	17.8	0.6	19.7	0.5	1.10	1.07	1.13	1.30	3.9	7.3
EPISO 4	2015	14.7	13.3	1.4	6.0	10.5	0.45	1.01	1.24	1.27	3.7	6.3
Torchlight VI	2017	30.0	39.3	2.2	26.1	24.7	0.66	0.69	1.29	1.31	7.3	8.1
GEM VI	2017	10.0	8.9	1.1	7.0	4.5	0.78	0.69	1.28	1.31	8.9	8.1
DRA IX	2017	20.0	21.7	1.2	29.0	4.1	1.34	0.69	1.53	1.31	13.1	8.1
Rockpoint VI	2019	6.5	6.6	0.1	1.9	5.9	0.29	0.25	1.18	1.17	4.9	3.9
DRA X	2019	10.0	11.4	0.6	5.8	8.4	0.51	0.25	1.25	1.17	8.4	3.9
Torchlight Debt VII	2020	6.0	6.3	0.3	1.9	5.2	0.30	0.22	1.11	1.20	4.1	6.0
HIG Realty IV	2020	10.0	11.7	0.0	3.9	10.5	0.33	0.22	1.23	1.20	9.4	6.0
EPISO 5	2020	12.5	11.9	0.6	1.8	9.8	0.15	0.22	0.98	1.20	-0.5	6.0
Exeter V	2020	5.5	5.4	0.1	1.8	6.8	0.33	0.22	1.58	1.20	11.3	6.0
Centerbridge RE II	2021	10.0	8.5	2.7	1.8	7.2	0.22	0.13	1.07	1.11	4.0	4.0
Blue Owl Digital III	2022	11.0	8.8	2.3	0.0	9.7	0.01	0.07	1.11	1.09	15.2	4.0

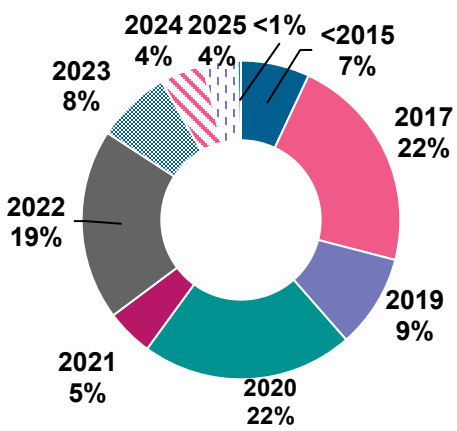
1 Source: MSCI Private Assets
2 Source: MSCI Private Assets
3 Source: MSCI Private Assets

Investment	Vintage	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
AIGGRE U.S. Fund IV	2022	10.0	8.7	1.8	2.3	7.3	0.27	0.07	1.11	1.09	3.8	4.0
GCP SecureSpace	2022	6.0	5.2	0.8	1.0	5.1	0.19	0.07	1.17	1.09	7.8	4.0
Praedium X	2022	10.0	9.7	0.6	1.1	7.1	0.11	0.07	0.84	1.09	-6.9	4.0
DRA Master XI	2023	13.0	6.2	7.0	0.5	6.1	0.08	0.06	1.06	1.06	4.6	4.2
Exeter Industrial VI	2023	8.0	4.8	3.2	0.0	5.3	0.00	0.06	1.10	1.06	7.2	4.2
Kayne Anderson VII	2024	11.0	6.7	4.3	0.0	6.7	0.00	0.04	1.00	1.05	0.7	7.2
Foundry Owners' III	2025	8.0	0.0	8.0	0.0	0.0	NM	NM	NM	NM	NM	NM
Cloud Capital II	2025	8.0	3.2	4.8	0.0	5.4	0.00	0.00	1.66	1.05	NM	NM
Corebridge US RE V	2025	8.0	0.0	8.0	0.0	NM	NM	NM	NM	NM	NM	NM
Total		**325.7**	**309.2**	**51.7**	**238.4**	**150.7**	**0.77**	**NA**	**1.26**	**NA**	**6.0**	**NA**

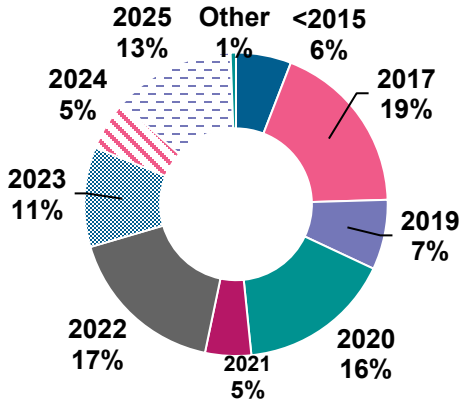
Fund Diversification | As of March 31, 2026

By Vintage

Percent of FMV

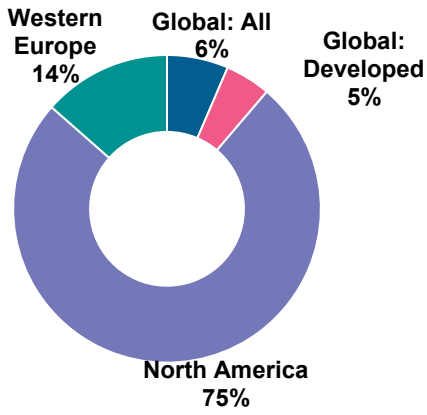


Percent of Exposure

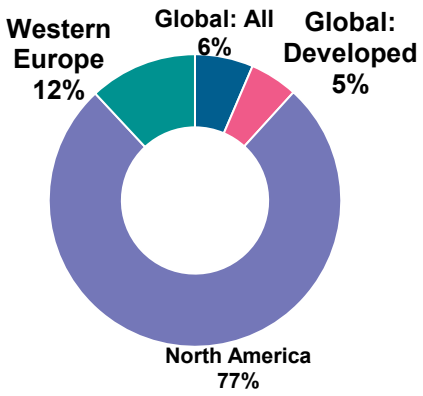


By Geographic Focus

Percent of FMV

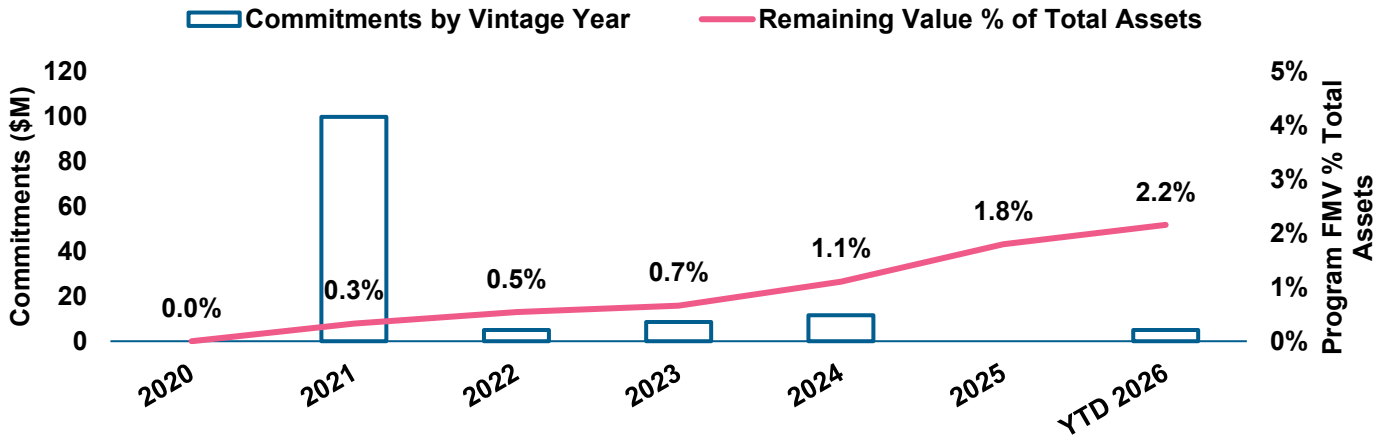


Percent of Exposure



Introduction

As of March 31, 2026, the Plan had committed $129.8 million to 10 venture capital funds. The total reported fair value of the Venture Capital Program's investments was $78.9 million at March 31, 2026, which equates to 2.2% of the overall Retirement System, versus a 4.0% policy target.



Program Status

No. of Investments	10
Committed ($M)	129.8
Contributed ($M)	71.3
Distributed ($M)	2.4
Remaining Value ($M)	78.9

Performance Since Inception

	Program
DPI	0.03x
TVPI	1.14x
IRR	7.5%

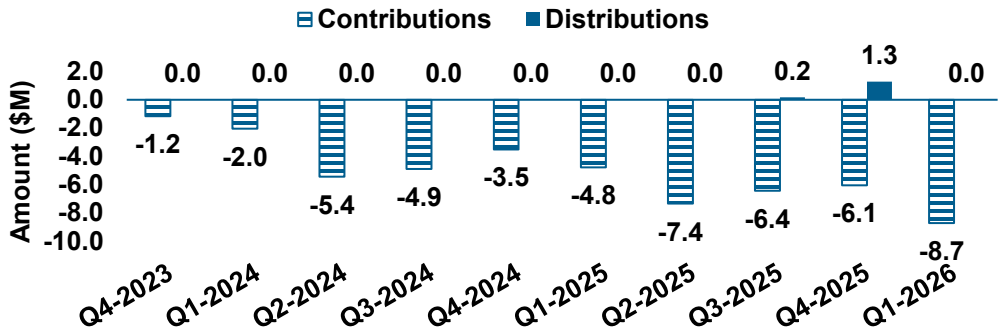
Commitments

Commitments This Quarter

Fund	Region	Amount ($M)
None to report.		

Cash Flows

Recent Quarterly Cash Flows



Largest Contributions This Quarter

Fund	Vintage	Region	Amount ($M)
Transpose Platform	2021	North America	8.02
Crosslink X	2023	North America	0.35
Fin Flagship III	2023	Global: All	0.19

Largest Distributions This Quarter

Fund	Vintage	Region	Amount ($M)

By Vintage

Group	Number	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	Exposure ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
2021	3	99.8	58.7	41.1	1.2	66.8	107.8	0.02	0.00	1.16	1.18	8.5	5.1
2022	1	5.0	5.1	0.0	1.3	4.4	4.5	0.25	0.00	1.13	1.15	3.5	7.3
2023	2	8.5	2.7	5.8	0.0	2.4	8.2	0.00	0.00	0.88	1.14	-13.5	10.5
2024	3	11.5	4.8	6.8	0.0	5.3	12.1	0.00	0.00	1.10	1.09	10.1	8.7
2026	1	5.0	0.0	5.0	0.0	0.0	5.0	0.00	0.00	NM	NM	NM	NM
Total	**10**	**129.8**	**71.3**	**58.6**	**2.4**	**78.9**	**137.6**	**0.03**	**NA**	**1.14**	**NA**	**7.5**	**NA**

1 Source: MSCI Private Assets
2 Source: MSCI Private Assets
3 Source: MSCI Private Assets

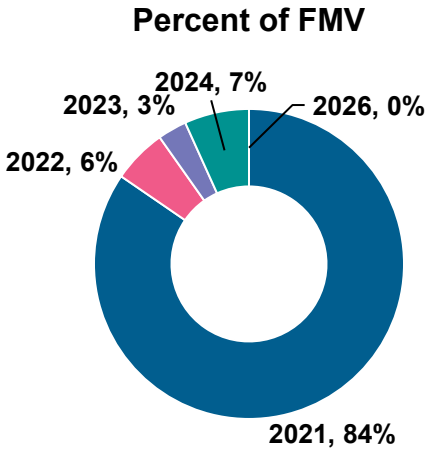
Investment Performance: Sorted By Vintage

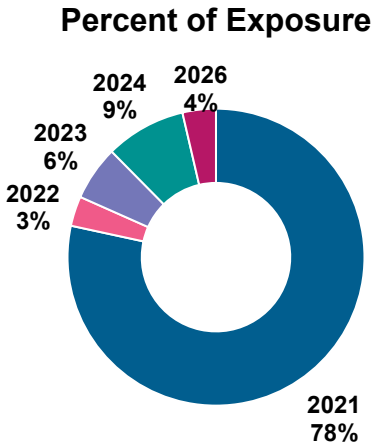
Investment	Vintage	Committed ($M)	Contributed ($M)	Unfunded ($M)	Distributed ($M)	Remaining Value ($M)	DPI (X)	Peer DPI[1] (X)	TVPI (X)	Peer TVPI[2] (X)	IRR (%)	Peer IRR[3] (%)
Innovation Endvr IV	2021	4.8	4.0	0.8	0.2	4.0	0.04	0.00	1.05	1.18	1.7	5.1
Soma Capital III	2021	5.0	4.7	0.3	0.0	6.8	0.00	0.00	1.44	1.18	15.0	5.1
Transpose Platform	2021	90.0	50.1	39.9	1.0	56.0	0.02	0.00	1.14	1.18	8.3	5.1
Fin VC Horizons II	2022	5.0	5.1	0.0	1.3	4.4	0.25	0.00	1.13	1.15	3.5	7.3
Crosslink X	2023	3.5	1.7	1.8	0.0	1.7	0.00	0.00	1.00	1.14	-0.1	10.5
Fin Flagship III	2023	5.0	1.0	4.0	0.0	0.7	0.00	0.00	0.68	1.14	-64.7	10.5
Crosslink End. II	2024	1.5	0.3	1.2	0.0	0.3	0.00	0.00	0.97	1.09	-2.6	8.7
Innovation Endvr V	2024	5.0	1.2	3.8	0.0	1.0	0.00	0.00	0.82	1.09	-14.5	8.7
Streamlined V	2024	5.0	3.3	1.8	0.0	4.0	0.00	0.00	1.22	1.09	24.4	8.7
Mighty Cap Fund III	2026	5.0	0.0	5.0	0.0	0.0	NM	NM	NM	NM	NM	NM
Total		**129.8**	**71.3**	**58.6**	**2.4**	**78.9**	**0.03**	**NA**	**1.14**	**NA**	**7.5**	**NA**

1 Source: MSCI Private Assets
2 Source: MSCI Private Assets
3 Source: MSCI Private Assets

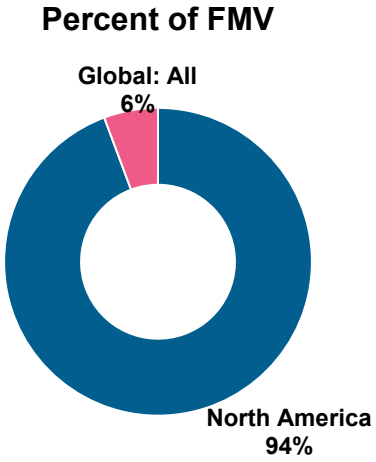
Fund Diversification | As of March 31, 2026

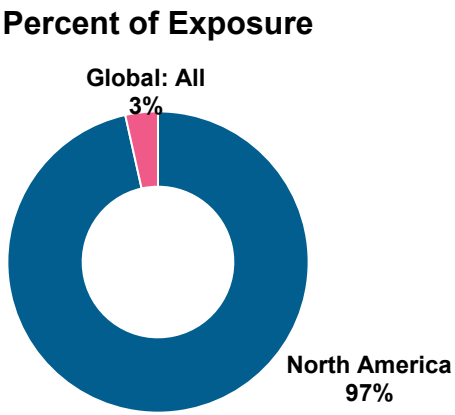
By Vintage



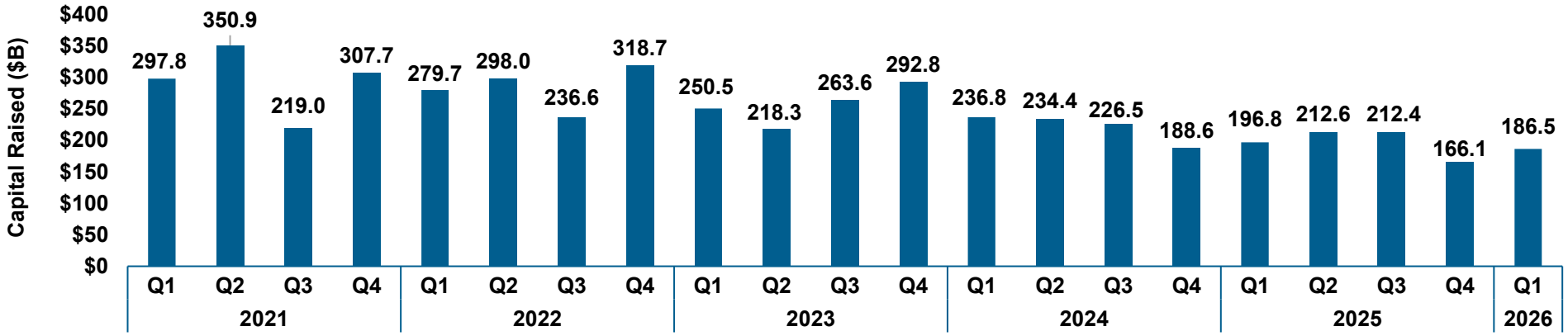


By Geographic Focus





Private Equity Global Fundraising[1]



Fundraising activity for private equity funds in the first quarter of 2026 increased by 12% quarter-over-quarter ("QoQ") but decreased by 5% year-over-year ("YoY") with $186.5 billion raised. The number of funds closed during the quarter fell 10% QoQ and 20% YoY, reflecting an ongoing trend toward manager consolidation and fund concentration.

As highlighted in recent quarters, slower deal and exit activity, particularly in primary markets, has resulted in reduced capital returned to investors, which continues to apply liquidity pressure on limited partners, limiting new fundraising efforts. Investors remain selective and conservative in deploying new capital.

