



NEPC, LLC

YOU DEMAND MORE. So do we.SM

Firefighters' Retirement System of Louisiana

Fourth Quarter, 2014 Real Estate Review

David Barnes, CFA, CAIA
Senior Consultant

255 State Street, Boston, MA 02109
TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com

BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | SAN FRANCISCO

Table of Contents	Page
Summary Letter	1
Trailing Period Returns	5
Portfolio Value	6
Portfolio Value by Lifecycle	7
Portfolio Value by Vintage Year	8
Portfolio Value by Strategy	9
Transaction Summary	10

Information Disclosure

- NEPC, LLC uses, as its data source, the plan's fund manager and custodian bank or fund service company, and NEPC, LLC relies on those sources for all transactions, including capital calls, distributions, income/expense and reported values. While NEPC, LLC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- The Investment Performance Analysis is provided as a management aid for the client's internal use only. Portfolio performance reported in the Investment Performance Analysis does not constitute a recommendation by NEPC, LLC.
- Information in this report on market indices and security characteristics is received from sources external to NEPC, LLC. While efforts are made to ensure that this external data is accurate, NEPC, LLC cannot accept responsibility for errors that may occur.



May, 2015

Firefighters' Retirement System of Louisiana

RE: Real Estate Strategy – 4th Quarter 2014

Dear Members,

We are pleased to present the December 31, 2014 Private Markets Real Estate Report for the Firefighters' Retirement System of Louisiana. The report provides a variety of performance analysis for the overall portfolio. The reports include trailing performance, performance by investment stage and vintage year performance.

The Real Estate portfolio of Firefighters' Retirement System of Louisiana experienced a positive quarter, having a nominal IRR of 1.89%. The IRR since inception is 0.14%. The overall multiple (current valuation plus cumulative distributions, divided by total capital calls) is 1.01.

The following table presents the status of the Real Estate portfolio as of December 31, 2014:

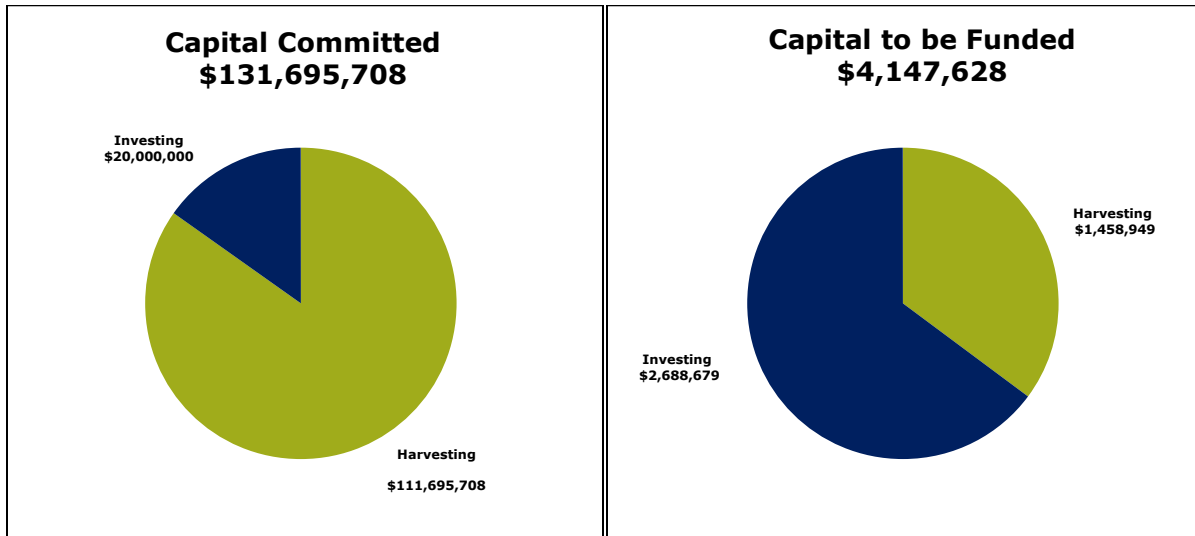
Commitments	Terminated Commitments	Amount Funded	Amount Distributed	Reported Value	Call Ratio	Distribution Ratio
\$131,695,708	\$0	\$127,548,080	\$38,621,139	\$89,910,236	96.85%	30.28%

