

New Mexico Educational Retirement Board

December 31, 2018 Quarterly Investment Report

Client Overview

Program Inception:

2003

HL Relationship Inception:

2007

Real Assets Strategies:

Real Estate
Natural Resources

Plan Size (as of 12/31/2018):

\$12.50 billion

Target / Current Allocation:

Real Estate – 7.0% / 6.5%
Natural Resources – 4.5% / 4.9%

Real Estate Benchmark:

NCREIF Property Index

Natural Resources Benchmark:

Consumer Price Index + 4% (CPI-U)

\$ millions	12/31/2017	12/31/2018	Change
Active Partnerships	49	54	5
Inactive Partnerships	4	4	-
Active GP Relationships	30	30	-
Capital Committed	\$2,091.4	\$2,320.6	\$229.2
Unfunded Commitment	\$684.5	\$735.1	\$50.6
Paid-In Capital	\$2,353.6	\$2,565.6	\$212.0
Capital Distributed	\$1,923.8	\$2,154.2	\$230.4
Market Value	\$1,319.4	\$1,435.6	\$116.2
Total Value Multiple	1.38x	1.40x	0.02x
Avg. Age of Commitments	3.7 years	4.4 years	0.7 years
Since Inception IRR Performance			
Total Portfolio Net IRR	11.58%	11.46%	(12) bps

Portfolio Snapshot metrics represent both active and inactive partnership data

Year-to-Date Commitments

	Raith Real Estate Fund II, L.P.	RAM Realty Partners V, L.P.	Sares Regis Multifamily Value-Add Fund III, L.P.	TPG Real Estate Partners III, L.P.	Lone Star Fund XI, L.P.
General Partner	Raith Capital Partners	RAM Realty Services	Sares Regis Group	Texas Pacific Group	Lone Star
Existing Manager	Yes	Yes	Yes	No	Yes
Closing Date	1/8/2018	4/10/2018	4/18/2018	9/7/2018	10/11/2018
Commitment	\$50,000,000	\$40,000,000	\$30,000,000	\$40,000,000	\$50,000,000
Target Fund Size	\$250,000,000	\$300,000,000	\$500,000,000	\$3,000,000,000	\$6,000,000,000
Strategy	Real Estate	Real Estate	Real Estate	Real Estate	Real Estate
Geographic Focus	North America	North America	Western United States	North America	Global
Industries	Opportunistic	Value-Added	Value-Added	Opportunistic	Opportunistic

Total Portfolio Performance

	Commitment (\$) ⁽³⁾	%	Unfunded	Market Value (\$)	%	Net Time Weighted Returns ⁽¹⁾						SI		Multiples ⁽²⁾			
						Qtr	1 Year	3 Year	5 Year	7 Year	Since Inception	IRR	Initial CF Date	TVPI	RVPI	DPI	PIC
Real Estate (Net)	\$1,550,716,996	69%	\$548,652,894	\$817,248,306	57%	(1.07%)	6.35%	8.97%	11.27%	11.99%	10.56%	11.74%	11/17/2003	1.43	0.41	1.02	1.23
				NCREIF Property Index		1.37%	6.71%	7.22%	9.33%	9.73%	8.87%						
				Difference		(2.44%)	(0.36%)	1.75%	1.94%	2.26%	1.69%						
Natural Resources (Net)	\$708,369,447	31%	\$186,493,008	\$618,341,061	43%	(0.29%)	15.62%	11.36%	8.23%	7.77%	5.70%	9.63%	3/9/2009	1.30	1.07	0.22	0.81
				CPI-U Index + 4%		3.52%	5.91%	6.03%	5.51%	5.54%	6.07%						
				Difference		(3.81%)	9.71%	5.33%	2.72%	2.23%	(0.37%)						
New Mexico (Net)	\$2,259,086,443	100%	\$735,145,901	\$1,435,589,368	100%	(0.74%)	10.04%	10.06%	11.29%	11.94%	10.41%	11.46%	11/17/2003	1.40	0.56	0.84	1.11

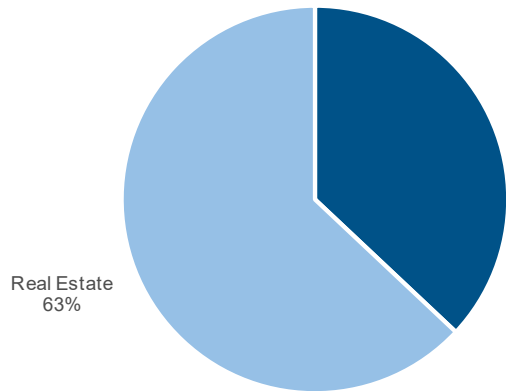
(1) Time weighted returns shown use a Modified Dietz methodology, based on quarterly return periods.

(2) PIC multiples may exceed 1.00 due to the recycling of capital and/or contributions made outside of commitment.

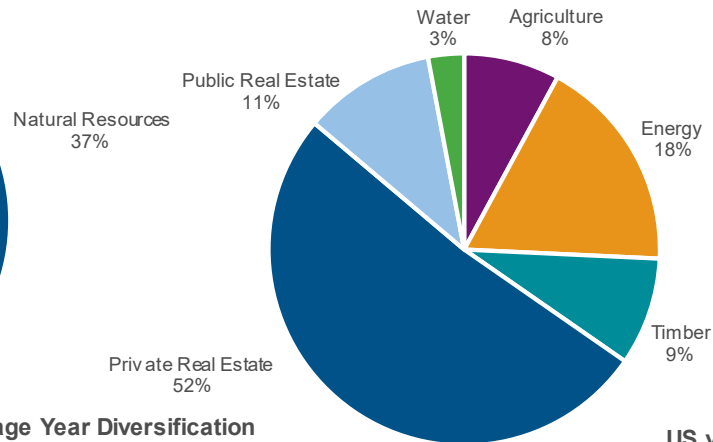
(3) Inactive funds are excluded from Commitment totals but included in performance metrics

Total Portfolio Diversification

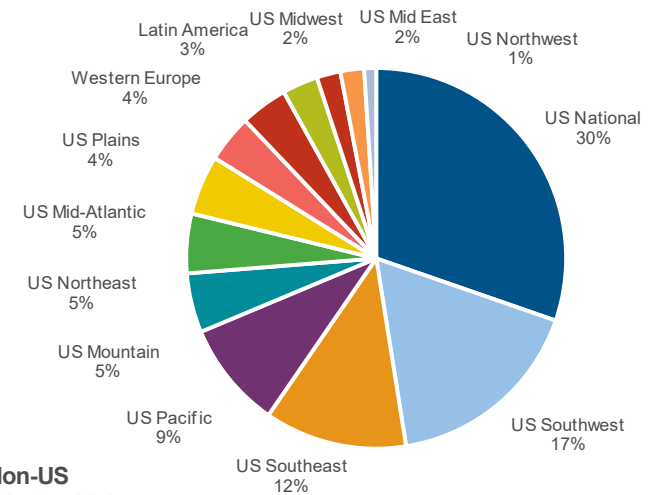
Real Asset Category by Total Exposure As of December 31, 2018