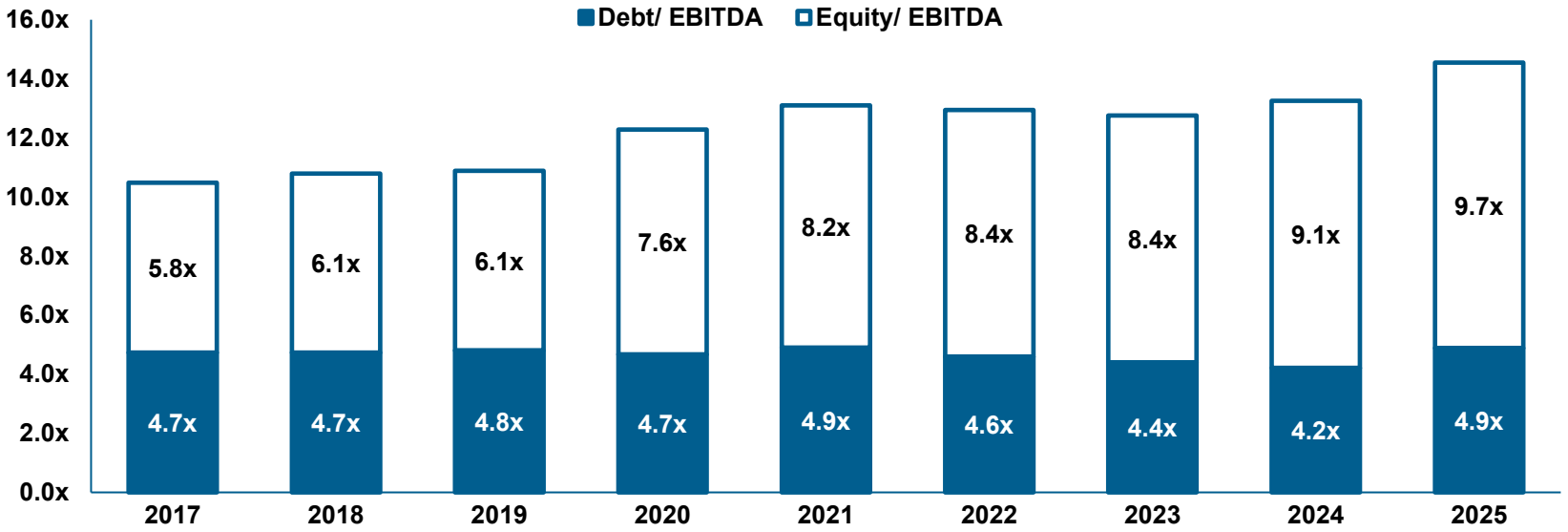
Deal activity (by number) was down 8% compared to the prior quarter while aggregate deal value was down 3%. Year-over-year, the number of deals was down 15% in the first quarter but deal value was up 4% compared to Q1 2025. Generally, deal activity in the software space has been muted amid concerns over AI disruption while the US/Iran conflict has further added to macroeconomic uncertainty for market participants.

Exit activity (by number) was down 2% compared to the prior quarter while the aggregate exit value was down 34%. Year-over-year, exit count and exit value were both down 16% compared to Q1 2025. These statistics reveal that today's exit environment still remains challenging as private equity holding periods continue to extend.

The Federal Reserve (the "Fed") last cut interest rates in December 2025 to a target range of 3.50% to 3.75%, which has held steady year-to-date in 2026. Persistent inflation and a resilient labor market have led to a more hawkish stance from the Fed, despite the recent leadership transition to Chair Kevin Warsh. Generally, market forecasters are split on future interest rate movements with some predicting rate increases later in the year rather than cuts. Private equity relies heavily on current interest rates, which tie directly to cost of capital and asset valuations. Valuation mismatches, macro uncertainty and volatility, and delayed interest rate cuts have continued to mute exit activity at large.

[1] Source: Preqin.

Purchase Price Breakdown, All LBOs[1]



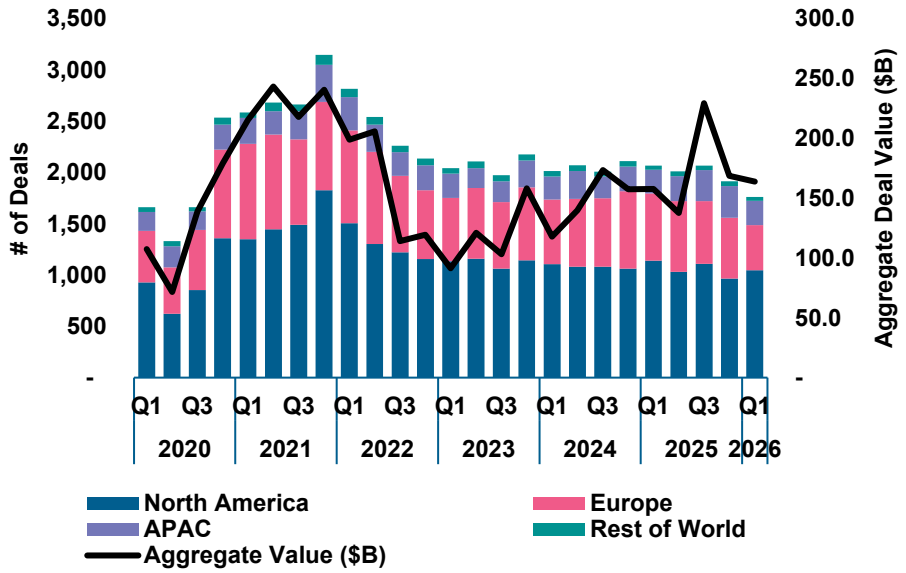
Compared to 2024, the global median private equity buyout purchase price multiple increased from 13.3x EBITDA to 14.6x EBITDA in 2025. This represents a 9.7% increase from 2024 relative to the 3.9% increase observed in 2024 from 2023.

Due to today's higher interest rate environment, recent deals, in aggregate, have been financed with more equity capital, as well. From 2023 through 2025, the median equity contribution ranged from 66-68%, compared to mid-50s% from 2017 to 2019. Investors' appetite for private equity co-investments have aided GPs in securing additional equity capital for deals.

Overall, the increase in purchase price multiples through 2025 shows resilience to the downward pressure of higher interest rates and sellers' resistance to exit deals at lower valuations despite the continued imbalance between expectations of buyers and sellers throughout the market.

[1] Source: Preqin, Transaction Intelligence. Data pulled on June 22, 2026.

Private Equity Buyout Deals by Region[1]



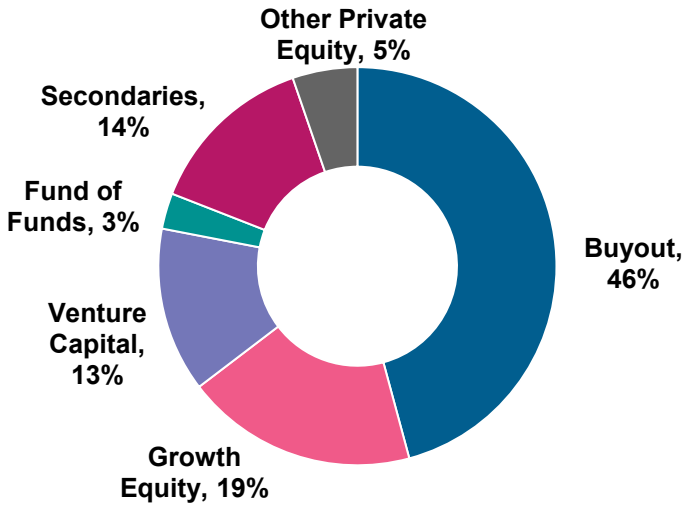
Deal volume has continued to trend downward since peak M&A activity in 2021. In Q1 2026, the number of buyout deals completed decreased by approximately 8% and 15% QoQ and YoY, respectively.

Aggregate deal value has also decreased since 2021 with a sharp drop in 2022 into H1 2023 before a slight rebound in late 2023 through 2025. After a decrease in deal value in H1 2025 following tariff announcements and related uncertainty, in Q3 2025, deal value jumped as several mega deals inflated aggregate deal value for the quarter. Aggregate deal value dropped 3% QoQ in the first quarter of 2026 but outpaced the average quarterly deal value over the past three years.

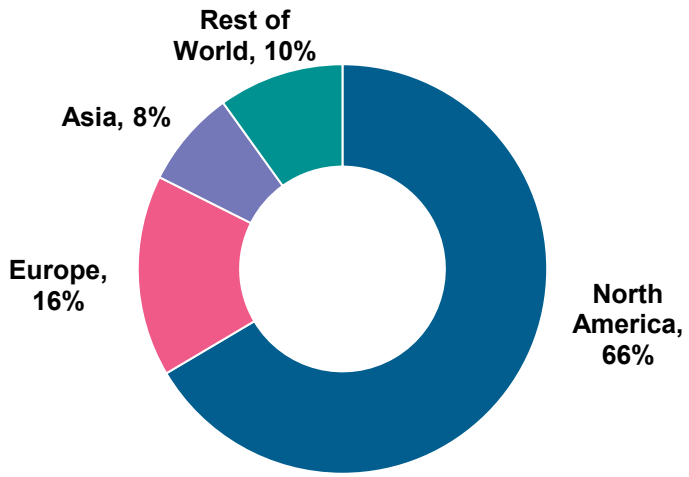
Year	Qtr	North America (#)	Europe (#)	APAC (#)	Rest of World (#)	Aggregate Value ($B)	Total # of Deals
2020	Q1	928	502	184	46	107.4	1,660
	Q2	622	452	207	49	71.6	1,330
	Q3	855	584	183	40	138.9	1,662
	Q4	1,360	862	245	68	179.2	2,535
2021	Q1	1,348	930	254	53	215.3	2,585
	Q2	1,447	923	226	85	243.3	2,681
	Q3	1,489	833	275	66	217.9	2,663
	Q4	1,826	861	362	96	240.7	3,145
2022	Q1	1,505	904	325	83	199.0	2,817
	Q2	1,303	897	265	75	205.8	2,540
	Q3	1,223	744	231	61	114.1	2,259
	Q4	1,156	672	242	67	119.4	2,137
2023	Q1	1,134	619	237	53	91.2	2,043
	Q2	1,160	689	192	67	121.1	2,108
	Q3	1,064	647	203	60	103.1	1,974
	Q4	1,145	709	264	59	158.3	2,177
2024	Q1	1,106	630	224	55	117.9	2,015
	Q2	1,080	663	271	55	139.7	2,069
	Q3	1,081	667	213	46	173.3	2,007
	Q4	1,063	753	242	54	157.4	2,112
2025	Q1	1,142	653	231	40	157.8	2,066
	Q2	1,031	690	243	46	137.5	2,010
	Q3	1,110	611	303	42	229.4	2,066
	Q4	966	592	309	48	168.6	1,915
2026	Q1	1,047	441	236	38	163.8	1,762

[1] Source: Preqin.

Capital Raised by Strategy[1]



Capital Raised by Geography[2]



Buyout (46% of all private equity capital raised) and Growth Equity (19%) represented the private equity sub-strategies with the most capital raised during the first quarter of 2026. Secondaries (14%) fundraising highlights the persistent muted exit environment which has constrained market liquidity and aided growth in the secondaries market, both for LPs (i.e., sale of fund interests) and GPs (i.e., continuation vehicles).

Compared to the prior quarter, fundraising by strategy remained relatively consistent with Growth Equity increasing the most from 9% to 19% of capital raised. Buyouts represented 53% of total capital raised in the prior quarter, followed by Venture Capital (15%) and Other Private Equity (11%).

North America-focused vehicles represented the majority of aggregate capital raised during the first quarter, representing 66% of total capital and 74% of the total number of funds closed. The share of commitments to Europe decreased quarter-over-quarter from 21% of capital raised (and 13% of funds closed) to 16% of capital raised (and 9% of funds closed) during the first quarter. Asia-focused funds accounted for approximately 8% of total capital raised, a slight decrease of 2% relative to the prior quarter.

Buyout and North America continue to represent the lion's share of private equity fundraising by strategy and geography, respectively. Growth Equity and Secondaries had strong relative fundraising totals during the first quarter of the year while Europe, Asia, and Rest of World collectively remained in line with the prior quarter.

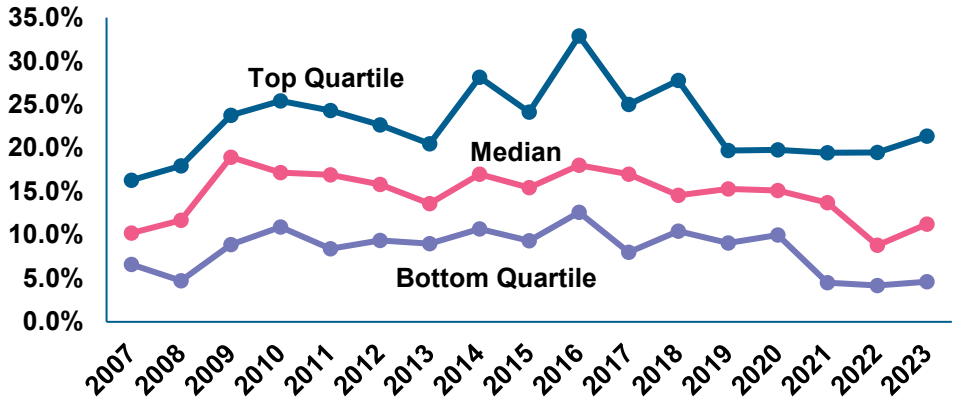
[1] Source: Preqin.
[2] Source: Preqin.

Private Equity Performance

Private Equity Performance by Horizon[1]

Horizon	Private Equity (%)	Buyout (%)	Venture Capital (%)	Growth Equity (%)
1 Year to 12/2025	9.6	7.7	23.9	12.3
3 Years to 12/2025	7.4	7.6	5.6	8.7
5 Years to 12/2025	11.3	11.7	8.1	10.0
10 Years to 12/2025	13.5	14.1	11.3	13.5

Private Equity Performance by Vintage Year[2]



As of December 31, 2025, one-year private equity returns increased from the prior quarter, generating a 9.6% IRR over the trailing 12 months through Q4 2025. This compares to the trailing 12-month return of 8.6% as of Q3 2025 and a one-year return of 6.6% at Q4 2024. Overall, private equity returns have proven resilient but remain below the highs of recent years, as evidenced by the trailing 3-year return across each sub-strategy.

In general, performance has been strong in each vintage year since the Global Financial Crisis although private equity returns have declined since 2019. Buyout, Venture, and Growth funds have all generally performed well over the various time horizons on an absolute basis, with Buyout outperforming both Growth and Venture funds across longer time periods as of Q4 2025.

The spread between first and third quartile performance in private equity has increased slightly since the Global Financial Crisis and averaged approximately 14.5% through 2023 vintage funds, supporting the importance of manager selection when allocating to the asset class. Additionally, private equity returns have declined slightly since the late 2010s with top quartile returns dipping below 20% net IRR across 2019 through 2022 vintage funds, in part due to the higher cost of leverage and a decline in asset values from their peak in the early 2020s.

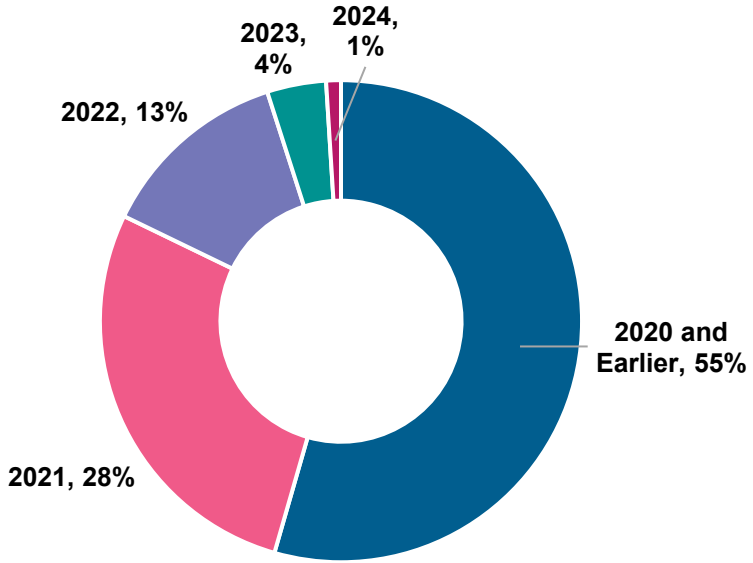
Deals remain competitive, keeping multiples high. Higher debt costs make it more difficult to capture value through leverage. A consistent, differentiated value creation model and clear strategies for maintaining growth and performance over the long term are more important than ever.

[1] Source: Preqin Indices Private Equity Quarterly Performance through December 31, 2025. Data as of March 31, 2026, is not yet available.
[2] Source: Preqin, Private Equity – All, Quartile Returns as of March 31, 2026. Data pulled on June 22, 2026.

Private Credit: Market Environment Headlines

Negative private credit headlines during the first quarter garnered significant attention, mostly relating to retail flows in vehicles focused on the mass affluent and/or software.