Unfunded Commitments	Market Exposure (Reported Value + Unfunded Commitments)	Total Fund Composite as of 12/31/2014	Alternative Assets Target	Reported Value as a % of Total Fund	Market Exposure as a % of Total Fund
\$4,147,628	\$94,057,864	\$1,343,751,146	8%*	6.69%	7.0%

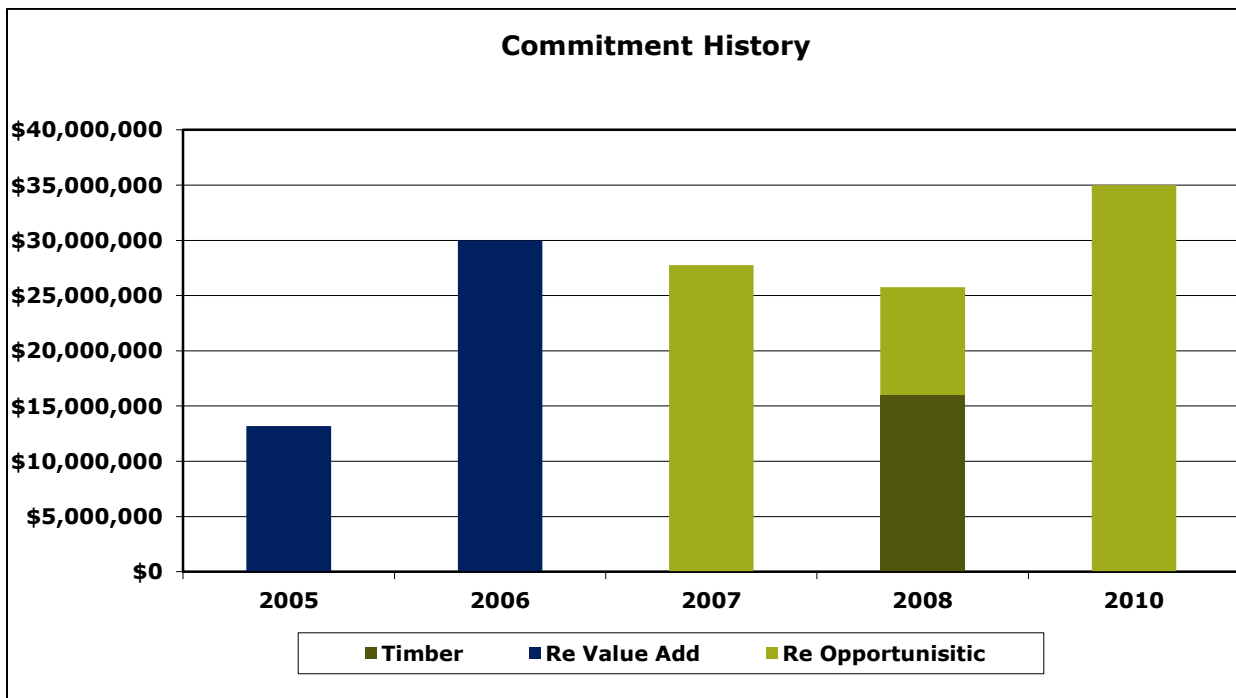
Total Value (Reported Value + Distributions)	Total Value To Paid In Capital	Internal Rate of Return IRR, Since Inception (December 2005)
\$128,531,375	1.01	0.14%