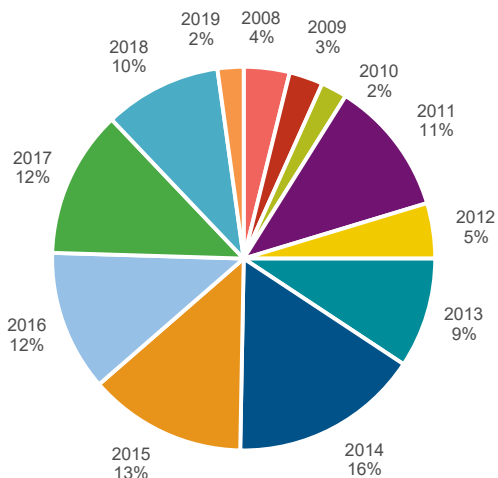
Asset Class by Total Exposure As of December 31, 2018



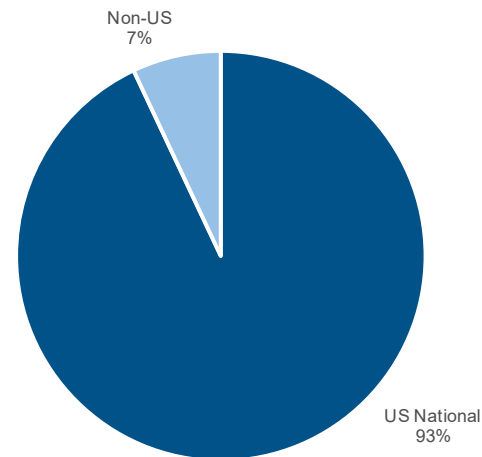
Geography by Exposed Market Value As of December 31, 2018¹



Vintage Year Diversification by Commitment Amount As of December 31, 2018



US v Non-US by Exposed Market Value As of December 31, 2018

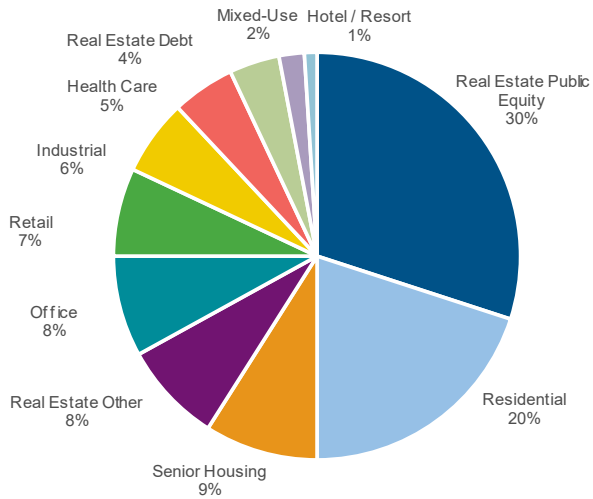


Note: Pie chart percentages may not sum to 100% due to rounding.

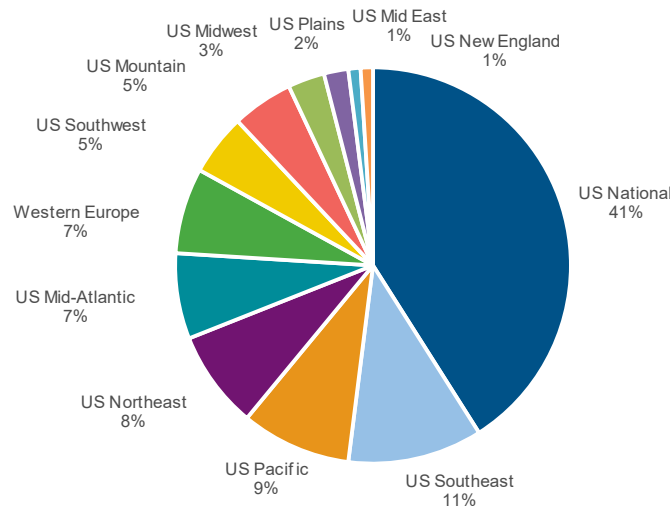
¹ US New England, Australia, India, Canada, China, Japan, and Other Asia combined represent approximately 1% of exposed market value and are not shown in the chart

Real Estate Diversification

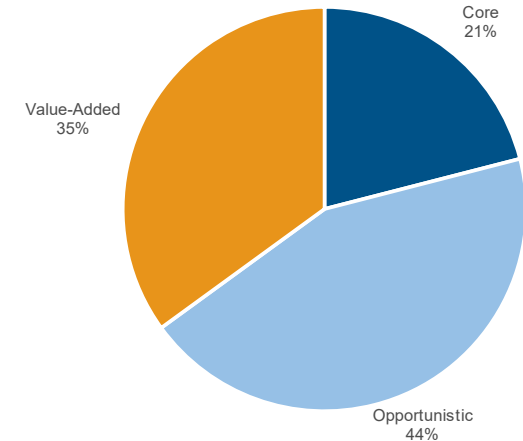
Asset Class
by Exposed Market Value
As of December 31, 2018



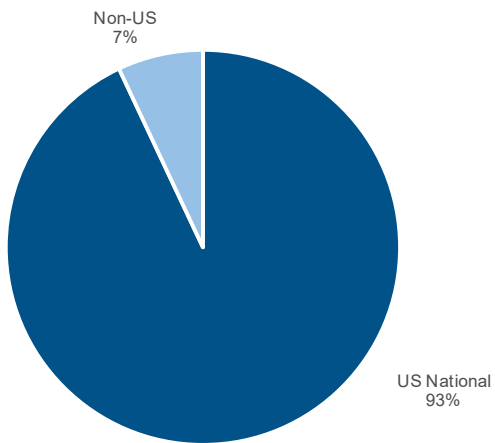
Geography
by Exposed Market Value
As of December 31, 2018



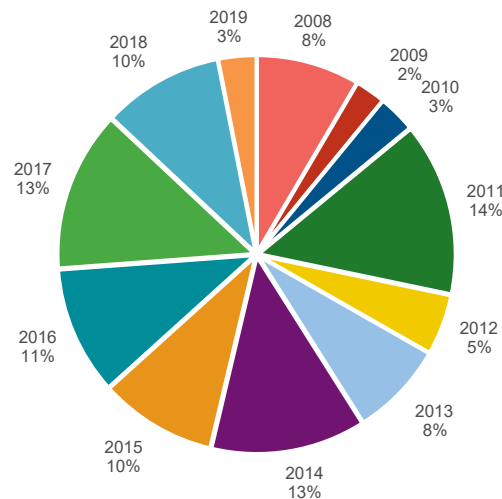
Risk Category
by Total Exposure
As of December 31, 2018