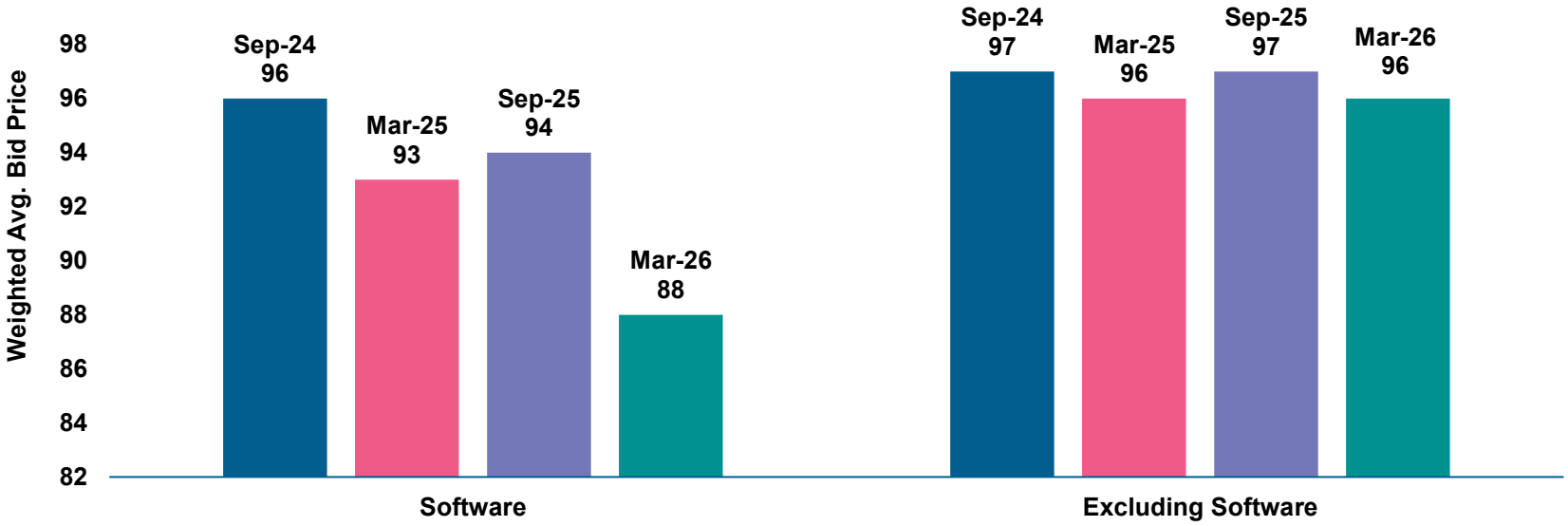
Percent of Historical Defaults by Vintage



Vintage year differences are pronounced with deals in 2021 and early 2022 experiencing more stress compared to other recent vintages. Businesses in these cohorts have been the most impacted by the change in interest rates with limited time for EBITDA growth.[1] Across vintages, drivers of selective defaults include conversion from cash to PIK interest, debt maturity extensions, and deferrals of principal or interest obligations.

[1] Source: S&P Global.

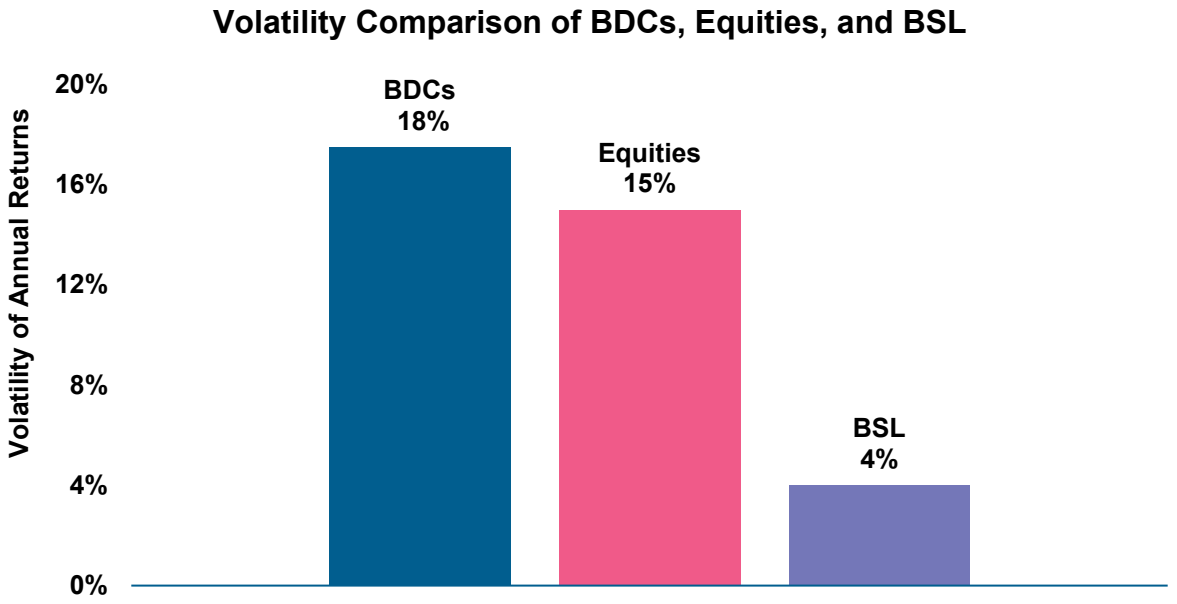
Private Credit: Market Environment Headlines (continued)



The weighted average bid of US leveraged loans continued to fall through March before rebounding modestly. Chart 2 below details how software, which makes up 13% of the index, was the main driver of the decline through Q1 2026.[1]

[1] Source: Pitchbook | LCD; Morningstar LSTA US Leveraged Loan Index.

Private Credit: Market Environment Headlines (continued)

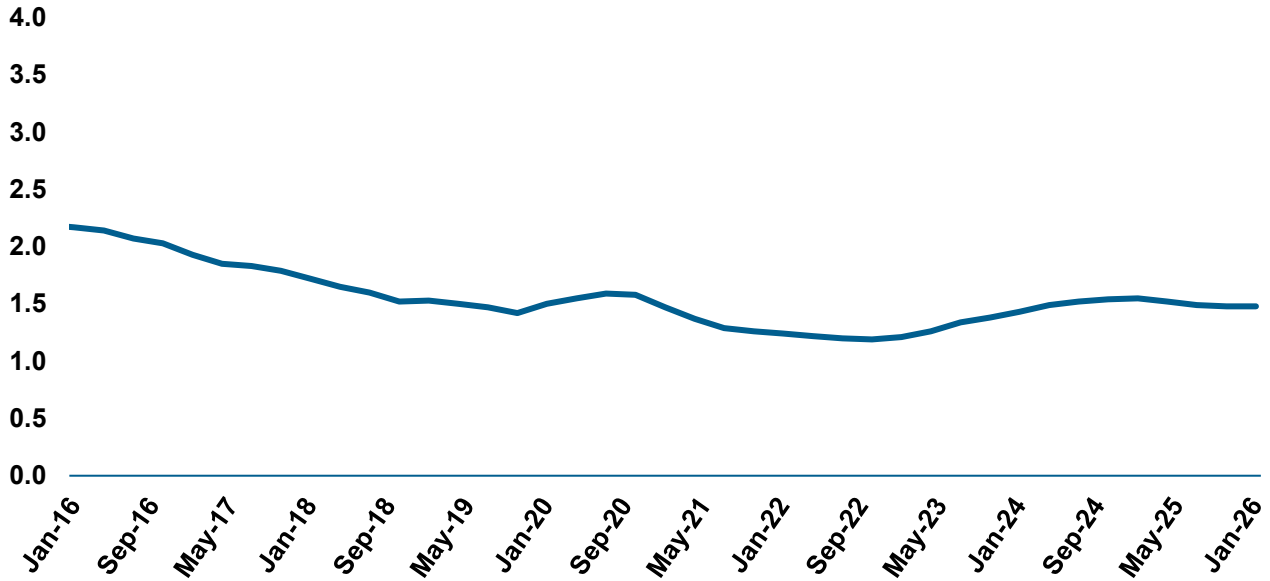


Publicly traded BDCs have experienced significant recent volatility, with most trading below book value. Long-term public BDCs have a higher volatility than equities and the BSL market and generally are a better proxy for financial stocks than direct lending.[1]

1 S&P Global (BDCs), MSCI World (Equities), LSTA (BSL). Volatility of annual returns 2016-2025.

Private Credit: Special Situations

Delinquency Rate All Loans; All Commercial Banks

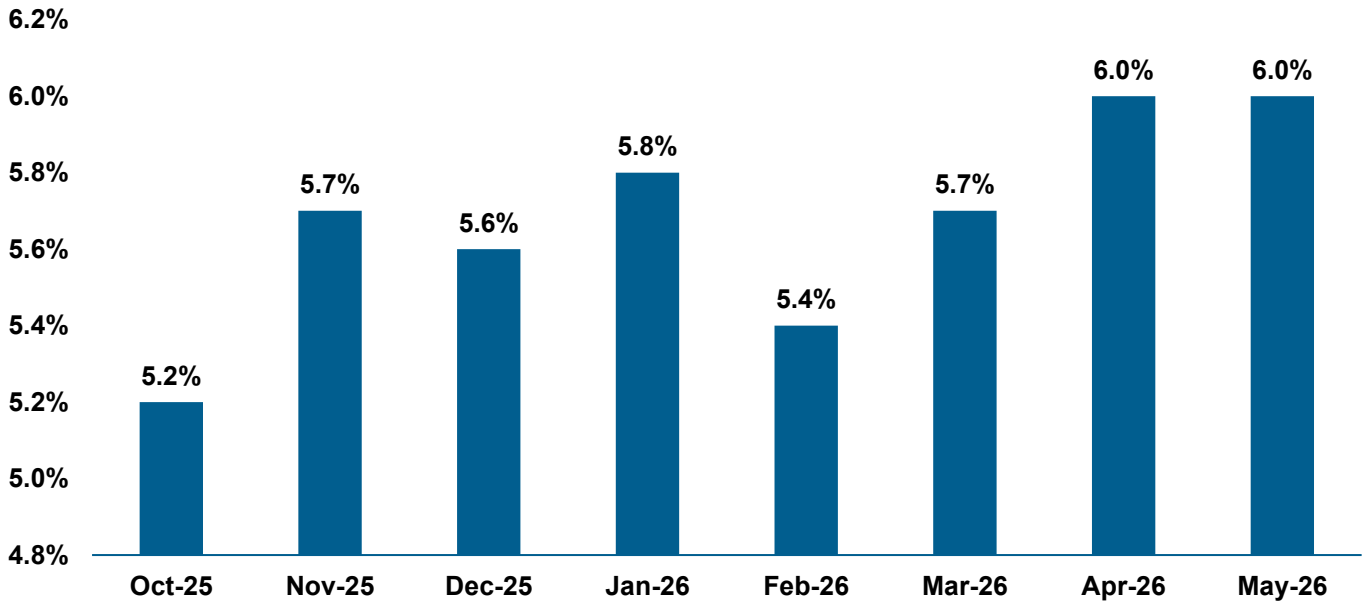


According to the Senior Loan Officers Survey, banks remained cautious in business lending during the first quarter of 2026. Demand for commercial and industrial loans (C&I) was largely unchanged although larger banks noted weaker demand from small businesses. Reasons for the cautionary stance included economic uncertainty, low risk tolerance and industry specific risks. In real estate lending, demand across office, retail, industrial and multi-family was largely unchanged. The moderate easing trend in lending standards for commercial real estate (CRE) continued in the first quarter.[1]

1 FRED: Senior Loan Officers Opinion Survey (Apr-2026)

Private Credit: Special Situations (continued)

Fitch Private Credit Default Rate (Rolling 12-Month)



The Fitch Private Credit Default Rate (PCDR) hit 6.0% in April and May 2026. Defaults tended to be weighted towards smaller issuers as 55% of unique defaulters had EBITDA of less than $25 million. Industrial and manufacturing sector default rate (10.3%) surpassed the consumer products sector. Interestingly, software was the sector with the lowest PCDR default rate (2.2%).[1,2]

1 Fitch Ratings, Non-Rating Action Commentary (June 15, 2026).
2 The PCDR includes distressed exchanges and PIK toggles, this makes it a "harder" measure than many bank published indicators of default rates

Private Credit: Special Situations (continued)

ICE BofA (CCC & Lower) Option Adjusted Spread

Credit spreads for the lowest quality borrowers (CCC and below) widened in Q1 2026 before reversing course to historical medians reflecting the resiliency of credit markets.[1]

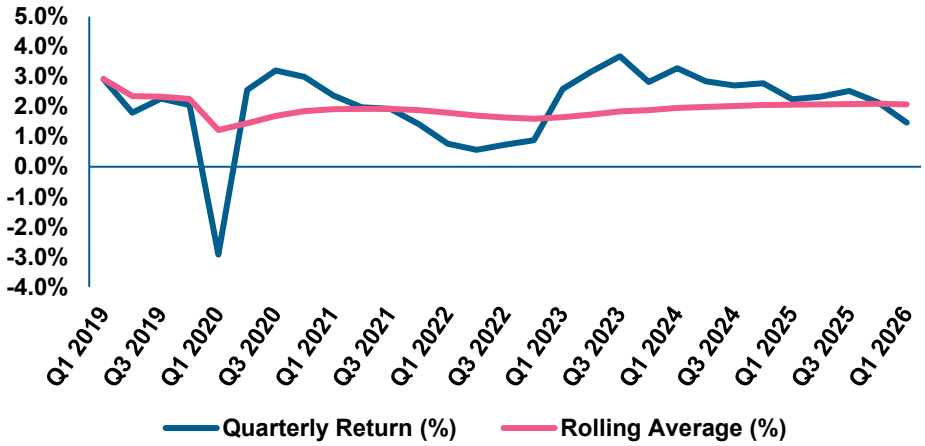
[1] Federal Reserve Bank of St. Louis (FRED), ICE BofA CCC & Lower US High Yield Index Option-Adjusted Spread (BAMLH0A3HYC).

Private Credit: Direct Lending

Indicative Financing Terms – US Private Debt Market[1]

	Q4 2021	Q4 2022	May 2026
Leverage	7.0x to 7.5x	4.75x to 5.75x	5.0x to 6.5x
3M SOFR	0.1%	4.1%	3.7%
Floor	1.0%	1.0%	1.0%
Spread	5.0-5.75%	6.0-7.0%	5.0-6.0%
OID	1-2%	2-3%	1.5-2%
Market Indicative Return	**6.3-7.4%**	**10.8-12.1%**	**9.2-10.4%**

Lincoln Senior Debt Index – Quarterly Returns[2]



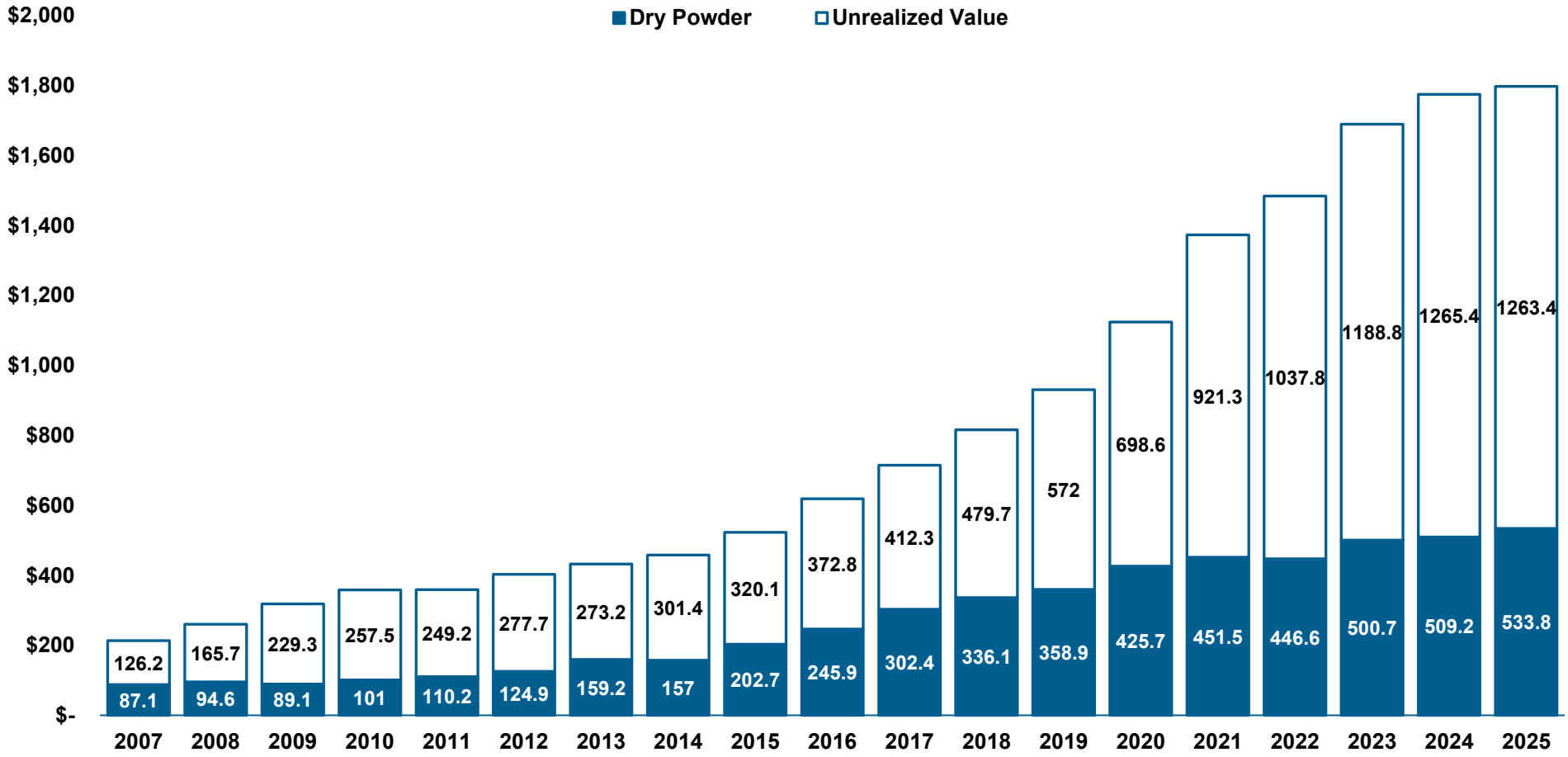
As measured by the Lincoln Senior Debt Index, which tracks the fair market value of 1,600+ middle market, direct lending credit investments across the US and Europe, quarterly returns have averaged 2.1% (8.3% annualized) since 2019. In Q1 2026, the LSDI generated a 1.5% quarterly return, its lowest 3-month return since Q4 2022 and an ~80 basis points decline compared to the average quarterly return in 2025.