As of December 31, 2014, the Firefighters' Retirement System of Louisiana had commitments totaling \$131.70 million to 8 real estate funds. Of the 8 funds in the real estate portfolio, 1 is in the investing stage and 7 are in the harvesting stage. The following charts illustrate the program's current life cycle:

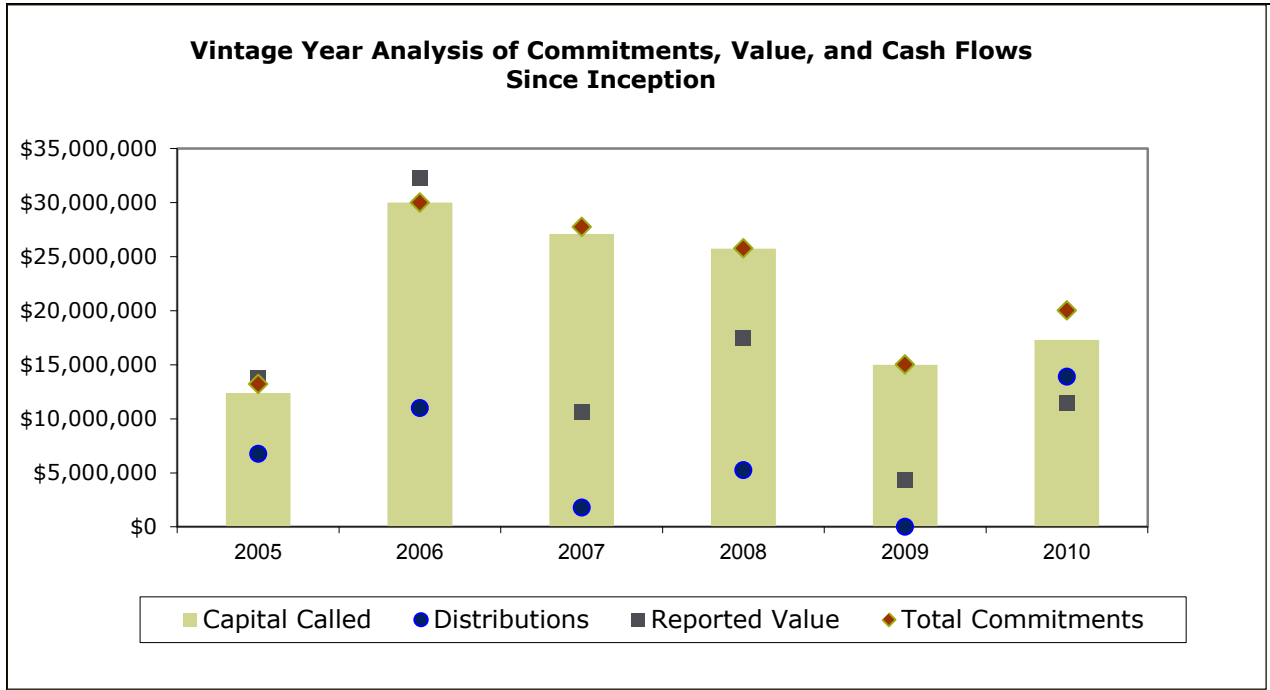


The following chart illustrates the commitment history of the Firefighters' Retirement System of Louisiana private markets program through the quarter end:





The following chart provides an analysis of the vintage year performance comparing the capital calls to the distributions and reported value:

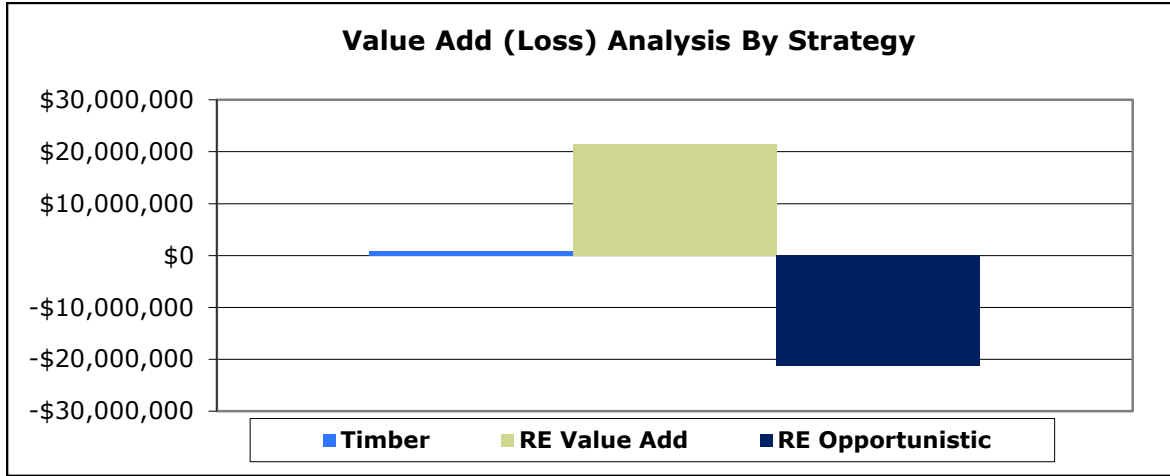


During the quarter-ended December 31, 2014, 0 funds in the Firefighters' Retirement System of Louisiana Real Estate portfolio drew capital, and 5 funds made a distribution. The summary of the cash flow follows:

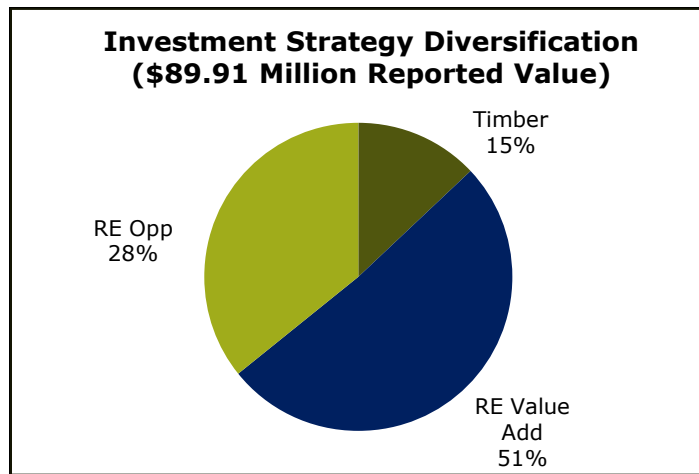
Calls & Expenses Funded for the Quarter	Number of Funds Calling Capital & Expenses	Distributions for the Quarter	Number of Funds Making Distributions	Net Cash/Stock Flows for the Quarter
\$0	0	\$4,481,210	5	\$4,481,210



Since inception the Real Estate program has gained \$0.98 million in value for the Firefighters' Retirement System of Louisiana. Timber added \$0.90 million and RE Value added \$21.42 million. RE Opportunistic has lost (\$21.34) million.



As of December 31, 2014, the 8 Real Estate funds in the Firefighters' Retirement System of Louisiana portfolio had the following investment strategy diversification by the investment funds' reported values:



We thank you for the opportunity to work with the Firefighters' Retirement System of Louisiana and look forward to continued success in the future.