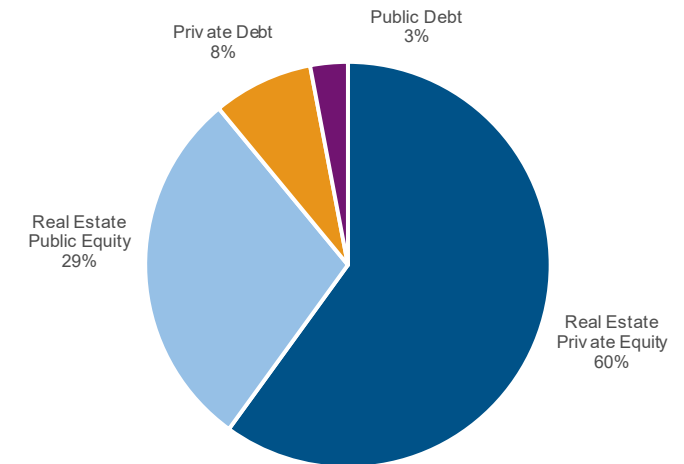
US v Non-US
by Exposed Market Value
As of December 31, 2018



Vintage Year
by Commitment Amount
As of December 31, 2018

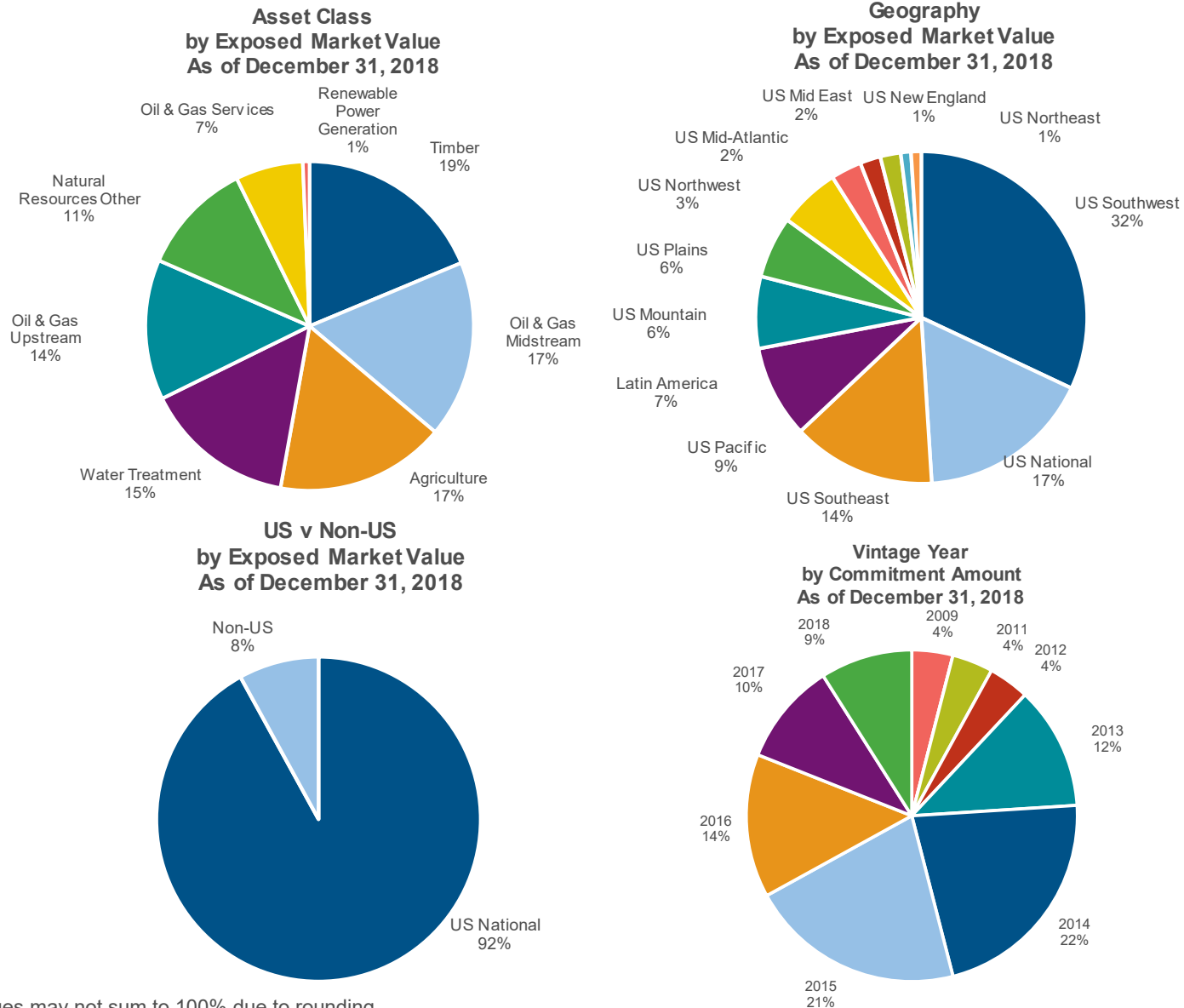


Debt v Equity
by Total Exposure
As of December 31, 2018



Note: Pie chart percentages may not sum to 100% due to rounding.

Natural Resources Diversification



Note: Pie chart percentages may not sum to 100% due to rounding.