Since 2024, leverage multiples and loan-to-value (LTV) at entry for US buyouts have declined slightly, highlighting increased market conservatism; however, leverage metrics are higher and interest coverage ratios are lower on more dated holdings due to higher interest rate burdens.[3,4]

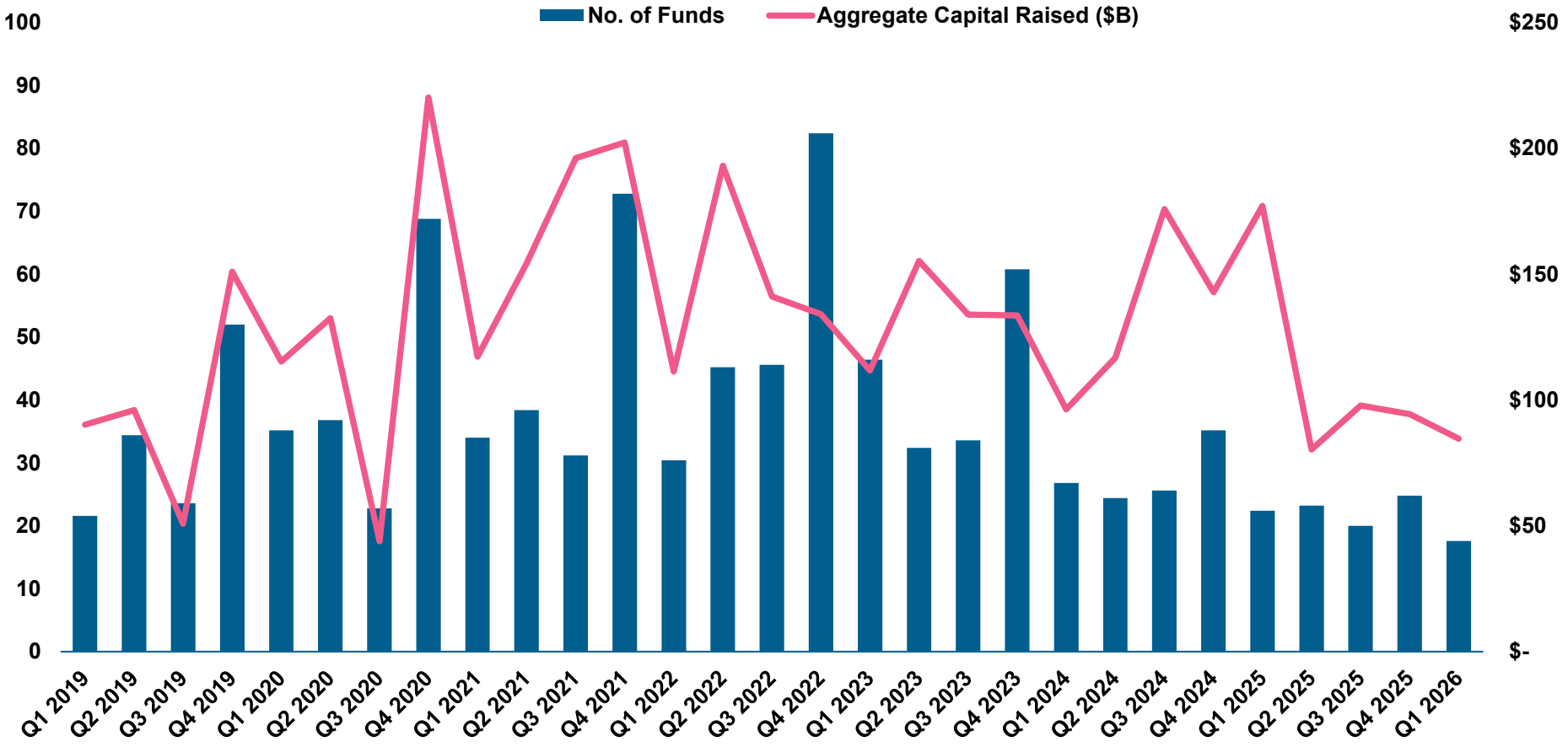
Core middle market direct lending spreads in today's market typically range from 500 to 600 basis points over SOFR, a modest widening of 50 to 100 basis points since late 2025. Software deals, amid fears over AI disruption, are pricing wider, but deal flow is muted.

1 Source: Lincoln International.
2 Lincoln Senior Debt Index, Quarterly Returns through March 31, 2026.
3 Source: Pitchbook.
4 Source: LSEG Data and Analytics.

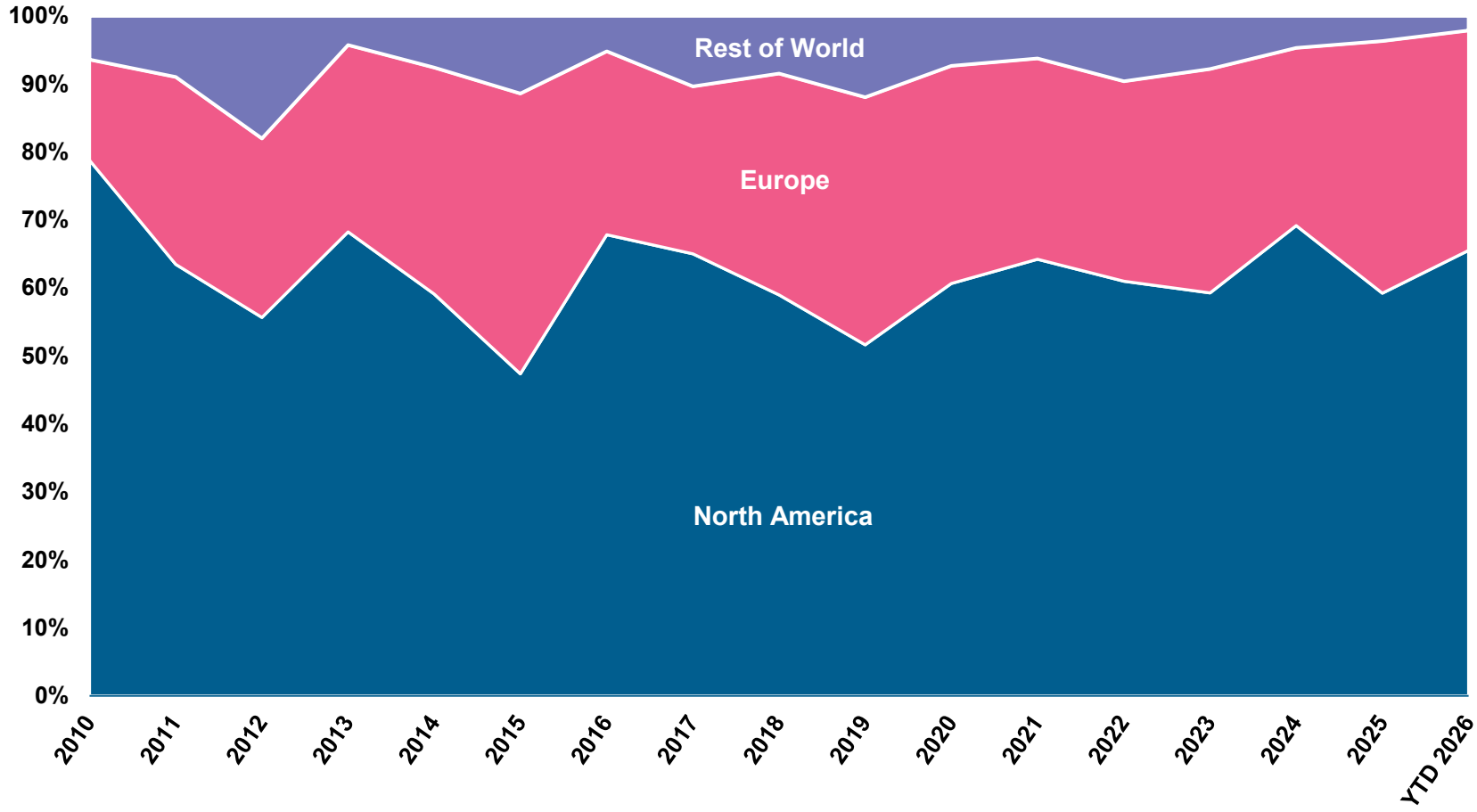
Global Private Debt AUM, as of September 2025 ($B)



Global Private Debt Fundraising



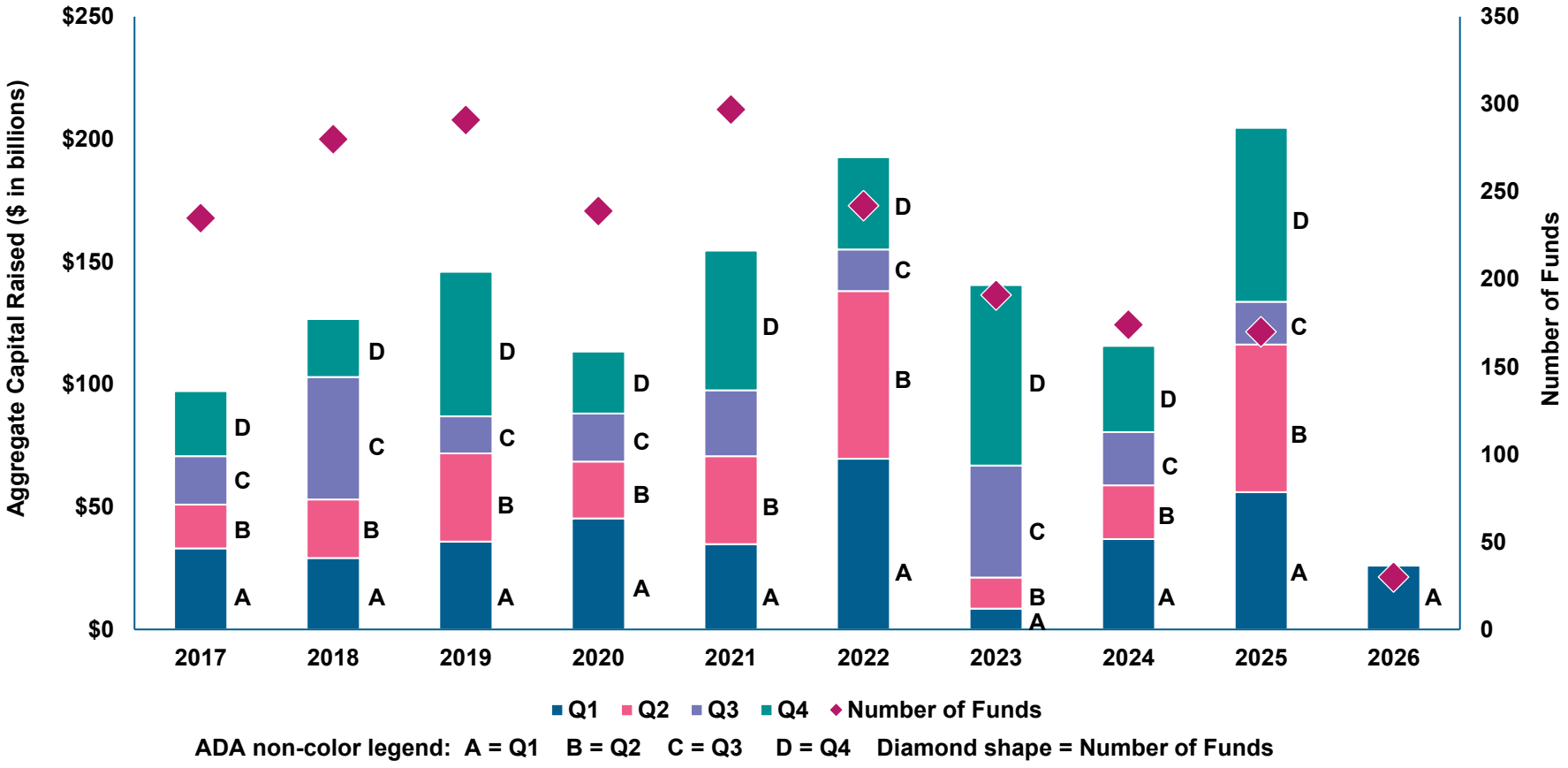
Global Private Debt Fundraising, by Primary Region



Global Private Debt Fundraising, by Fund Strategy

	Direct Lending ($B)	Mezzanine ($B)	Special Situations ($B)	Distressed Debt ($B)	Fund of Funds ($B)	Venture Debt ($B)
2010	8.49	10.78	3.00	22.31	0.05	0.26
2011	5.31	11.38	8.47	14.95	0.46	1.53
2012	10.68	14.10	15.59	21.44	0.68	0.13
2013	23.10	15.03	9.90	22.98	0.20	1.81
2014	30.24	9.75	18.08	13.17	0.66	0.29
2015	50.19	22.52	11.92	26.00	1.16	2.24
2016	41.90	31.25	20.25	31.49	1.81	1.09
2017	68.05	13.05	29.57	19.77	2.12	3.74
2018	77.55	28.53	19.39	20.81	1.52	0.38
2019	95.52	9.40	28.26	20.74	1.38	2.47
2020	80.06	30.25	37.86	52.43	3.24	0.91
2021	168.40	18.43	30.36	44.09	4.88	1.81
2022	154.16	29.69	34.83	7.82	2.43	3.16
2023	116.36	39.93	28.68	21.65	4.63	2.96
2024	159.57	8.92	29.61	11.47	1.16	1.37
2025	114.31	11.22	20.88	26.31	5.72	1.44
YTD 2026	95.63	17.82	16.25	5.86	0.07	0.50

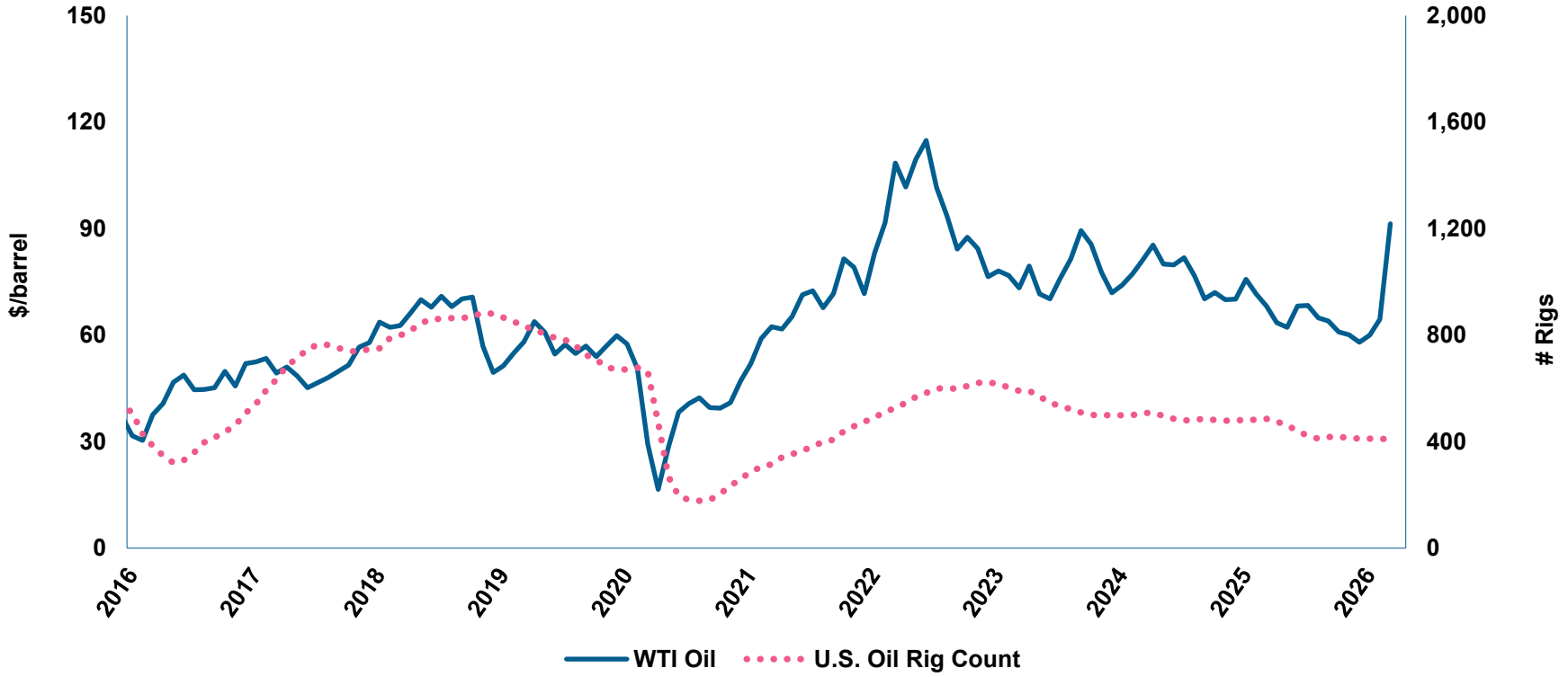
Global Quarterly Unlisted Natural Resources Fundraising[1]



Approximately $26.1 billion was raised during the first quarter of 2026 across 30 natural resources funds with an average fund size of approximately $1.0 billion of commitments. Fundraising for 2026 is starting off relatively slower than the prior year which had its strongest capital raising year in the past decade.

[1] Source: Preqin Private Capital Fundraising Update, as of June 30, 2026.