Best regards,

David Barnes, CFA
Senior Consultant

**Firefighters' Retirement System of Louisiana
Executive Summary IRR Performance Report**

12/31/2014

Investment	Vintage Year	Commitment	Qtr TD	YTD	1 Year	3 Year	5 Year	Inception
AEW Partners VI	2010	20,000,000	3.96	20.82	20.82	18.35	N/A	15.04
Americus Real Estate Fund II, Ltd.	2005	13,200,000	1.76	-0.17	-0.17	7.63	17.38	8.98
Gainesville Vision, LLC	2008	9,746,765	0.00	0.00	0.00	-4.99	-9.74	-8.47
JP Morgan India Property Fund	2007	8,990,000	-0.27	6.28	6.28	-1.03	2.46	-2.15
Land Baron Historical	2007	18,758,943	0.00	0.20	0.20	-25.26	-20.40	-17.74
NLTP Loan	2009	15,000,000	0.00	0.00	0.00	-41.38	-27.20	-20.62
Sentinel Real Estate Fund	2006	30,000,000	2.83	11.43	11.43	19.68	18.93	4.92
Timbervest Crossover Partners II, L.P.	2008	16,000,000	0.64	0.82	0.82	1.60	1.45	1.36
Total: Firefighters' Retirement System of Louisiana		131,695,708	1.89	7.55	7.55	0.22	1.77	0.14

Composite IRRS include all flows of the selected investments regardless of the start date of the investment.
"N/A" will be displayed if the investment has insufficient cash flows for the period

**Firefighters' Retirement System of Louisiana
Performance Analysis**

12/31/2014

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
1 AEW Partners VI	2010	20,000,000	17,311,321	2,688,679	0	13,882,507	11,476,288	25,358,795	8,047,474	87 %	0.80	1.46	15.04 %
2 Americus Real Estate Fund II, Ltd.	2005	13,200,000	12,381,374	818,626	0	6,750,684	13,766,814	20,517,498	8,136,124	94 %	0.55	1.66	8.98 %
3 Gainesville Vision, LLC	2008	9,746,765	9,746,765	0	0	0	5,830,221	5,830,221	-3,916,544	100 %	0.00	0.60	-8.47 %
4 JP Morgan India Property Fund	2007	8,990,000	8,349,677	640,323	0	1,684,595	5,820,829	7,505,424	-844,253	93 %	0.20	0.90	-2.15 %
5 Land Baron Historical	2007	18,758,943	18,758,943	0	0	82,396	4,764,705	4,847,101	-13,911,842	100 %	0.00	0.26	-17.74 %
6 NLTP Loan	2009	15,000,000	15,000,000	0	0	0	4,290,000	4,290,000	-10,710,000	100 %	0.00	0.29	-20.62 %
7 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	10,972,956	32,306,928	43,279,884	13,279,884	100 %	0.37	1.44	4.92 %
8 Timbervest Crossover Partners II, L.F	2008	16,000,000	16,000,000	0	0	5,248,000	11,654,451	16,902,451	902,451	100 %	0.33	1.06	1.36 %
8 Total Partnerships		131,695,708	127,548,080	4,147,628	0	38,621,139	89,910,236	128,531,375	983,295	97 %	0.30	1.01	0.14 %

*** Indicates Estimated Valuation for the fund

**Firefighters' Retirement System of Louisiana
Lifecycle Performance Analysis**

12/31/2014

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
2 Investing													
1 AEW Partners VI	2010	20,000,000	17,311,321	2,688,679	0	13,882,507	11,476,288	25,358,795	8,047,474	87 %	0.80	1.46	15.04 %
2 Investing Subtotal		20,000,000	17,311,321	2,688,679	0	13,882,507	11,476,288	25,358,795	8,047,474	87 %	0.80	1.46	15.04 %
3 Harvesting													
2 Americus Real Estate Fund II, Ltd.	2005	13,200,000	12,381,374	818,626	0	6,750,684	13,766,814	20,517,498	8,136,124	94 %	0.55	1.66	8.98 %
3 Gainesville Vision, LLC	2008	9,746,765	9,746,765	0	0	0	5,830,221	5,830,221	-3,916,544	100 %	0.00	0.60	-8.47 %
4 JP Morgan India Property Fund	2007	8,990,000	8,349,677	640,323	0	1,684,595	5,820,829	7,505,424	-844,253	93 %	0.20	0.90	-2.15 %
5 Land Baron Historical	2007	18,758,943	18,758,943	0	0	82,396	4,764,705	4,847,101	-13,911,842	100 %	0.00	0.26	-17.74 %
6 NLTP Loan	2009	15,000,000	15,000,000	0	0	0	4,290,000	4,290,000	-10,710,000	100 %	0.00	0.29	-20.62 %
7 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	10,972,956	32,306,928	43,279,884	13,279,884	100 %	0.37	1.44	4.92 %
8 Timbervest Crossover Partners II, L.P.	2008	16,000,000	16,000,000	0	0	5,248,000	11,654,451	16,902,451	902,451	100 %	0.33	1.06	1.36 %
3 Harvesting Subtotal		111,695,708	110,236,759	1,458,949	0	24,738,632	78,433,948	103,172,580	-7,064,179	99 %	0.22	0.94	-1.12 %
8 Total Partnerships		131,695,708	127,548,080	4,147,628	0	38,621,139	89,910,236	128,531,375	983,295	97 %	0.30	1.01	0.14 %