	Commitment	Unfunded	Market Value	Net Time Weighted Returns ⁽¹⁾						Multiples ⁽²⁾						
				Qtr	1 Year	3 Year	5 Year	7 Year	Since Inception	SI IRR ⁽⁴⁾	Initial CF Date	TVPI	RVPI	DPI	PIC ⁽³⁾	
Real Estate																
Public Real Estate																
U.S. Value Income REIT Strategy	160,000,000	-	243,294,181	(6.45%)	(6.24%)	1.70%	5.43%	8.26%	10.34%	6.32%	7/1/2011	1.48	1.48	0.00	1.03	
Public Real Estate - Total	\$160,000,000	-	\$243,294,181	(6.45%)	(6.24%)	1.61%	6.29%	7.66%	8.49%	11.96%	11/17/2003	1.52	0.26	1.26	5.91	
			Wilshire REIT US Equity Index	(8.20%)	8.94%	(1.99%)	3.78%	4.28%	5.09%							
			Difference	1.75%	(15.18%)	3.60%	2.51%	3.38%	3.40%							
Private Real Estate																
Core																
PRIMA Mortgage Investment Trust, LLC	\$50,000,000	-	\$48,200,771	(0.61%)	(2.43%)	1.81%	2.90%	3.66%	4.19%	4.63%	7/21/2008	1.44	0.96	0.47	1.00	
Real Estate - Core Total	\$50,000,000	-	\$48,200,771	(0.61%)	(2.43%)	2.45%	3.23%	3.92%	3.44%	3.00%	7/1/2008	1.26	0.56	0.70	1.00	
Value Add																
Crow Holdings Realty Partners VI, L.P.	\$50,000,000	\$4,522,165	\$18,646,476	0.48%	6.97%	12.26%	10.41%	N/A	9.67%	10.93%	9/23/2013	1.40	0.40	0.99	0.92	
Crow Holdings Realty Partners VII, L.P.	35,000,000	3,489,462	24,093,840	4.81%	14.84%	N/A	N/A	N/A	15.71%	15.97%	1/14/2016	1.32	0.73	0.59	0.94	
Crow Retail Fund II, L.P.	30,000,000	13,427,029	11,623,796	2.69%	7.81%	N/A	N/A	N/A	7.81%	N/A	3/28/2018	1.02	0.99	0.03	0.39	
Hammes Partners II, L.P.	50,000,000	5,361,084	35,670,729	2.30%	19.77%	13.34%	N/A	N/A	13.50%	14.37%	7/16/2015	1.25	0.71	0.54	1.01	
Hammes Partners III, L.P.	30,000,000	29,018,472	607,263	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	10/12/2018	0.69	0.62	0.07	0.03	
Prudential Senior Housing Partners IV, L.P.	44,178,595	2,579,562	41,340,694	1.41%	11.61%	14.37%	15.15%	13.34%	13.34%	14.78%	10/3/2011	1.69	0.83	0.86	1.13	
Prudential Senior Housing V, L.P.	35,000,000	12,451,918	26,028,341	1.51%	10.57%	13.53%	N/A	N/A	9.68%	10.77%	5/15/2015	1.21	1.15	0.07	0.65	
RAM Realty Partners III, L.P.	30,000,000	2,903,331	8,376,778	2.57%	16.39%	24.58%	22.24%	N/A	20.75%	18.20%	10/19/2012	1.59	0.26	1.34	1.09	
RAM Realty Partners IV, L.P.	40,000,000	5,892,298	38,415,987	4.43%	21.26%	N/A	N/A	N/A	13.69%	10.77%	7/20/2016	1.11	0.91	0.20	1.05	
RAM Realty Partners V, L.P.	40,000,000	35,829,061	3,291,696	(14.13%)	N/A	N/A	N/A	N/A	(14.13%)	N/A	9/26/2018	0.79	0.79	0.00	0.10	
Realterm Logistics Fund, L.P.	25,000,000	1,101,094	385,535	7.54%	72.09%	31.07%	N/A	N/A	26.89%	24.90%	3/10/2014	1.74	0.02	1.72	0.98	
Realterm Logistics Fund II, L.P.	25,000,000	11,696,062	12,227,909	(7.07%)	(22.91%)	N/A	N/A	N/A	(25.04%)	(25.30%)	5/19/2017	0.93	0.85	0.08	0.58	
Rockpoint Real Estate Fund IV, L.P.	45,454,545	3,358,834	16,937,166	(0.47%)	1.28%	3.04%	11.92%	N/A	11.08%	15.98%	6/30/2012	1.32	0.35	0.96	1.05	
Rockpoint Real Estate Fund V, L.P.	35,000,000	15,013,672	23,909,524	2.34%	13.62%	13.40%	N/A	N/A	N/A	12.44%	6/30/2015	1.18	0.97	0.21	0.70	
Sares Regis Multifamily Fund, L.P.	30,000,000	1,696,393	4,252,266	(5.05%)	2.18%	14.01%	13.80%	N/A	12.20%	16.26%	6/26/2013	1.71	0.15	1.56	0.95	
Sares Regis Multifamily Value-Add Fund II, L.P.	30,000,000	3,044,788	26,816,175	1.88%	10.63%	5.43%	N/A	N/A	5.24%	5.53%	8/11/2015	1.08	0.64	0.44	1.39	
Sares Regis Multifamily Value-Add Fund III, L.P.	30,000,000	30,000,000	(396,578)	0.00%	N/A	N/A	N/A	N/A	N/A	N/A	3/22/2019	N/A	N/A	N/A	0.00	
Real Estate - Value Add Total	\$604,633,140	\$181,385,224	\$292,227,597	1.52%	14.65%	13.87%	14.36%	10.92%	10.92%	14.43%	10/3/2011	1.34	0.61	0.73	0.79	
Opportunistic																
Edgewood Partners, L.P.	\$99,500,000	\$82,705,284	\$37,468,315	5.38%	46.58%	N/A	N/A	N/A	121.14%	102.12%	2/15/2017	2.17	2.17	0.00	0.17	
Greenfield Acquisition Partners V, L.P.	25,000,000	350,000	388,011	(25.24%)	(8.30%)	0.10%	(0.16%)	3.73%	1.81%	8.38%	4/4/2008	1.38	0.02	1.36	0.99	
Kildare European Partners I, L.P.	50,000,000	7,621,860	12,326,741	4.41%	22.32%	16.67%	N/A	N/A	15.67%	14.49%	5/6/2014	1.21	0.21	0.99	1.15	
Kildare European Partners II, L.P.	40,000,000	33,673,515	5,833,667	1.79%	44.66%	N/A	N/A	N/A	N/A	N/A	10/8/2018	0.92	0.92	0.00	0.16	
Lone Star Fund VIII (U.S.), L.P.	50,000,000	3,081,775	447,356	(2.60%)	(31.52%)	(34.57%)	(17.86%)	(0.44%)	3.46%	46.53%	6/15/2011	1.71	0.01	1.70	0.99	
Lone Star Fund VIII (U.S.), L.P.	50,000,000	4,991,318	15,435,251	(3.51%)	(1.96%)	(5.84%)	8.52%	N/A	(6.56%)	13.31%	9/9/2013	1.24	0.31	0.93	0.98	
Lone Star Fund X (U.S.), L.P.	50,000,000	26,981,817	25,018,156	(0.44%)	99.97%	N/A	N/A	N/A	99.97%	14.39%	12/15/2017	1.10	1.09	0.01	0.46	
Lone Star Fund XI, L.P.	50,000,000	50,000,000	(256,966)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00	
Lone Star Real Estate Fund II (U.S.), L.P.	25,000,000	2,847,542	963,518	2.42%	(0.85%)	5.65%	17.76%	19.41%	21.29%	24.95%	5/15/2011	1.48	0.04	1.44	1.00	
Lone Star Real Estate Fund V (U.S.), L.P.	37,063,856	32,113,869	3,003,928	(3.62%)	3.98%	N/A	N/A	N/A	4.43%	(17.35%)	12/20/2017	0.84	0.61	0.23	0.13	
Raith Real Estate Fund I-A, L.P.	50,000,000	22,639,885	30,526,690	1.13%	9.33%	14.85%	N/A	N/A	9.21%	13.88%	2/7/2014	1.22	0.40	0.82	1.55	
Raith Real Estate Fund II, L.P.	50,000,000	48,086,862	784,373	(52.46%)	N/A	N/A	N/A	N/A	(66.40%)	N/A	6/15/2018	0.86	0.10	0.75	0.15	
RAPM NM Secondary Opportunity Fund L.P.	40,000,000	5,637,215	27,361,203	6.82%	6.88%	14.92%	8.65%	5.60%	(33.74%)	11.48%	7/2/2009	1.45	0.73	0.71	0.93	
RAPM-NMERB Co-Investment Fund L.P.	79,520,000	6,236,728	74,596,695	2.22%	11.33%	17.51%	N/A	N/A	21.67%	21.51%	6/10/2014	1.63	0.98	0.65	0.96	
TPG Real Estate Partners III, L.P.	40,000,000	40,000,000	(371,181)	67.46%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00	
Real Estate - Opportunistic Total	\$736,083,856	\$367,267,670	\$233,525,757	1.61%	13.21%	14.42%	16.40%	18.62%	11.19%	15.15%	1/14/2008	1.37	0.49	0.88	0.63	
Private Real Estate Total	\$1,390,716,996	\$548,652,894	\$573,954,125	1.38%	12.53%	12.91%	13.85%	14.53%	8.95%	11.27%	1/14/2008	1.35	0.55	0.80	0.72	
			NCREIF Property Index	1.37%	6.71%	7.22%	9.33%	9.73%	8.87%							
			Difference	0.01%	5.82%	5.69%	4.52%	4.80%	0.08%							
Real Estate Total	\$1,550,716,996	\$548,652,894	\$817,248,306	(1.07%)	6.35%	8.97%	11.27%	11.99%	10.56%	11.74%	11/17/2003	1.43	0.41	1.02	1.23	
			NCREIF Property Index	1.37%	6.71%	7.22%	9.33%	9.73%	8.87%							
			Difference	(2.44%)	(0.36%)	1.75%	1.94%	2.26%	1.69%							