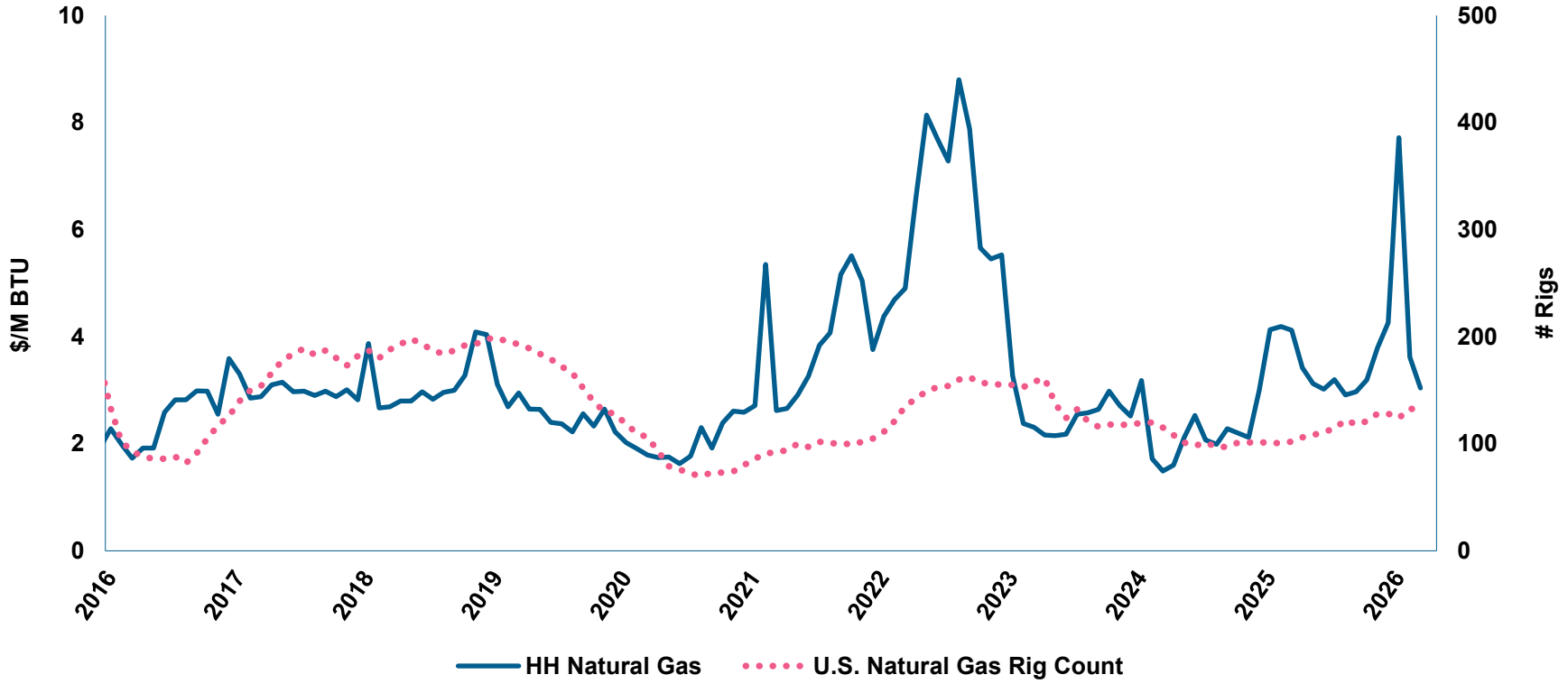
Oil Price vs. Active US Rigs[1]



During the quarter, oil prices increased significantly as escalating geopolitical tensions in the Middle East raised concerns of seaborne oil supply disruptions through the Strait of Hormuz, a waterway that transits approximately 20% of global oil. WTI prices increased by 58% to approximately $91 per barrel, while Brent prices rose by 65% to approximately $103 per barrel. Despite the increase in prices, the US rig count only increased by one, demonstrating industry spending discipline and expectations that the price increases may be short lived. US oil production was approximately 13.7 million BOEPD in March, just shy of the record set in October 2025. Gasoline prices for regular blend in the US increased by 26% during the quarter to an average of $3.96 per gallon.

[1] Source: EIA and Baker Hughes.

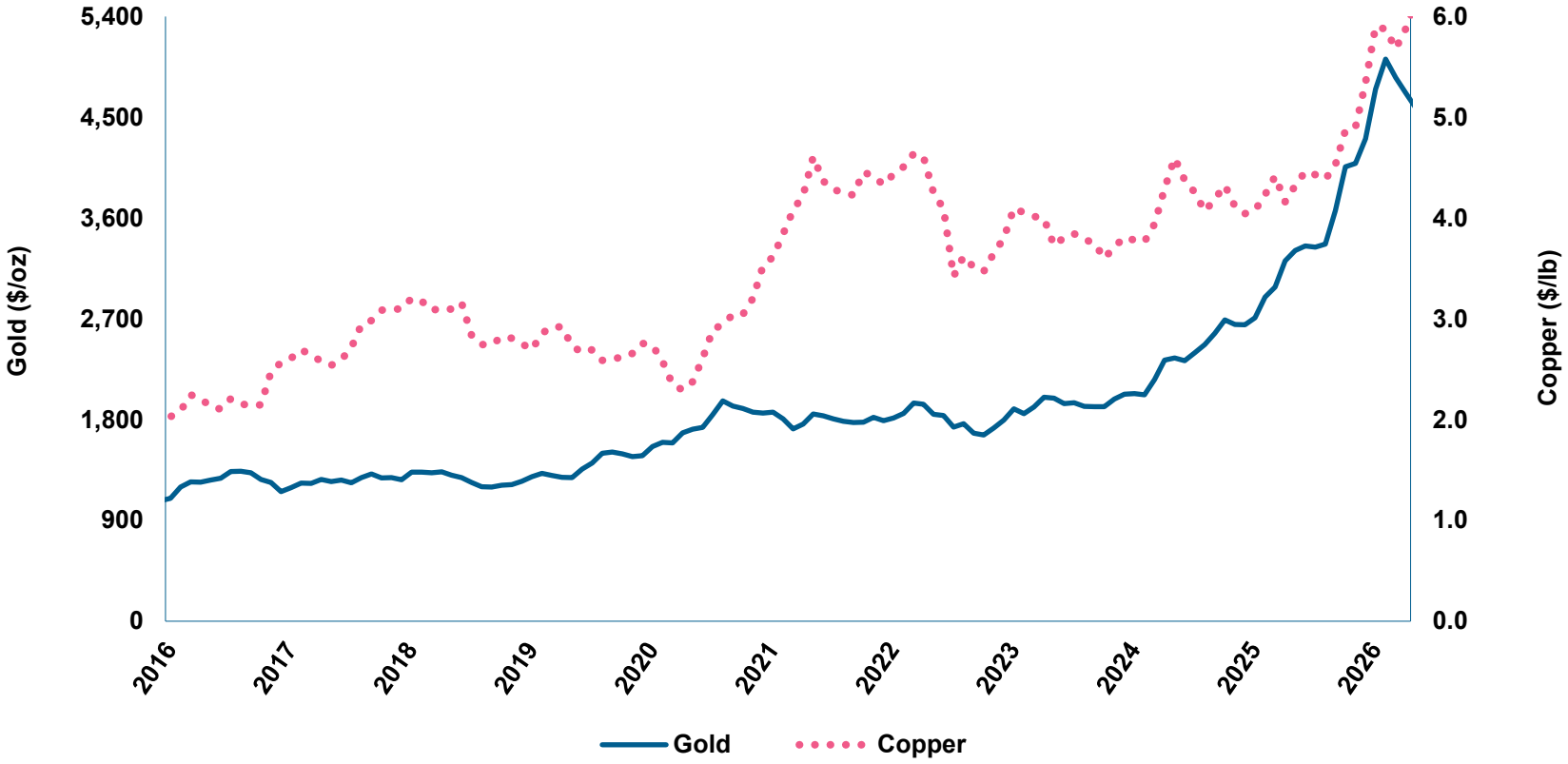
Natural Gas Price vs. Active US Rigs[1]



Domestic Henry Hub natural gas prices decreased by 29% largely driven by record US production, seasonality, and relatively mild late-winter weather. While US prices weakened, geopolitical tensions in the Middle East caused a spike in European and Asian LNG benchmark prices. With domestic LNG export capacity ramping up in the coming years, the US is well positioned to be a reliable LNG supplier capable of serving the global markets. Three natural gas rigs were added during the quarter, which brought the total to 131. Natural gas production in March was approximately 126.3 billion cubic feet per day, just below the record set in December 2025.

[1] Source: EIA and Baker Hughes.

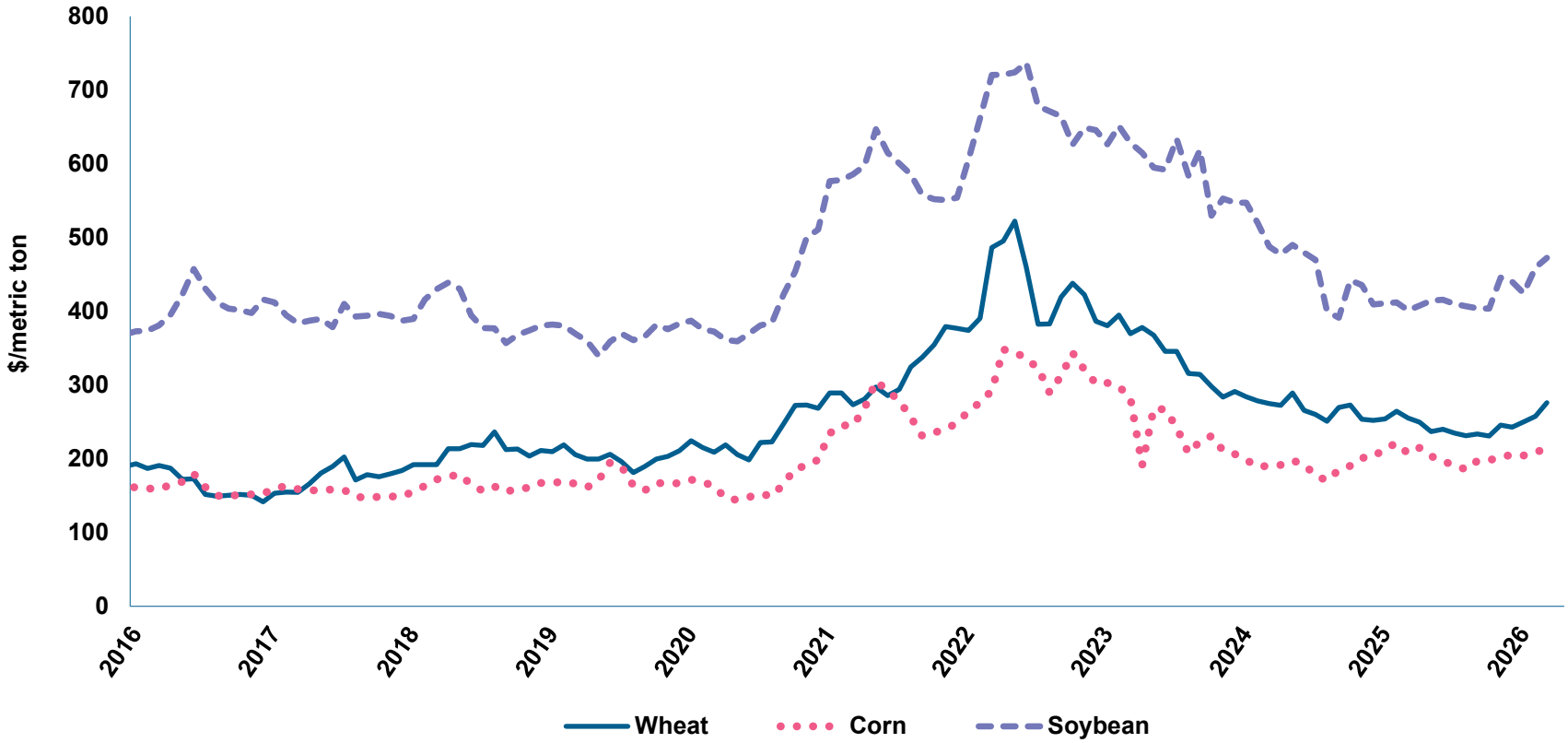
Metals Prices[1]



Gold prices reached record highs during the quarter as investors sought safe-haven assets amid geopolitical uncertainty, tariff-related concerns, and continued central bank purchases. Copper prices also increased during the quarter from strong demand from electrification, grid modernization, AI data center demand, and renewable energy infrastructure. Gold prices increased by 13% to end the quarter at $4,856 per ounce, while copper prices increased by 6% to $5.68 per pound.

[1] Source: World Bank.

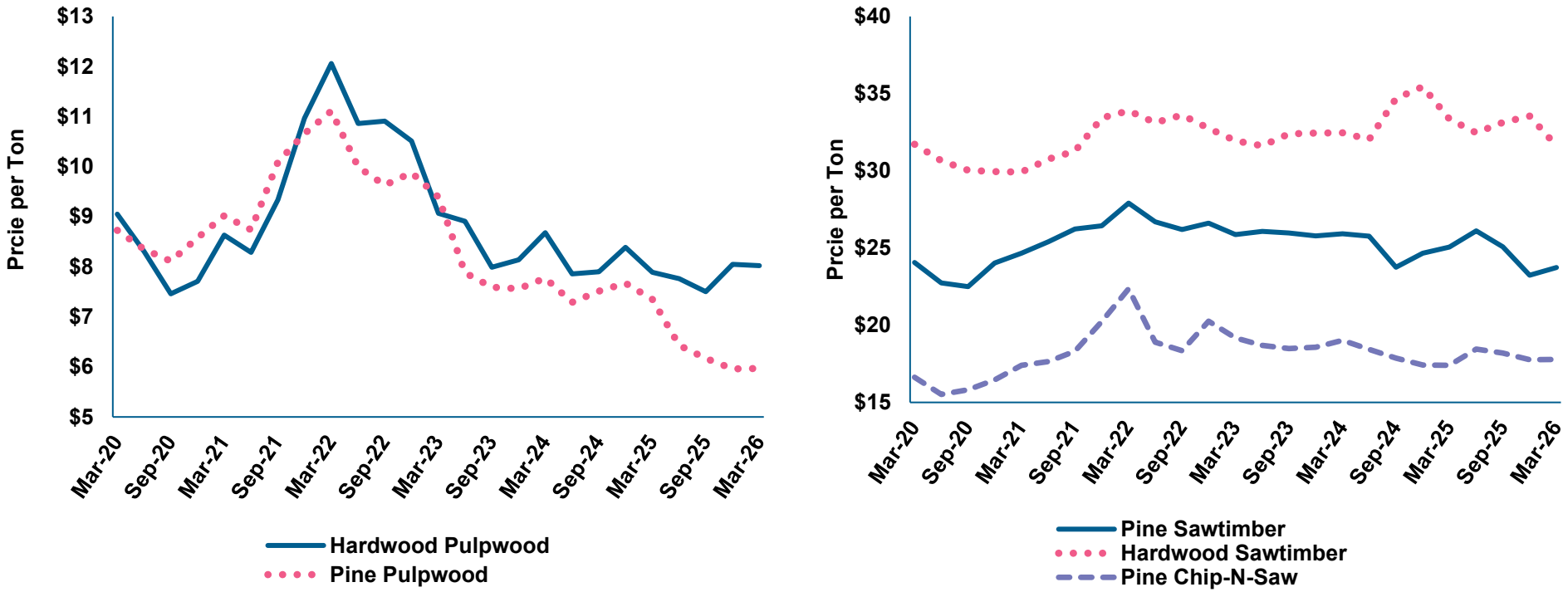
Wheat, Corn, and Soybean[1]



Wheat, corn, and soybean prices increased by 14%, 3%, and 7% during the quarter, respectively. Wheat prices benefited tightening global stocks and uncertainty from Black Sea exports. Corn and soybeans were influenced by weather-related concerns in Argentina and Brazil. Following a modest purchase agreement between China and the US for soybeans in Q4 2025, there is optimism of defusing trade tensions between the two countries and expanding agricultural trade. The NCREIF Farmland index returned -0.2% during the quarter, with income returns of 0.5% offsetting asset depreciation of 0.7%.

[1] Source: World Bank and NCREIF.