Firefighters' Retirement System of Louisiana
Vintage Year Performance Analysis

12/31/2014

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
2005													
1 Americus Real Estate Fund II, Ltd.	2005	13,200,000	12,381,374	818,626	0	6,750,684	13,766,814	20,517,498	8,136,124	94 %	0.55	1.66	8.98 %
2005 Subtotal		13,200,000	12,381,374	818,626	0	6,750,684	13,766,814	20,517,498	8,136,124	94 %	0.55	1.66	8.98 %
2006													
2 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	10,972,956	32,306,928	43,279,884	13,279,884	100 %	0.37	1.44	4.92 %
2006 Subtotal		30,000,000	30,000,000	0	0	10,972,956	32,306,928	43,279,884	13,279,884	100 %	0.37	1.44	4.92 %
2007													
3 JP Morgan India Property Fund	2007	8,990,000	8,349,677	640,323	0	1,684,595	5,820,829	7,505,424	-844,253	93 %	0.20	0.90	-2.15 %
4 Land Baron Historical	2007	18,758,943	18,758,943	0	0	82,396	4,764,705	4,847,101	-13,911,842	100 %	0.00	0.26	-17.74 %
2007 Subtotal		27,748,943	27,108,620	640,323	0	1,766,991	10,585,534	12,352,525	-14,756,094	98 %	0.07	0.46	-11.98 %
2008													
5 Gainesville Vision, LLC	2008	9,746,765	9,746,765	0	0	0	5,830,221	5,830,221	-3,916,544	100 %	0.00	0.60	-8.47 %
6 Timbervest Crossover Partners II, L.P.	2008	16,000,000	16,000,000	0	0	5,248,000	11,654,451	16,902,451	902,451	100 %	0.33	1.06	1.36 %
2008 Subtotal		25,746,765	25,746,765	0	0	5,248,000	17,484,672	22,732,672	-3,014,093	100 %	0.20	0.88	-2.64 %
2009													
7 NLTP Loan	2009	15,000,000	15,000,000	0	0	0	4,290,000	4,290,000	-10,710,000	100 %	0.00	0.29	-20.62 %
2009 Subtotal		15,000,000	15,000,000	0	0	0	4,290,000	4,290,000	-10,710,000	100 %	0.00	0.29	-20.62 %
2010													
8 AEW Partners VI	2010	20,000,000	17,311,321	2,688,679	0	13,882,507	11,476,288	25,358,795	8,047,474	87 %	0.80	1.46	15.04 %
2010 Subtotal		20,000,000	17,311,321	2,688,679	0	13,882,507	11,476,288	25,358,795	8,047,474	87 %	0.80	1.46	15.04 %
8 Total Partnerships		131,695,708	127,548,080	4,147,628	0	38,621,139	89,910,236	128,531,375	983,295	97 %	0.30	1.01	0.14 %