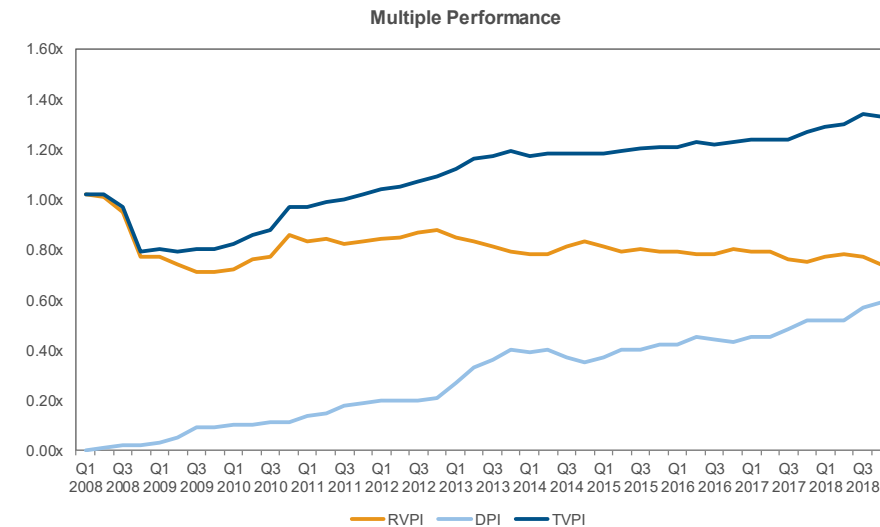
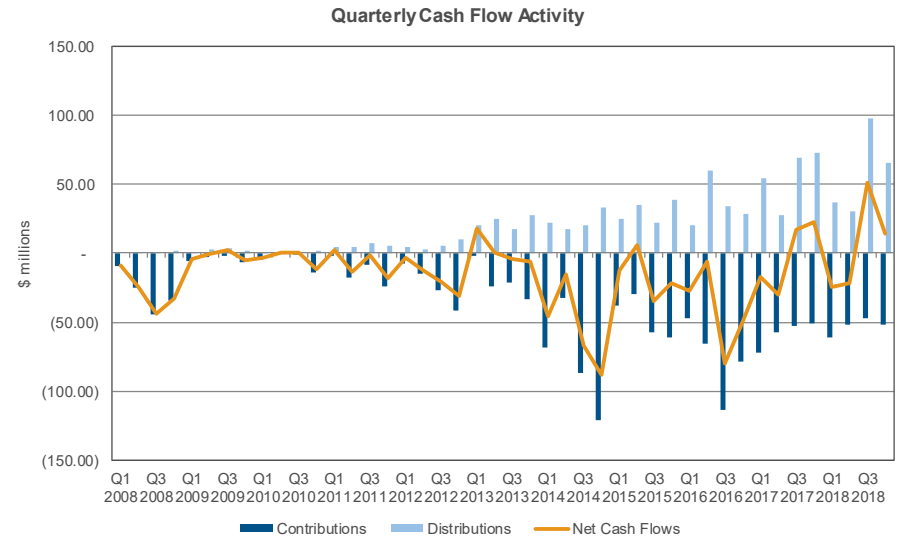
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- (2) Inactive investments are included in performance metrics, but are excluded from commitment totals.
- (3) PIC multiples may exceed 1.00 due to the recycling of capital and/or contributions made outside of commitment.
- (4) IRRs are reported for investments one full year following initial capital investment