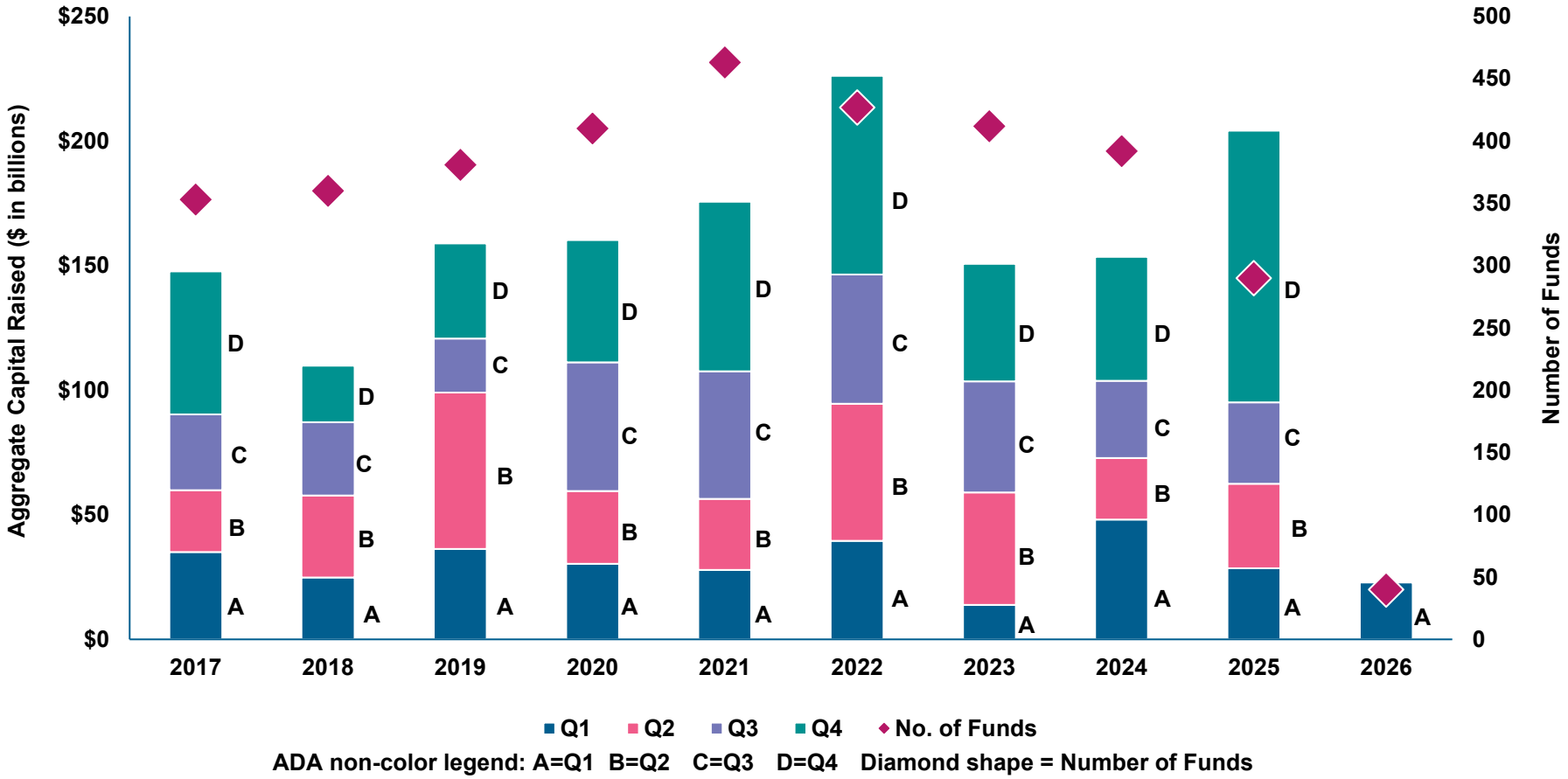
US South Timber Prices[1]



US South average timber prices have continued to remain depressed for pulpwood and relatively flat for sawtimber. Hardwood pulpwood prices decreased 0.4% while pine pulpwood prices increased by 0.2%. Over the past year, pine pulpwood is down 18.8%. Sawtimber prices decreased by 5.8% for hardwoods and increased 2.2% for softwoods, while pine chip-n-saw prices were up 0.2%. The NCREIF Timberland index increased by 1.1% during the first quarter, driven by appreciation returns of 0.8% and income returns of 0.4%.

[1] Source: Bloomberg, NCREIF, and TimberMart South.

Global Quarterly Unlisted Infrastructure Fundraising[1]

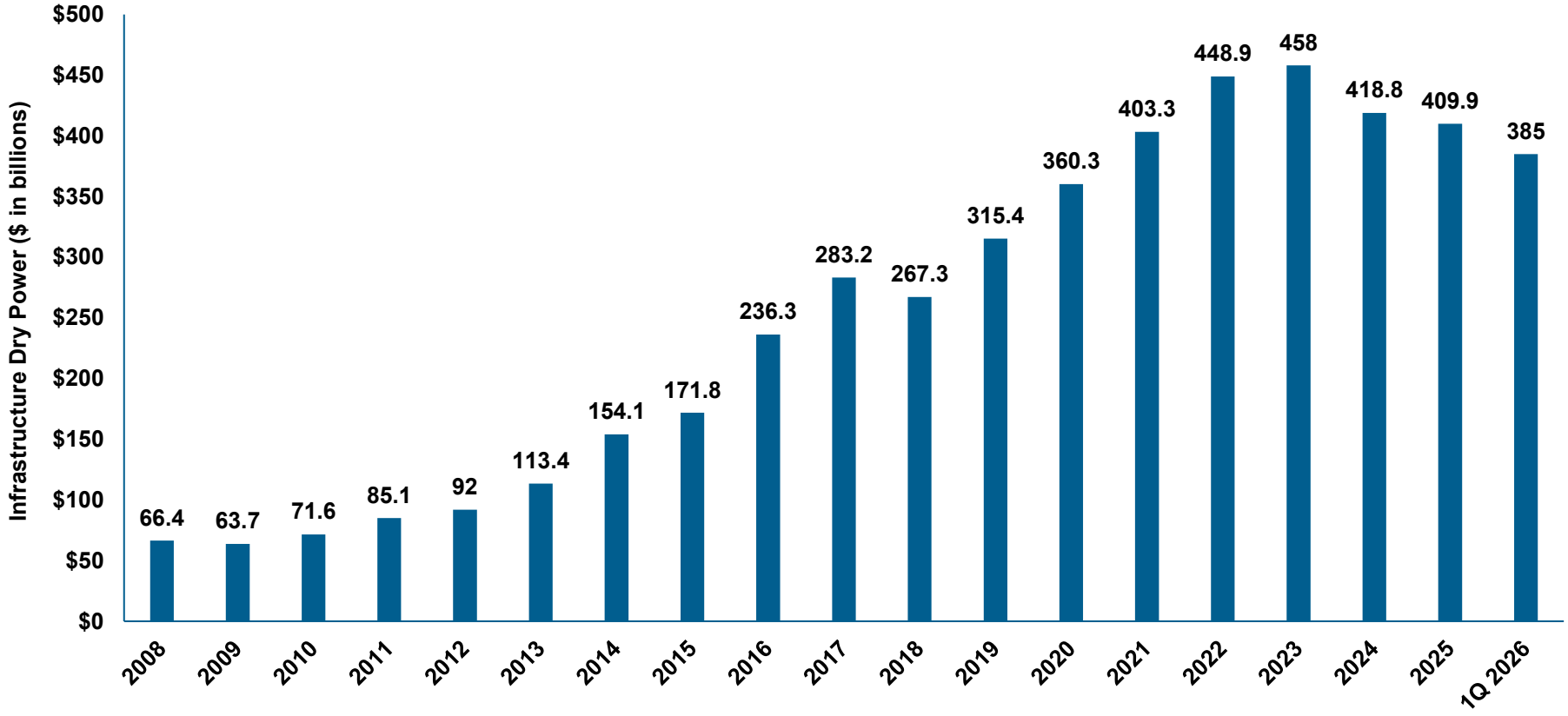


ADA non-color legend: A=Q1 B=Q2 C=Q3 D=Q4 Diamond shape = Number of Funds

After a strong fourth quarter 2025 that saw infrastructure managers raise over $100 billion in capital, the first quarter brought in just $22 billion in interim closes. The first quarter was about half the average quarterly fundraising total over the past nine+ years across 40 infrastructure funds.

[1] Source: Preqin 1Q 2026.

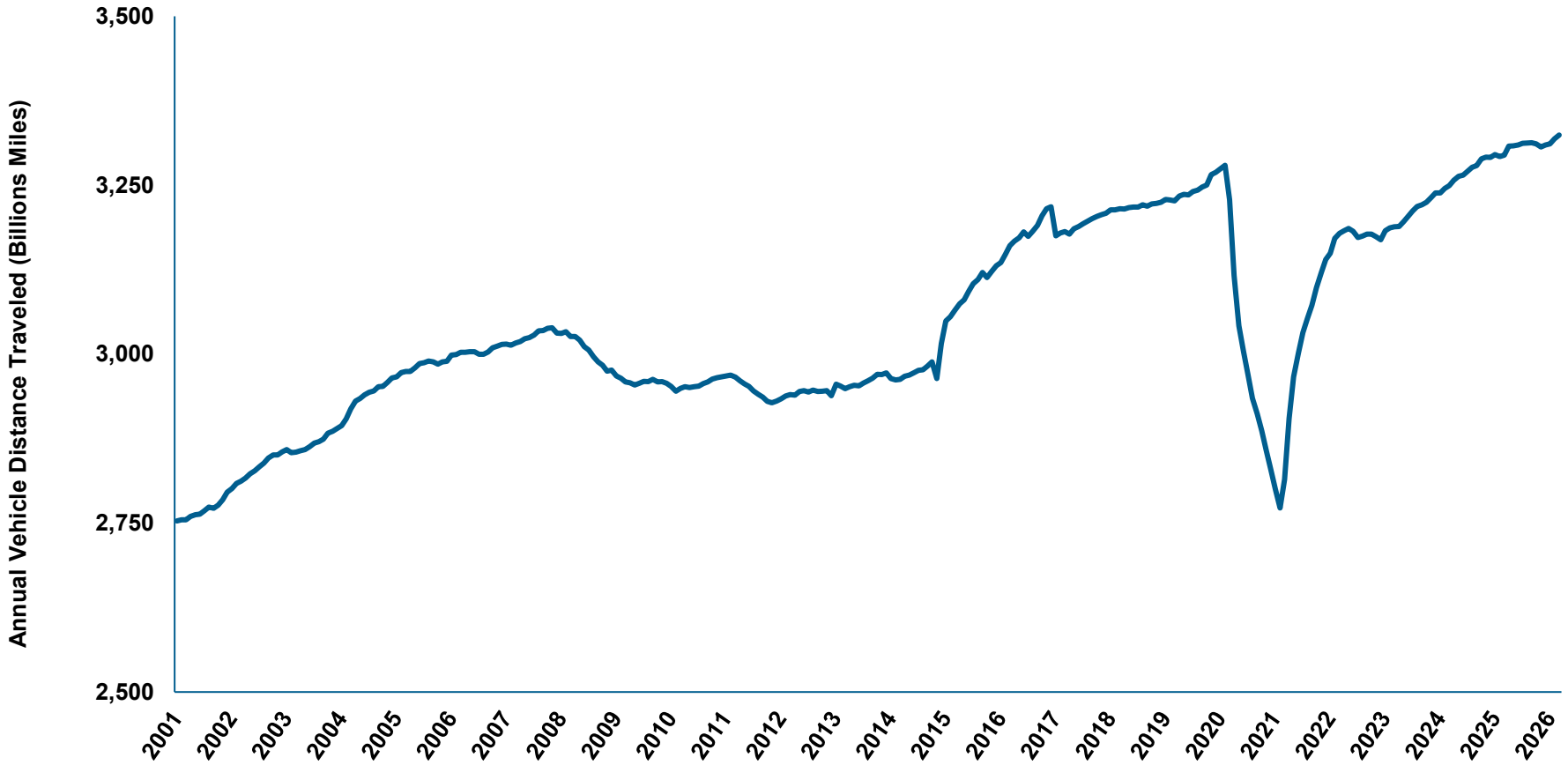
Global Infrastructure Dry Powder[1]



After reaching a peak of over $450 billion in 2023, the available infrastructure dry powder has steadily decreased to $385 billion as of the end of 1Q 2026. The dry powder includes $88 billion in core infrastructure funds and the remainder in non-core offerings.

[1] Source: Preqin Dry Powder downloaded June 2026.

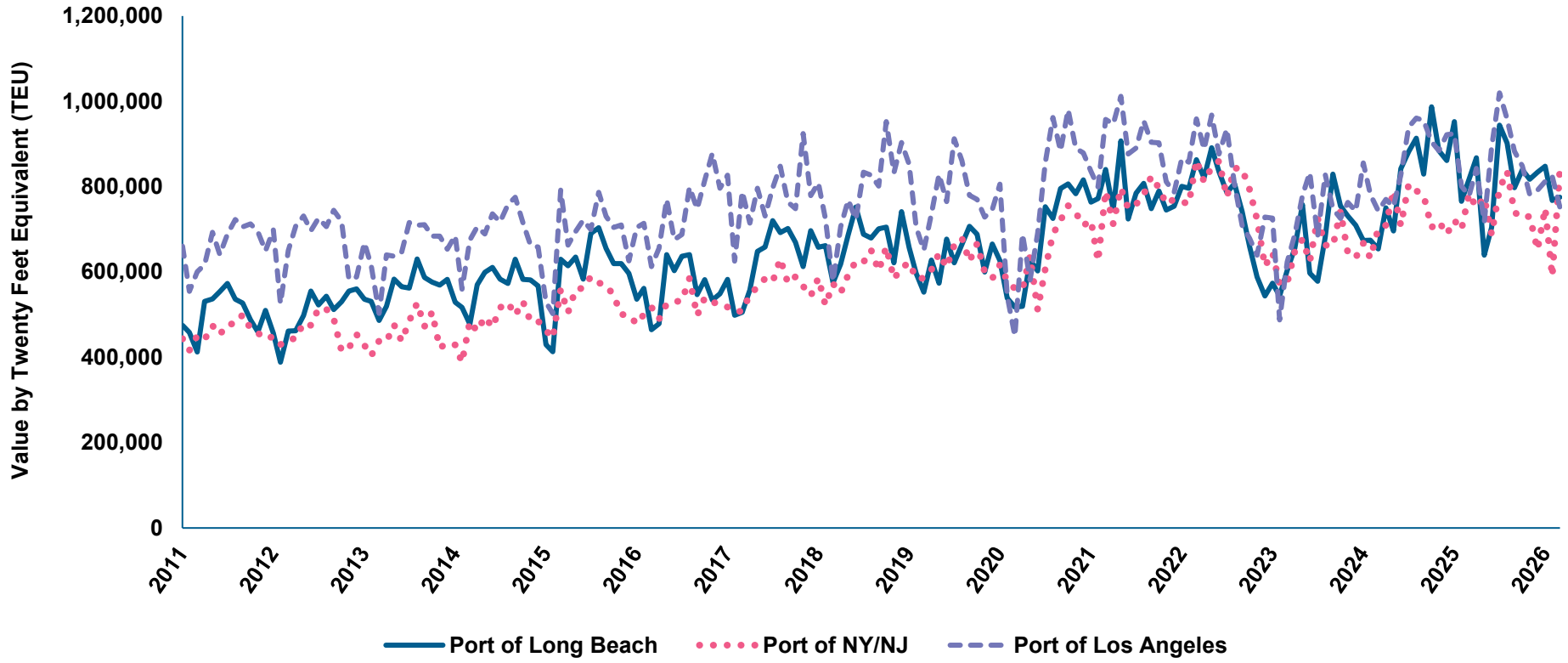
Trailing 12-month Annual Vehicle Miles on All US Roads[1]



The first quarter continued the steady increase in the annual vehicle miles on US roads setting a new 12-month peak of 3,324 billion miles. The first quarter total miles of 781 billion miles represented an increase of 1.9% over the same period in 2025.

[1] Source: US Department of Transportation, Federal Highway Administration: Office of Highway Policy Information.

US Port Activity – Container Trade in TEUs[1]

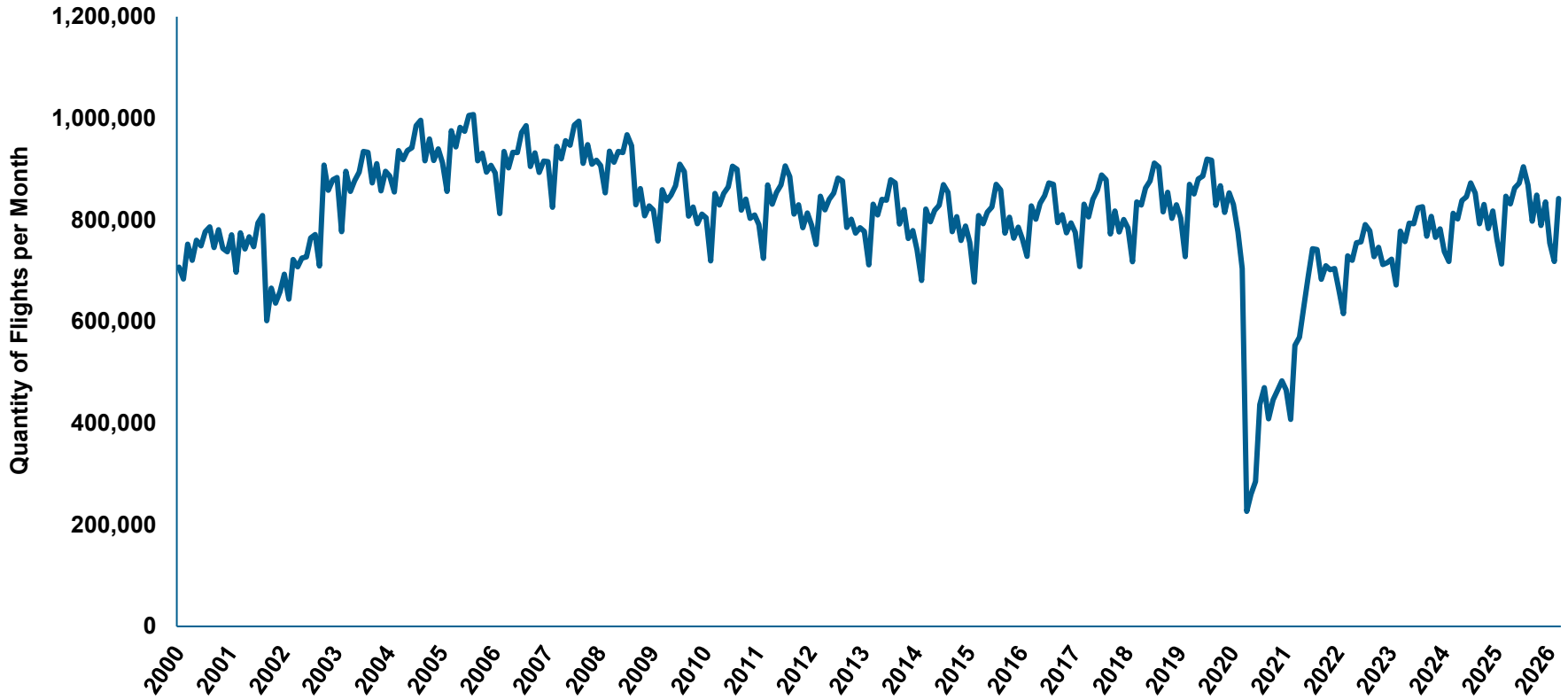


The chart presents the top three US ports by container volume, as measured by twenty-foot equivalent units (TEU). Activity at the three ports provides a high-level representation of the volume at US ports more broadly.