**Firefighters' Retirement System of Louisiana
Investment Strategy Performance Analysis**

12/31/2014

Partnership Name	Vintage Year	Commitment	Paid In Capital	Capital To Be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
501 Timber													
1 Timbervest Crossover Partners II, L.P.	2008	16,000,000	16,000,000	0	0	5,248,000	11,654,451	16,902,451	902,451	100 %	0.33	1.06	1.36 %
501 Timber Subtotal		16,000,000	16,000,000	0	0	5,248,000	11,654,451	16,902,451	902,451	100 %	0.33	1.06	1.36 %
615 RE Value Add													
1 Americus Real Estate Fund II, Ltd.	2005	13,200,000	12,381,374	818,626	0	6,750,684	13,766,814	20,517,498	8,136,124	94 %	0.55	1.66	8.98 %
2 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	10,972,956	32,306,928	43,279,884	13,279,884	100 %	0.37	1.44	4.92 %
615 RE Value Add Subtotal		43,200,000	42,381,374	818,626	0	17,723,640	46,073,742	63,797,382	21,416,008	98 %	0.42	1.51	5.92 %
630 RE Opportunistic													
1 AEW Partners VI	2010	20,000,000	17,311,321	2,688,679	0	13,882,507	11,476,288	25,358,795	8,047,474	87 %	0.80	1.46	15.04 %
2 Gainesville Vision, LLC	2008	9,746,765	9,746,765	0	0	0	5,830,221	5,830,221	-3,916,544	100 %	0.00	0.60	-8.47 %
3 JP Morgan India Property Fund	2007	8,990,000	8,349,677	640,323	0	1,684,595	5,820,829	7,505,424	-844,253	93 %	0.20	0.90	-2.15 %
4 Land Baron Historical	2007	18,758,943	18,758,943	0	0	82,396	4,764,705	4,847,101	-13,911,842	100 %	0.00	0.26	-17.74 %
5 NLTP Loan	2009	15,000,000	15,000,000	0	0	0	4,290,000	4,290,000	-10,710,000	100 %	0.00	0.29	-20.62 %
630 RE Opportunistic Subtotal		72,495,708	69,166,706	3,329,002	0	15,649,498	32,182,043	47,831,541	-21,335,164	95 %	0.23	0.69	-7.21 %
8 Total Partnerships		131,695,708	127,548,080	4,147,628	0	38,621,139	89,910,236	128,531,375	983,295	97 %	0.30	1.01	0.14 %

Firefighters' Retirement System of Louisiana

Transaction Summary

9/30/2014 - 12/31/2014

Date	Funding	Additional Fees	Cash	Stock	Net Cash Flow
AEW Partners VI					
9/30/2014			564,431.00		-564,431.00
11/20/2014			608,576.00		-1,173,007.00
12/10/2014			1,273,585.00		-2,446,592.00
12/16/2014			1,014,151.00		-3,460,743.00
Total: AEW Partners VI			3,460,743.00		-3,460,743.00
Americus Real Estate Fund II, Ltd.					
10/15/2014			23,760.00		-23,760.00
11/12/2014			23,760.00		-47,520.00
12/11/2014			23,760.00		-71,280.00
Total: Americus Real Estate Fund II, Ltd.			71,280.00		-71,280.00
JP Morgan India Property Fund					
10/15/2014			55,963.62		-55,963.62
Total: JP Morgan India Property Fund			55,963.62		-55,963.62
Sentinel Real Estate Fund					
10/10/2014			445,223.08		-445,223.08
Total: Sentinel Real Estate Fund			445,223.08		-445,223.08
Timbervest Crossover Partners II, L.P.					
9/30/2014			448,000.00		-448,000.00
Total: Timbervest Crossover Partners II, L.P.			448,000.00		-448,000.00
Total: Firefighters' Retirement System of Louisiana			4,481,209.70		-4,481,209.70
Total:			4,481,209.70		-4,481,209.70

Activity is cumulative for the period