	Commitment	Unfunded	Market Value	Net Time Weighted Returns ⁽¹⁾						SI IRR ⁽⁴⁾	Initial CF Date	Multiples ⁽²⁾				
				Qtr	1 Year	3 Year	5 Year	7 Year	Since Inception			TVPI	RVPI	DPI	PIC ⁽³⁾	
Natural Resources																
Timber																
Brookfield Brazil Timber Fund II, L.P.	\$10,500,000	\$3,009,824	\$7,924,146	(8.28%)	0.23%	9.05%	6.46%	N/A	6.46%	6.12%	12/6/2013	1.29	0.95	0.34	0.80	
Conservation Forestry Capital Fund II, L.P.	25,000,000	-	18,003,194	5.42%	5.82%	4.91%	5.53%	6.28%	4.85%	5.51%	3/9/2009	1.43	0.66	0.77	1.10	
Conservation Forestry Capital Fund IV, L.P.	20,000,000	2,822,481	17,936,601	4.35%	3.40%	N/A	N/A	N/A	2.22%	2.55%	9/30/2016	1.04	1.04	0.00	0.86	
Eastern Timberland Opportunities II, L.P.	45,000,000	-	52,715,931	0.35%	2.92%	4.12%	N/A	N/A	7.35%	7.25%	8/8/2014	1.31	1.17	0.14	1.00	
Ecosystem Investment Partners II, L.P.	30,000,000	-	29,029,895	4.33%	8.18%	8.39%	9.87%	6.23%	3.88%	10.25%	3/28/2011	1.49	0.96	0.53	1.01	
Ecosystem Investment Partners III, L.P.	50,000,000	23,802,457	30,596,528	14.34%	28.72%	(3.47%)	N/A	N/A	(25.83%)	16.15%	7/14/2015	1.19	1.17	0.03	0.52	
Timberland Total	\$180,500,000	\$29,634,763	\$156,206,294	4.01%	7.65%	6.39%	7.37%	7.51%	5.52%	7.38%	3/9/2009	1.32	1.01	0.31	0.86	
			NCREIF Timberland Index	97.00%	3.43%	3.21%	4.98%	6.03%	7.25%							
			Difference	(92.99%)	4.22%	3.18%	2.39%	1.48%	(1.73%)							
Agriculture																
Blue Road Capital, L.P.	\$30,000,000	\$14,746,010	\$17,339,823	(0.92%)	3.87%	5.59%	N/A	N/A	8.93%	6.12%	3/26/2015	1.07	0.42	0.66	1.39	
Folium Agriculture Fund I, L.P.	30,000,000	12,129,997	16,537,426	(0.77%)	(3.78%)	N/A	N/A	N/A	(3.78%)	N/A	12/12/2017	0.93	0.90	0.03	0.61	
Halderman Farmland Separate Account	75,000,000	30,528,974	46,966,498	(4.33%)	0.83%	0.90%	2.76%	N/A	2.63%	1.73%	5/10/2013	1.05	0.98	0.07	0.64	
Hancock GLC Farms, LLC	26,119,447	360,229	36,462,539	13.79%	14.33%	5.32%	7.65%	N/A	7.62%	7.67%	8/17/2012	1.46	1.41	0.05	0.99	
Agriculture Total	\$161,119,447	\$57,765,210	\$117,306,286	1.83%	4.65%	2.47%	4.52%	N/A	4.99%	4.59%	8/17/2012	1.12	0.88	0.24	0.83	
			NCREIF Farmland Index	2.85%	6.74%	6.68%	8.57%	11.65%	7.25%							
			Difference	(1.02%)	(2.09%)	(4.21%)	(4.05%)	N/A	(2.26%)							
Energy																
Bluescape Energy Recapitalization and Restructuring Fund III, L.P.	\$30,000,000	\$7,378,107	\$32,261,186	0.43%	17.65%	N/A	N/A	N/A	18.84%	23.76%	12/21/2016	1.38	1.05	0.33	1.03	
BP Natural Gas Opportunity Partners, L.P.	30,000,000	10,958,531	27,688,123	8.20%	13.92%	34.38%	N/A	N/A	34.38%	44.31%	12/7/2015	1.79	1.18	0.61	0.78	
BP Natural Gas Opportunity Partners II, L.P.	35,000,000	35,000,000	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.00	
EnerVest Fund XIV, L.P.	37,500,000	3,031,155	24,934,449	(19.90%)	1.37%	3.97%	N/A	N/A	3.97%	5.52%	9/30/2015	1.13	0.71	0.42	0.94	
Five Point Energy Fund I, L.P.	50,000,000	1,551,297	113,824,677	8.73%	113.53%	40.34%	N/A	N/A	26.64%	49.54%	6/12/2014	2.24	2.16	0.08	1.05	
Five Point Energy Fund II, L.P.	40,000,000	28,690,369	25,233,812	19.65%	98.70%	N/A	N/A	N/A	146.13%	134.67%	9/29/2017	2.23	2.20	0.02	0.29	
Harvest MLP	50,000,000	-	43,190,123	(20.80%)	(13.67%)	N/A	N/A	N/A	(7.83%)	(6.21%)	7/7/2016	0.85	0.85	0.00	1.01	
Lime Rock Resources III, L.P.	34,250,000	689,347	29,575,459	(20.62%)	(12.15%)	11.24%	N/A	N/A	(9.96%)	0.24%	1/23/2014	1.01	0.83	0.18	1.04	
Energy Total	\$306,750,000	\$87,298,807	\$296,707,829	(3.35%)	28.94%	23.19%	N/A	N/A	1.90%	18.06%	1/23/2014	1.45	1.24	0.21	0.78	
Water																
Water Property Investor, L.P.	\$30,000,000	\$1,393,555	\$28,730,059	(0.36%)	(2.77%)	0.84%	N/A	N/A	(0.49%)	(0.31%)	12/12/2014	0.99	0.99	0.00	0.97	
Water Property Investor II, L.P.	30,000,000	10,400,673	19,390,592	0.91%	(0.92%)	N/A	N/A	N/A	(0.82%)	(0.85%)	6/16/2017	0.99	0.99	0.00	0.66	
Water Total	\$60,000,000	\$11,794,229	\$48,120,651	0.15%	(2.04%)	0.57%	N/A	N/A	(0.69%)	(0.42%)	12/12/2014	0.99	0.99	0.00	0.81	
Natural Resources Total	\$708,369,447	\$186,493,008	\$618,341,061	(0.29%)	15.62%	11.36%	8.23%	7.77%	5.70%	9.63%	3/9/2009	1.30	1.07	0.22	0.81	
			CPI-U Index + 4%	3.52%	5.91%	6.03%	5.51%	5.54%	6.07%							
			Difference	(3.81%)	9.71%	5.33%	2.72%	2.23%	(0.37%)							
Total Portfolio	\$2,259,086,443	\$735,145,901	\$1,435,589,368	(0.74%)	10.04%	10.06%	11.29%	11.94%	10.41%	11.46%	11/17/2003	1.40	0.56	0.84	1.11	

- (1) Time weighted returns shown use a Modified Dietz methodology, based on quarterly return periods.
- (2) Inactive investments are included in performance metrics, but are excluded from commitment totals.
- (3) PIC multiples may exceed 1.00 due to the recycling of capital and/or contributions made outside of commitment.
- (4) IRRs are reported for investments one full year following initial capital investment