During the first quarter, volumes across the three ports decreased relative to the same period last year. On a year-over-year basis, the combined port volumes decreased by 0.8 million TEUs, or 3%, over the prior 12-month period. The Port of Long Beach recorded an decrease of 4% (0.4 million TEUs), the Port of NY/NJ reported an decrease of 0.3% (0.03 million TEU), and the Port of Los Angeles recorded a decrease of 3% (0.3 million TEUs) over the prior 12 months.

[1] Source: www.polb.com, www.panynj.gov, and www.portoflosangeles.org.

Total US Domestic and International Flights[1]

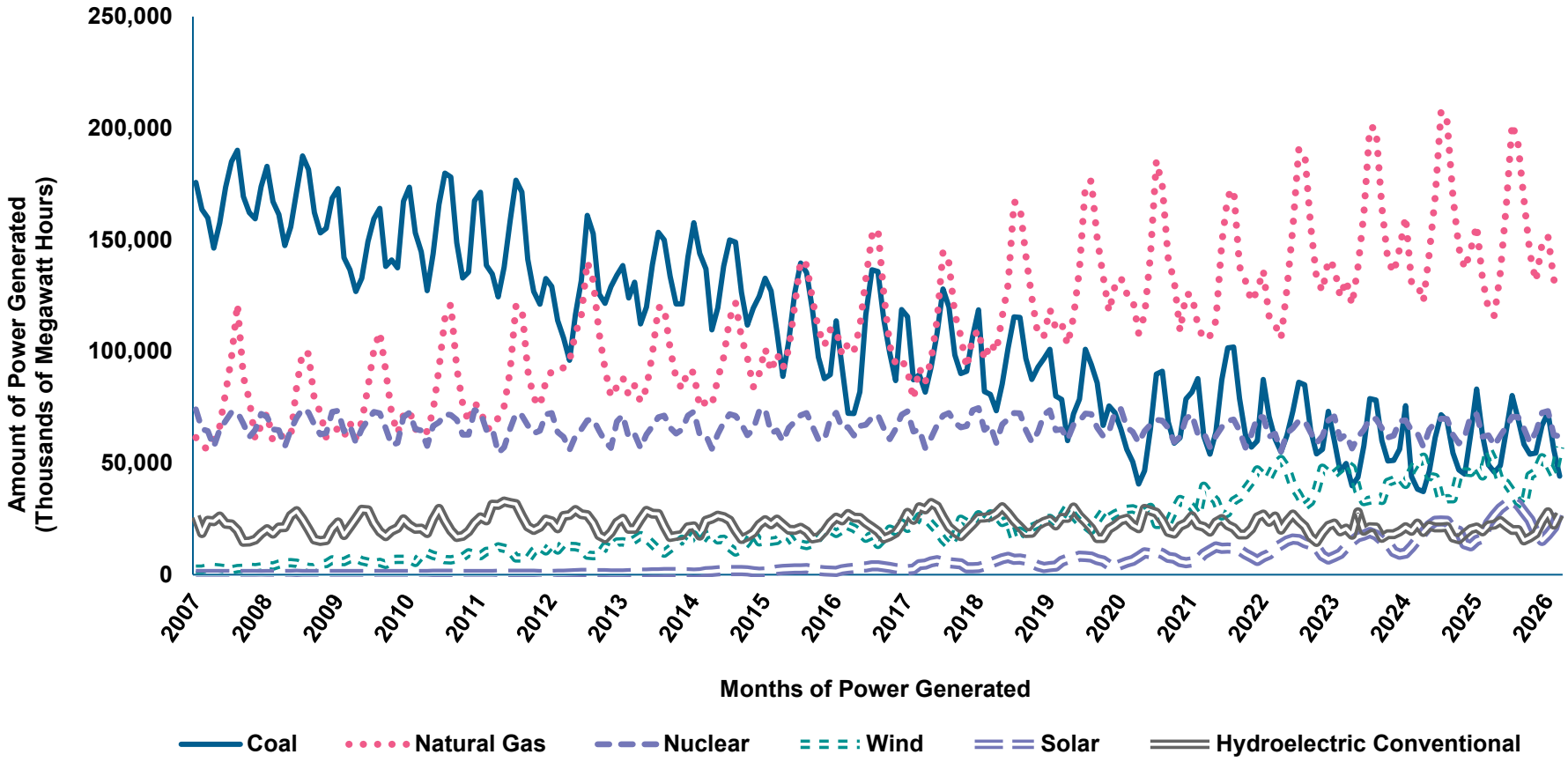


The chart above presents all US domestic and international flights, excluding foreign point-to-point flights by month. Historically, air traffic is cyclical with peaks in the summer months and troughs in the winter months.

The number of flights was flat in the first quarter of 2026 over the same period in 2025. In addition to the number of flights, the total number of passengers travelling on US and international airlines decreased year over year by -1% for the year ended March 31, 2026.

[1] Source: Bureau of Transportation Statistics: Flights, All US, and Foreign Carriers.

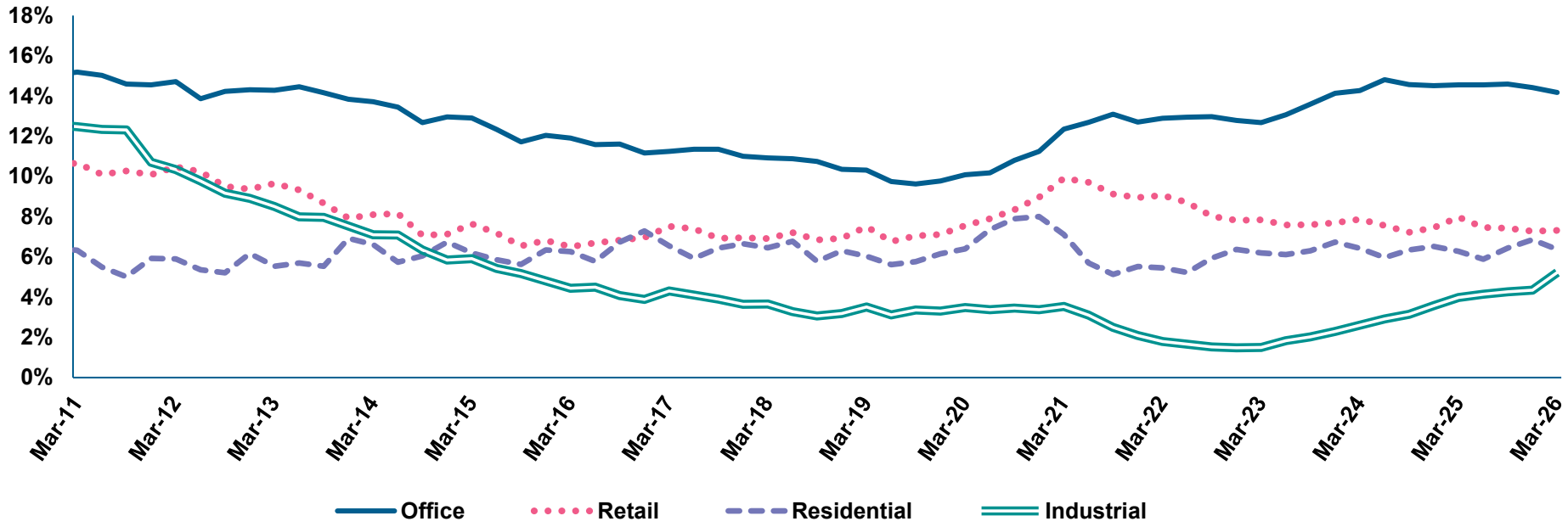
US Power Generation by Source[1]



In the first quarter 2026, total Utility Scale US power generated increased by 2% over the same period in 2025. Wind and utility-scale solar continue to make up a small portion of total net energy generation in the US, accounting for 12% and 7% of energy generation, respectively. Natural gas, coal, and nuclear accounted for 41%, 16%, and 18%, respectively.

[1] Source: US Energy Information Administration: Electric Power Monthly, March 2026.

Real Estate Fundamentals
Vacancy by Property Type[1]



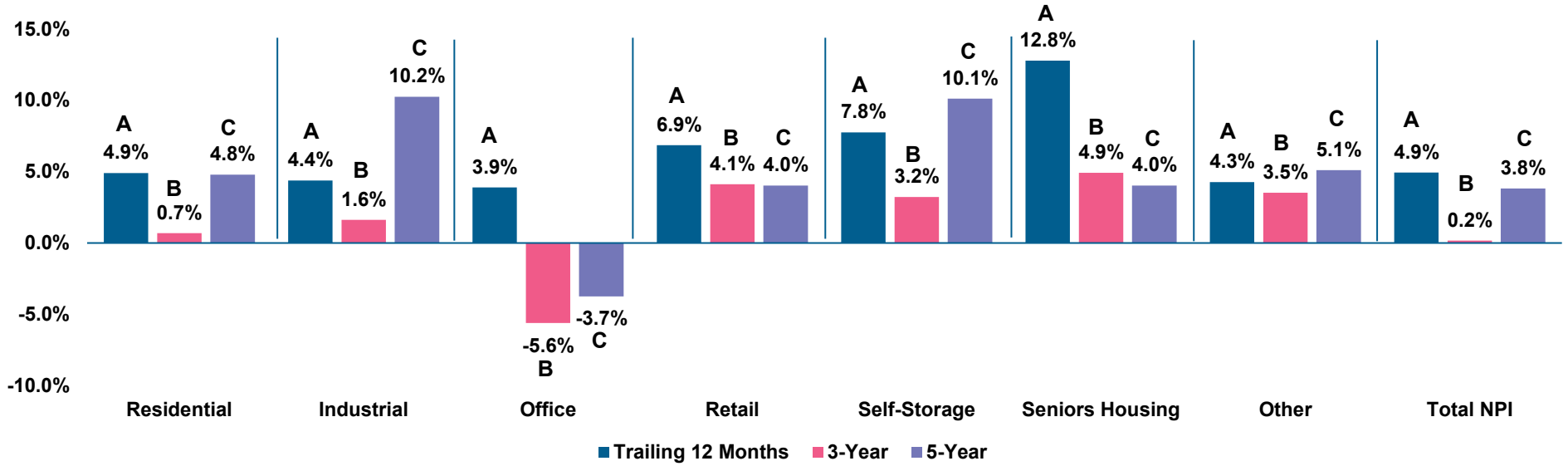
In the first quarter of 2026, the aggregate vacancy rate across all property types increased by 105 basis points to 7.7%, largely driven by a ~90 basis points increase in industrial vacancies during the quarter.

Rising vacancies are largely driven by the office and industrial sectors, which have seen the most consistent increases in recent years. Office vacancies have continued climbing since COVID and are now at their highest level since the early 2010s, despite a recent plateau. Industrial vacancies, meanwhile, have ticked up after hitting record lows in 2022, as tenant demand normalizes and new supply continues to deliver.

The residential sector has similarly been affected by oversupply issues; however, vacancies have remained relatively stagnant year-over-year. Over the long term, residential real estate demonstrates the most stable vacancy trends across the four main property types, largely rooted in the necessity of housing and a growing population that continues to drive strong fundamentals in the sector.

[1] Source: NCREIF.

NPI Returns by Property Type[1,2]



ADA non-color legend: A = Trailing 12 Months B = 3-Year C = 5-Year

As of Q1 2026, the NCREIF Property Index ("NPI") generated a 4.9% trailing 12-month return, supported by strong sector performance generally.

Office remains the only sector with negative property-level returns over the 3-year and 5-year period, although residential and industrial sectors also generated minimal returns over the three-year horizon, largely due to elevated supply during that timeframe.

Over the past year, seniors housing has delivered standout returns compared to other sectors, driven by steady demand and limited new supply, bolstered by underlying demographic trends.

Over the longer term, the industrial and self-storage sectors are clear outperformers. The post-pandemic e-commerce boom and lifestyle shifts (relocation, need for home office, etc.) contributed to both sectors' success, respectively.

1 Source: NCREIF.
2 "Other" includes data centers, entertainment (theaters, golf courses, etc.), operating land, parking, and any other property type not specified in the property type list.

Transaction Volume ($B)[1]

Year	Office	Industrial	Retail	Apartment	Hotel	Land	Seniors Housing & Care	Data Center
2016	140.1	57.1	78.1	161.4	35.1	18.9	14.9	2.3
2017	132.0	66.8	64.6	155.2	28.3	20.9	16.4	16.2
2018	135.4	97.1	87.4	177.6	43.3	23.7	15.7	5.0
2019	145.6	116.3	68.4	195.1	38.9	22.2	19.0	3.0
2020	89.3	106.4	41.5	148.3	13.5	24.3	10.7	7.0
2021	144.3	182.9	83.1	359.6	47.9	34.8	21.0	16.7
2022	117.1	154.3	93.0	306.5	49.9	35.1	14.0	30.8
2023	51.9	90.1	58.6	121.0	27.0	23.3	11.1	6.9
2024	64.3	99.5	57.0	151.7	24.8	23.6	14.6	8.3
2025	83.5	116.0	73.8	169.9	29.1	36.8	22.8	30.5
2026 YTD	21.7	32.9	18.3	35.2	7.1	12.4	13.7	0.7

Commercial real estate transaction volumes declined sharply in 2023 amid rising interest rates and economic uncertainty but began a measured recovery by late 2024, despite remaining well-below the 10-year average from 2015-2024. Aggregate transaction volume in 2025 is also trending significantly below historical norms.

Private real estate transaction volume for properties valued over $2.5 million accelerated in October 2025 to $364 billion YTD, representing a monthly increase of over $31 billion, or 9%, from the total volume at the end of Q3 2025. Multifamily and industrial continue to drive most of the transaction activity.

Importantly, real estate transactions often take 60-90 days from agreement to when they close, creating a modest lag effect in the transaction data presented above.

[1] Source: PREA.

Dry Powder for Real Estate Closed-end Funds ($B)[1]

Year	Value Added	Opportunistic	Core	Debt	Core-Plus	Fund of Funds	Secondaries	Distressed
2016	54.2	65.5	13.6	38.4	9.0	3.9	9.5	5.5
2017	61.0	71.9	16.1	46.6	9.5	3.4	9.7	5.8
2018	70.8	74.9	15.2	58.7	9.0	3.7	12.8	4.9
2019	84.5	104.7	19.7	60.2	10.6	4.8	12.5	2.9
2020	91.5	100.8	21.2	65.1	14.5	5.2	16.5	2.7
2021	116.7	113.8	20.1	73.3	16.6	7.2	14.9	8.3
2022	142.6	137.3	22.3	65	19.2	7.1	15.6	6.2
2023	134.2	127.5	24.7	60.3	16.2	5.6	20.2	4.7
2024	115.6	120.4	32.0	58.3	12.5	4.5	17.9	3.3
2025	101.3	123.3	44.4	64.2	11.2	4.5	20.1	2.5
2026 YTD	98.2	121.3	42.0	62.3	11.3	4.7	19.8	2.5

"Dry powder," or committed but uncalled capital, for real estate closed-end funds in North America has generally trended upwards over time, reaching peak levels in 2022 as an influx of capital flowed to the asset class due to strong performance.

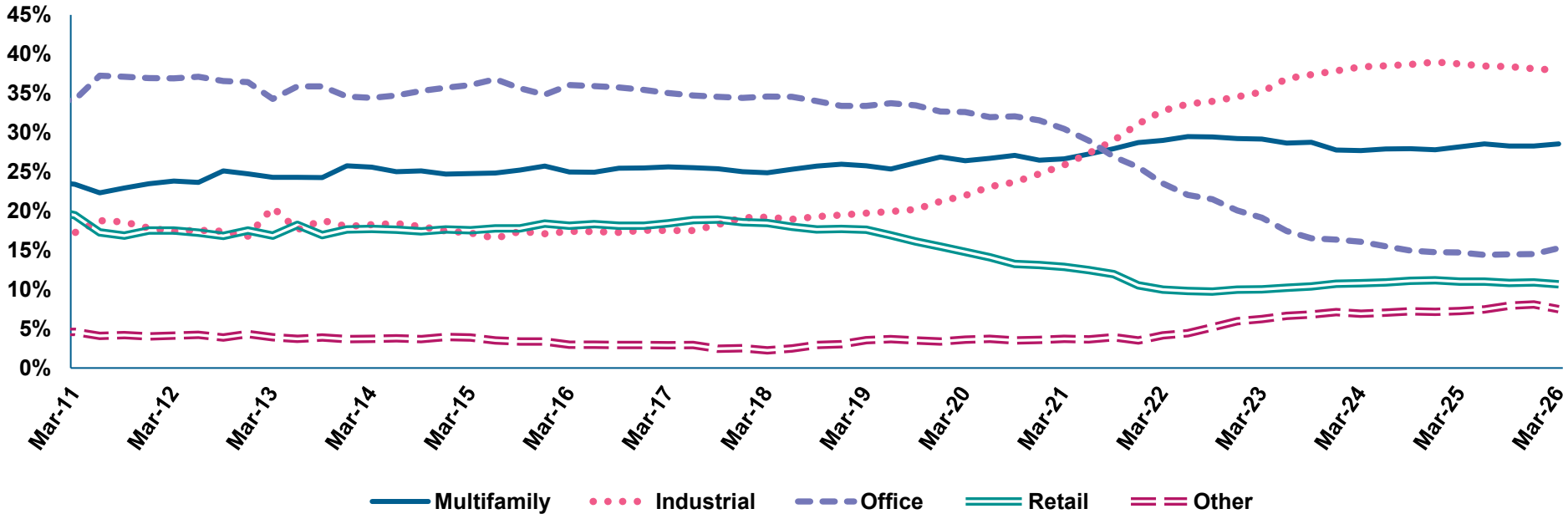
Post-COVID, the overhang of dry powder was initially exacerbated by market uncertainty and a marked slowdown in transactions, which eventually dissipated. The low-interest rate environment and pent-up demand reignited fundraising activities, further increasing dry powder in 2021 and 2022.

In recent years, the amount of real estate capital to deploy within North America has declined as fundraising has slowed amidst the higher rate environment, the subsequent valuation declines, the slower pace of deployment (delaying the launch of many new closed-end funds), and poor fundraising environment overall.

2026 is trending toward higher levels of dry powder relative to prior years as fundraising activity continues to recover.

[1] Source: Preqin. Data pulled as of June 2026. North America Funds. Dry Powder is defined as the capital called amount, subtracted from the fund's size/latest close size. If the capital called % metric is not reported for a given fund, a benchmark capital called % is used instead. For fundraising totals, Preqin only uses final close sizes and does not account for each close – calculations only count in the year of the final close.

ODCE Property Type Allocation (% of EW NAV)[1]



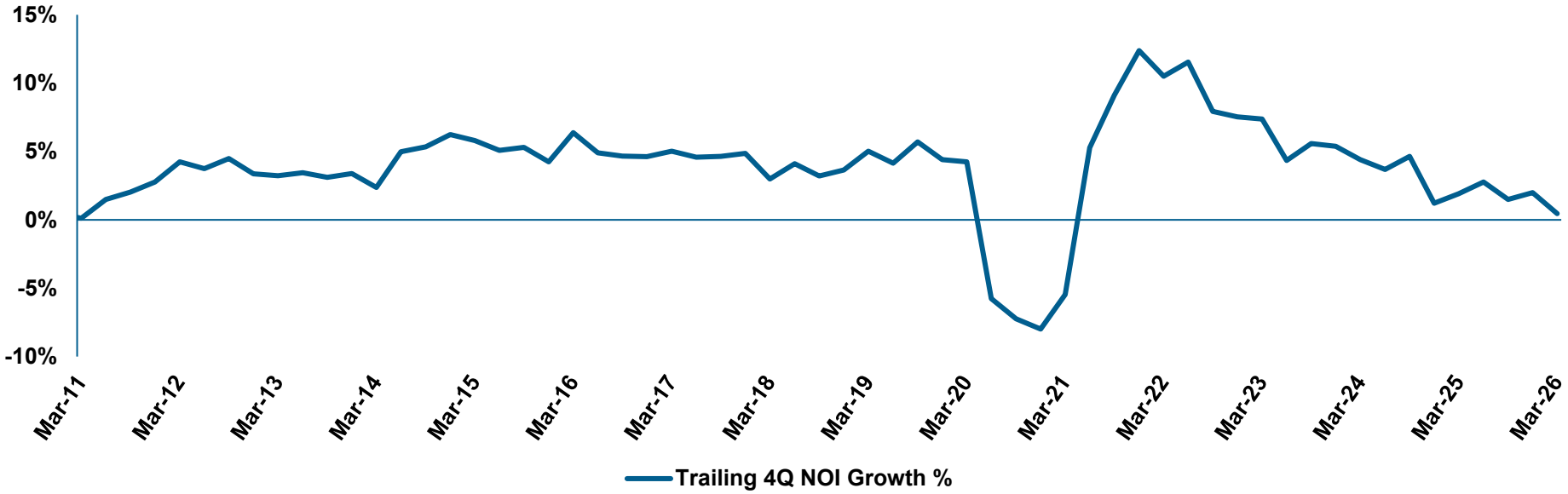
The NFI-ODCE Equal Weight Index currently comprises 29% multifamily, 38% industrial, 15% office, 11% retail, and 8% in other property types, based on its net asset value (NAV) as of Q1 2026.

Capital flows and values began to favor the industrial sector starting around 2017, at the expense of office and retail properties. The onset of the pandemic in 2020 further accelerated the decline in office exposure which drastically dropped off in 2021 and 2022 and has continued its steady decline through present day. While retail similarly experienced an initial dip post-COVID, the sector has encountered a recent recovery given strong fundamentals, particularly in neighborhood and community centers.

Other property types, including self-storage, healthcare, and senior housing, have continued to gain traction over the last several years as managers seek to re-allocate office dollars and diversify their portfolios beyond traditional multifamily and industrial. The Index's single largest exposure within "Other" is currently self-storage, representing a 3.5% allocation as of Q1 2026.

[1] Source: NCREIF.

NOI Growth[1]



Following the GFC, annual income growth rates were relatively steady, hovering in the 2% to 5% range leading up to the COVID pandemic.

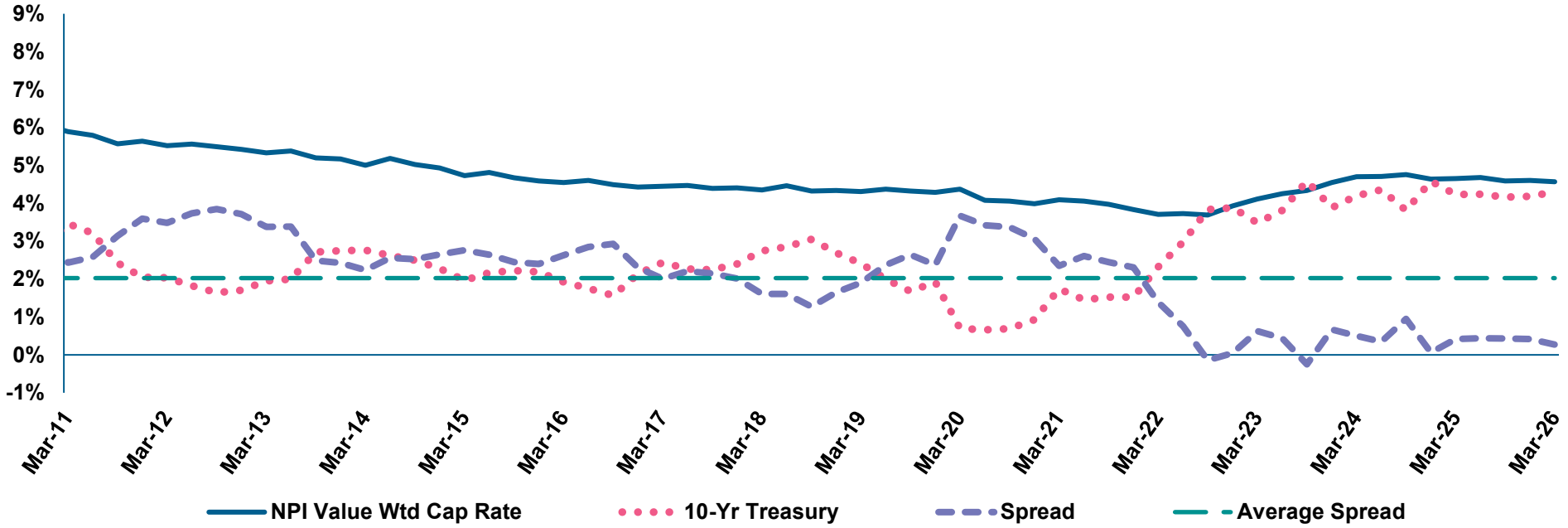
NOI growth turned negative in early 2020, driven by dramatic declines in in-store shopping and a surge in remote office work. Many jurisdictions also established apartment eviction moratoriums, which led some renters to remain in place without making monthly payments.

NOI Growth bounced back in 2021 as shoppers returned to stores, eviction moratoriums were lifted, and in-office mandates were reinstated, for most, to at least two or three days in the office per week. Over the past few years, NOI growth has steadily declined, driven by elevated interest rates and a resulting slowdown in rental income growth.

The overall trailing 12-month NOI growth rate decelerated in Q1 2026 to 0.5%, a 155 basis points decrease from the prior quarter. The deceleration during the quarter was largely driven by the residential, industrial, and retail sectors which experienced a decrease in their respective year-over-year NOI growth rates. Office continues to exhibit the only negative trailing 4Q NOI growth rate at -4.9%.

[1] Source: NCREIF.

Real Estate Capital Markets
Cap Rates vs. 10-Year Treasury[1]

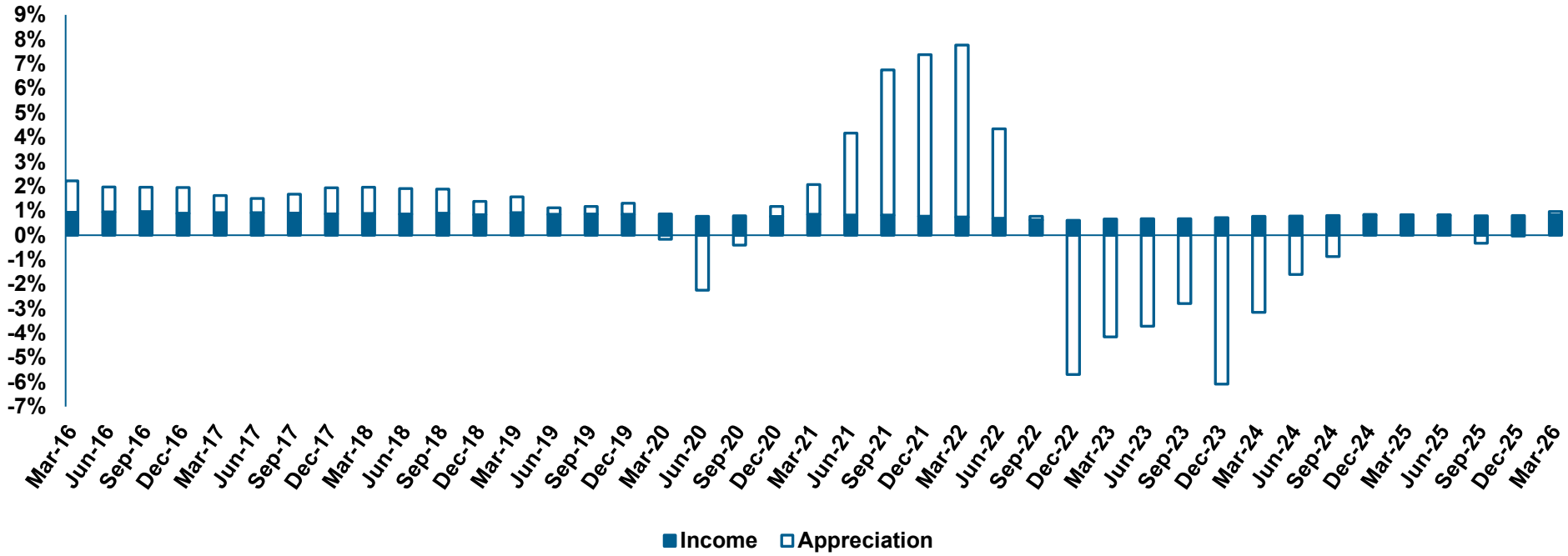


The NPI Value Weighted Cap Rate remained relatively unchanged over the first quarter at ~4.6%, only decreasing by three basis points from Q4 2025.

The 10-year Treasury yield increased modestly by 12 basis points during Q1 2026, ending the quarter at 4.3%. As Treasury yields rose more than cap rates, the cap rate spread compressed further to approximately 30 basis points, remaining well below the 15-year historical average of 203 basis points.

[1] Source: NCREIF and US Department of the Treasury.

ODCE Return Components (Equal Weight, Net)[1]



Quarterly income returns have remained remarkably consistent in the 0.75% to 1.00% range over the last ten years.

Appreciation returns demonstrate greater volatility over time, spiking in 2021 and early 2022, primarily driven by the availability of inexpensive debt.

Appreciation returns reversed in late 2022 through the third quarter of 2024 in response to rising rates, waning demand for office, and pockets of oversupply.

The NFI-ODCE EW Index generated a positive net total return in the first quarter of 2026. Income remained stable at 0.82%, while appreciation contributed 0.14%, marking its strongest quarterly appreciation return in 14 quarters.

[1] Source: NCREIF.

Trailing Period Returns[1]

As of March 31, 2026	Quarter	1 Year	3 Years	5 Years	10 Years
NFI-ODCE (Equal Weight, net)	0.97	3.06	-3.07	2.45	4.03
NFI-ODCE (Value Weight, net)	1.04	3.11	-2.81	2.34	3.79
NCREIF Property Index	1.23	4.94	0.16	3.81	4.84
NAREIT Equity REIT Index	3.76	3.28	6.81	3.95	5.52

NFI-ODCE EW Index net returns were positive in the first quarter of 2026 and 20 basis points higher than previous quarter returns (0.77% in Q4 2025).

Over the longer term, all ODCE Index returns remain positive, narrowing the gap with public real estate performance over the 10-year horizon.

Public real estate returns are generally more volatile – both up and down – than private market returns. Private real estate returns usually time-lag the public markets. The time lag in private real estate returns is due in part to valuations being heavily influenced by comparable sales appraisals. Institutional real estate is largely valued based on the sale price of similar properties. When transactions decrease significantly, appraisers have difficulty accurately estimating the values at which comparable properties would trade if listed for sale.

[1] Source: NCREIF.

Endnotes | As of March 31, 2026

Below are details on specific terminology and calculation methodologies used throughout this report:

Committed	The original commitment amount made to a given fund. Some funds may be denominated in non-USD currencies, and such commitment amounts represent the sum of fund contributions translated to USD at their daily conversion rates plus the unfunded balance translated at the rate as of the date of this report.
Contributed	The amount of capital called by a fund manager against the commitment amount. Contributions may be used for new or follow-on investments, fees, and expenses, as outlined in each fund's limited partnership agreement. Some capital distributions from funds may reduce contributed capital balances. Some funds may be denominated in non-USD currencies, and such aggregate contributions represent the sum of each fund contribution translated to USD at its daily conversion rate.
Distributed	The amount of capital returned from a fund manager for returns of invested capital, profits, interest, and other investment related income. Some distributions may be subject to re-investment, as outlined in each fund's limited partnership agreement. Some funds may be denominated in non-USD currencies, and such aggregate distributions represent the sum of each fund distribution translated to USD at its daily conversion rate.
DPI	Acronym for "Distributed-to-Paid-In", which is a performance measurement for Private Market investments. The performance calculation equals Distributed divided by Contributed. DPIs for funds and groupings of funds are net of all fund fees and expenses as reported to by fund managers to Meketa. Program-level DPIs are net of both fund fees and expenses and fees paid to Meketa attributable to the Program.
Exposure	Represents the sum of the investor's Unfunded and Remaining Value.
IRR	Acronym for "Internal Rate of Return", which is a performance measurement for Private Market investments. IRRs are calculated by Meketa based on daily cash flows and Remaining Values as of the date of this report. IRRs for funds and groupings of funds are net of all fund fees and expenses as reported by fund managers to Meketa. Program-level IRRs are net of both fund fees and expenses and fees paid to Meketa attributable to the Program.
NCV	Acronym for "Net Change in Value", which is a performance measurement for Private Market investments. The performance calculation equals the appreciation or depreciation over a time period neutralized for the impact of cash flows that occurred during the time period.
NM	Acronym for "Not Meaningful", which indicates that a performance calculation is based on data over too short a timeframe to yet be meaningful or not yet possible due to inadequate data. Meketa begins reporting IRR calculations for investments once they have reached more than two years since first capital call. NM is also used within this report in uncommon cases where the manager has reported a negative Remaining Value for an investment.

Peer Universe	The performance for a set of comparable private market funds. The peer returns used in this report are based on data from Burgiss as of the date of this report. Fund-level peer performance represents the median return for a set of funds of the same vintage and the program's set of corresponding strategies across all regions globally. Meketa utilizes the following Burgiss strategies for peer universes: Real Assets (Infrastructure Funds): Infrastructure Natural Resources (Natural Resources Funds): Natural Resources Private Debt: Private Debt Venture Capital: Venture Capital Real Estate: Real Estate
Public Market Equivalent ("PME")	A calculation methodology that seeks to compare the performance of a portfolio of private market investments with public market indices. The figures presented in this report are based on the PME+ framework, which represents a net IRR value based on the actual timing and size of the private market program's daily cash flows and the daily appreciation or depreciation of an equivalent public market index. Meketa utilizes the following indices for private market program PME+ calculations: Infrastructure: Dow Jones Brookfield Global Infrastructure Index Natural Resources: S&P Global Natural Resources Index Private Debt: Barclays Capital U.S. Corporate High Yield Bond Index Private Equity: MSCI ACWI Investable Market Index Real Assets (excluding Real Estate): Equal blend of Dow Jones Brookfield Global Infrastructure Index and S&P Global Natural Resources Index Real Assets (including Real Estate): Equal blend of Dow Jones Brookfield Global Infrastructure Index, S&P Global Natural Resources Index, and Dow Jones U.S. Select Real Estate Securities Index Real Estate: Dow Jones U.S. Select Real Estate Securities Index
Remaining Value	The investor's value as reported by a fund manager on the investor's capital account statement. All investor values in this report are as of the date of this report, unless otherwise noted. Some funds may be denominated in non-USD currencies, and such remaining values represent the fund's local currency value translated to USD at the rate as of the date of this report.
TVPI	Acronym for "Total Value-to-Paid-In", which is a performance measurement for Private Market investments. The performance calculations represents Distributed plus Remaining Value, then divided by Contributed. TVPIs for funds and groupings of funds are net of all fund fees and expenses as reported to by fund managers to Meketa. Program-level TVPIs are net of both fund fees and expenses and fees paid to Meketa attributable to the Program.

Unfunded	The remaining balance of capital that a fund manager has yet to call against a commitment amount. Meketa updates unfunded balances for funds to reflect all information provided by fund managers provided in their cash flow notices. Some funds may be denominated in non-USD currencies, and such unfunded balances represent the fund's local currency unfunded balance translated to USD at the rate as of the date of this report.

Disclaimer | As of March 31, 2026

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The values of companies and partnerships are audited at year-end, and are not audited at other quarter-end periods. While financial information may be audited, there is some discretion as to the method employed to price private companies and, therefore, private markets partnerships. At all times, Meketa Investment Group expects General Partners to utilize conservative and industry standard pricing procedures, and requires the General Partners to disclose those procedures in their reports. However, because of the inherent uncertainty of valuation, these estimated values may differ from the values that would be used if a ready market for the investments existed, and the differences could be significant.