Management Fees			
	Since Inception through Q3 2018	Q4 2018 QTD	Since Inception through Q4 2018
Natural Resources			
Blue Road Capital, L.P.	\$2,059,152	\$131,250	\$2,190,402
Bluescape Energy Recapitalization and Restructuring Fund III	1,044,993	150,000	1,194,993
BP Natural Gas Opportunity Partners, L.P.	1,663,719	129,878	1,793,597
BP Natural Gas Opportunity Partners II, L.P.	-	-	-
Brookfield Brazil Timber Fund II, LP	912,234	112,810	1,025,044
Conservation Forestry Capital Fund II, LP	2,096,377	29,428	2,125,805
Conservation Forestry Capital Fund IV, LP	225,880	38,703	264,582
Eastern Timberland Opportunities II	1,243,417	99,028	1,342,445
Ecosystem Investment Partners II, LP	3,322,439	103,133	3,425,572
Ecosystem Investment Partners III, LP	2,447,774	187,500	2,635,274
EnerVest Energy Institutional Fund XIV-A, L.P.	2,062,500	100,713	2,163,213
Five Point Energy Fund I, L.P.	2,459,836	188,239	2,648,075
Five Point Energy Fund II, L.P.	631,754	150,000	781,754
Folium Agriculture Fund I, LP	801,472	96,312	897,784
Halderman Farmland Separate Account	1,323,558	124,384	1,447,942
Hancock GLC Farms, LLC	1,145,441	62,313	1,207,754
Harvest MLP	378,122	88,836	466,958
Lime Rock Resources III	1,558,503	47,682	1,606,185
Water Property Investor, L.P.	2,522,385	89,718	2,612,103
Water Property Investor II, L.P.	567,239	109,231	676,470
Natural Resources - Total	\$28,466,795	\$2,039,158	\$30,505,953
Real Estate			
Crow Holdings Realty Partners VI, LP	\$3,629,635	\$74,106	\$3,703,741
Crow Holdings Realty Fund VII, LP	1,208,107	88,932	1,297,039
Crow Retail Fund II, L.P.	577,500	112,500	690,000
Edgewood Partners, L.P.	-	69,128	69,128
Greenfield Acquisition Partners V, L.P.	3,222,236	-	3,222,236
Hammes Partners II, L.P.	3,163,973	148,362	3,312,335
Hammes Partners III, L.P.	-	105,000	105,000
Kildare European Partners I, L.P.	2,064,920	27,744	2,092,664
Kildare European Partners II, L.P.	259,727	75,616	335,343
Lone Star Fund VII (U.S.), L.P.	2,021,209	-	2,021,209
Lone Star Fund VIII (U.S.), L.P.	1,018,762	18,309	1,037,071
Lone Star Fund X (U.S.), L.P.	1,135,020	33,799	1,168,819
Lone Star Fund XI (U.S.), L.P.	-	-	-
Lone Star Real Estate Fund II (U.S.), L.P.	1,599,752	237	1,599,989
Lone Star Real Estate Fund V (U.S.), L.P.	500,364	123,865	624,229
PRIMA Mortgage Investment Trust, LLC	1,310,439	31,795	1,342,234
Prudential Senior Housing Partners IV	2,327,863	84,665	2,412,528
Prudential Senior Housing V	1,274,395	57,335	1,331,730
Raith Real Estate Fund I-A LP	2,857,537	101,854	2,959,391
Raith Real Estate Fund II, L.P.	195,207	98,137	293,344
RAM Realty Partners III	2,900,203	44,137	2,944,340
RAM Realty Partners IV	1,924,998	128,878	2,053,876
RAM Realty Partners V	167,671	100,822	268,493
RAPM NM Secondary Opportunity Fund L.P.	630,391	23,505	653,896
RAPM-NMERB Co-Investment Fund L.P.	1,221,553	58,747	1,280,300
Realterm Logistics Fund, L.P.	1,883,970	-	1,883,970
Realterm Logistics Fund II, LP	547,126	93,750	640,876
Rockpoint Real Estate Fund IV, L.P.	3,191,540	61,722	3,253,262
Rockpoint Real Estate Fund V, L.P.	1,367,364	132,329	1,499,693
Sares-Regis Multifamily Fund, L.P.	2,818,972	18,837	2,837,809
Sares-Regis Multifamily Value-Add Fund II, L.P.	1,367,734	78,641	1,446,375
Sares-Regis Multifamily Value-Add Fund III, L.P.	157,850	93,750	251,600
TPG Real Estate Partners III, L.P.	189,863	295,807	485,670
U.S. Value Income REIT Strategy	6,556,963	-	6,556,963
Real Estate Active Subtotal	\$53,292,844	\$2,382,309	\$55,675,152
Guggenheim Structured Real Estate III, LP	\$846,115	\$0	\$846,115
In-House REIT	-	-	-
Prologis Targeted Europe Logistics Fund, FCP-FIS	895,124	-	895,124
Prologis Targeted US Logistics Fund	1,025,195	-	1,025,195
Real Estate Realized Subtotal	\$2,766,434	\$0	\$2,766,434
Real Estate - Total	\$56,059,278	\$2,382,309	\$58,441,586
Portfolio Total	\$84,526,073	\$4,421,467	\$88,947,539

Quarter	\$ Millions			Reported Market Value	TVPI	IRR	DPI	RVPI
	Contributions	Distributions	Net Cash Flows					
Q1 2008	(9.00)	-	(9.00)	9.18	1.02x	2.38%	0.00x	1.02x
Q2 2008	(25.50)	0.45	(25.05)	34.67	1.02x	2.90%	0.01x	1.01x
Q3 2008	(44.85)	1.02	(43.83)	75.16	0.97x	(7.25%)	0.02x	0.95x
Q4 2008	(33.98)	1.22	(32.76)	86.64	0.79x	(41.12%)	0.02x	0.77x
Q1 2009	(5.57)	1.14	(4.43)	90.83	0.80x	(29.71%)	0.03x	0.77x
Q2 2009	(3.32)	2.83	(0.49)	90.33	0.79x	(23.42%)	0.05x	0.74x
Q3 2009	(1.58)	3.88	2.30	88.10	0.80x	(18.92%)	0.09x	0.71x
Q4 2009	(6.71)	1.45	(5.26)	92.72	0.80x	(16.24%)	0.09x	0.71x
Q1 2010	(4.45)	0.85	(3.61)	98.41	0.82x	(12.73%)	0.10x	0.72x
Q2 2010	(0.77)	1.19	0.42	102.16	0.86x	(9.04%)	0.10x	0.76x
Q3 2010	(0.67)	0.85	0.18	105.53	0.88x	(6.48%)	0.11x	0.77x
Q4 2010	(13.74)	1.93	(11.82)	128.18	0.97x	(1.81%)	0.11x	0.86x
Q1 2011	(2.35)	4.11	1.76	127.22	0.97x	(1.37%)	0.14x	0.83x
Q2 2011	(18.06)	4.17	(13.89)	143.47	0.99x	(0.57%)	0.15x	0.84x
Q3 2011	(8.66)	7.45	(1.21)	146.29	1.00x	(0.10%)	0.18x	0.82x
Q4 2011	(23.90)	5.39	(18.51)	168.89	1.02x	0.85%	0.19x	0.83x
Q1 2012	(7.91)	4.72	(3.19)	176.61	1.04x	1.70%	0.20x	0.84x
Q2 2012	(15.09)	2.87	(12.22)	191.35	1.05x	2.02%	0.20x	0.85x
Q3 2012	(26.49)	5.68	(20.80)	218.38	1.07x	2.88%	0.20x	0.87x
Q4 2012	(41.37)	9.94	(31.44)	260.58	1.09x	4.20%	0.21x	0.88x
Q1 2013	(1.62)	19.77	18.15	250.70	1.12x	4.93%	0.27x	0.85x
Q2 2013	(24.54)	24.77	0.23	264.42	1.16x	6.17%	0.33x	0.83x
Q3 2013	(21.65)	16.87	(4.77)	278.85	1.17x	6.75%	0.36x	0.81x
Q4 2013	(33.78)	27.92	(5.86)	295.79	1.19x	7.34%	0.40x	0.79x
Q1 2014	(68.40)	22.34	(46.06)	348.63	1.17x	7.43%	0.39x	0.78x
Q2 2014	(32.59)	17.05	(15.54)	374.00	1.18x	7.70%	0.40x	0.78x
Q3 2014	(86.76)	19.96	(66.80)	452.83	1.18x	8.01%	0.37x	0.81x
Q4 2014	(121.30)	32.99	(88.31)	563.54	1.18x	8.81%	0.35x	0.83x
Q1 2015	(37.87)	25.13	(12.74)	586.58	1.18x	8.72%	0.37x	0.81x
Q2 2015	(29.76)	35.16	5.39	590.51	1.19x	8.57%	0.40x	0.79x
Q3 2015	(57.35)	22.22	(35.13)	645.86	1.20x	8.92%	0.40x	0.80x
Q4 2015	(60.80)	38.77	(22.03)	691.23	1.21x	9.29%	0.42x	0.79x
Q1 2016	(47.50)	20.49	(27.01)	725.81	1.21x	8.97%	0.42x	0.79x
Q2 2016	(65.92)	59.48	(6.44)	764.94	1.23x	9.57%	0.45x	0.78x
Q3 2016	(113.81)	33.50	(80.31)	859.38	1.22x	9.40%	0.44x	0.78x
Q4 2016	(78.29)	28.55	(49.74)	942.24	1.23x	9.78%	0.43x	0.80x
Q1 2017	(71.79)	54.31	(17.48)	980.69	1.24x	9.75%	0.45x	0.79x
Q2 2017	(57.65)	27.85	(29.80)	1,033.12	1.24x	9.73%	0.45x	0.79x
Q3 2017	(52.35)	69.30	16.95	1,030.36	1.24x	9.50%	0.48x	0.76x
Q4 2017	(50.58)	72.88	22.30	1,060.62	1.27x	10.10%	0.52x	0.75x
Q1 2018	(61.19)	37.01	(24.18)	1,125.49	1.29x	10.39%	0.52x	0.77x
Q2 2018	(51.63)	30.15	(21.47)	1,186.48	1.30x	10.58%	0.52x	0.78x
Q3 2018	(46.99)	97.62	50.64	1,200.35	1.34x	11.14%	0.57x	0.77x
Q4 2018	(51.51)	65.60	14.09	1,192.30	1.33x	10.75%	0.59x	0.74x
Total	(\$1,619.61)	\$960.85	(\$658.76)					



Capital Committed:	An investor's financial obligation to provide a set amount of capital to the investment.
Capital Contributed:	Capital contributed from an investor's capital commitment to fund partnership investments, organizational expenses and management fees.
Capital Distributed:	Cash or stock disbursed to the investors of an investment.
Cost Basis:	Capital contributions less return of principal.
Exposed Market Value:	An investor's pro rata allocation to an underlying investment based on the ownership percentage of the partnership.
Investment Strategy:	A sub-classification of a partnership's investment type, such as Co/Direct Investment, Corporate Finance/Buyout, Mezzanine, Real Estate, Special Situation, Venture Capital.
Net Internal Rate of Revenue ("IRR"):	The discount rate that equates the net present value of the partnership's cash outflows with its inflows and residual value at the time of calculation. The calculation is net of management fees and the general partner's carried interest.
Paid-in Capital:	The amount of capital an investor has contributed to a partnership, which includes capital contributions and additional fees.
Pooled Average IRR:	An IRR calculation which aggregates cash flows (paid-in capital and capital distributed) and the reported market values of each investment within a portfolio to create one portfolio investment and return.
Portfolio Holding Exposure:	The limited partner's pro rata allocation to an underlying investment based on the ownership percentage of the partnership.
Realized Multiple:	Ratio of cumulative distributions to paid-in capital.
Return on Investment ("ROI"):	A calculation based on the total value (market value plus distributions) divided by paid-in capital for an investment.
Reported Market Value:	The investment's capital account balance at quarter end, which includes the general partner's reported value of the underlying holdings and other assets and liabilities.
Time Weighted Return (TWR)	The return that an investor achieves over some period of time, where the timing and order effects of cash flows are removed
Total Exposure:	Calculated by the summation of market value and unfunded commitments.
Vintage Year:	The year in which a partnership makes its first capital call for an investment into a portfolio company/holding.

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The GP (of Conservation Forestry Fund IV, LP) further acknowledges that Investor (NMERB) discloses the following information about its investments held directly and indirectly: Additionally, the Investor (NMERB) reserves the right to report “since inception” IRR and other rate of return measures for its partnership investments. Notwithstanding anything to the contrary contained in the LPA, the GP (of Conservation Forestry Fund IV, LP) hereby consents in advance to the disclosure of the foregoing information by Investor (NMERB) with respect to the Partnership (of Conservation Forestry Fund IV, LP). Investor (NMERB) agrees that in connection with disclosure of any information of the type contemplated above relating to IRR or other measures of investment return, the information set forth in such disclosure will be prepared by investor (NMERB or affiliate) and include an express statement that the Partnership (of Conservation Forestry Fund IV, LP) has not reviewed such information and makes no representation or warranty concerning its accuracy.

Reported Net IRR herein for Conservation Forestry Fund IV, LP is based upon manager reported cash flows to and inflows from investors and the estimated ending values as of the date of this report. Returns are net of underlying investment manager management fees, expenses and carried interest (if any) specific to the investor. The GP of Conservation Forestry Fund IV, LP has not reviewed stated performance and makes no representation or warranty concerning its accuracy.

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