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Firefighters' Retirement System of Louisiana

Second Quarter, 2016 Real Estate Review

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October, 2016

Firefighters' Retirement System of Louisiana

RE: Real Estate Strategy – 2nd Quarter 2016

Dear Members,

We are pleased to present the June 30, 2016 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.

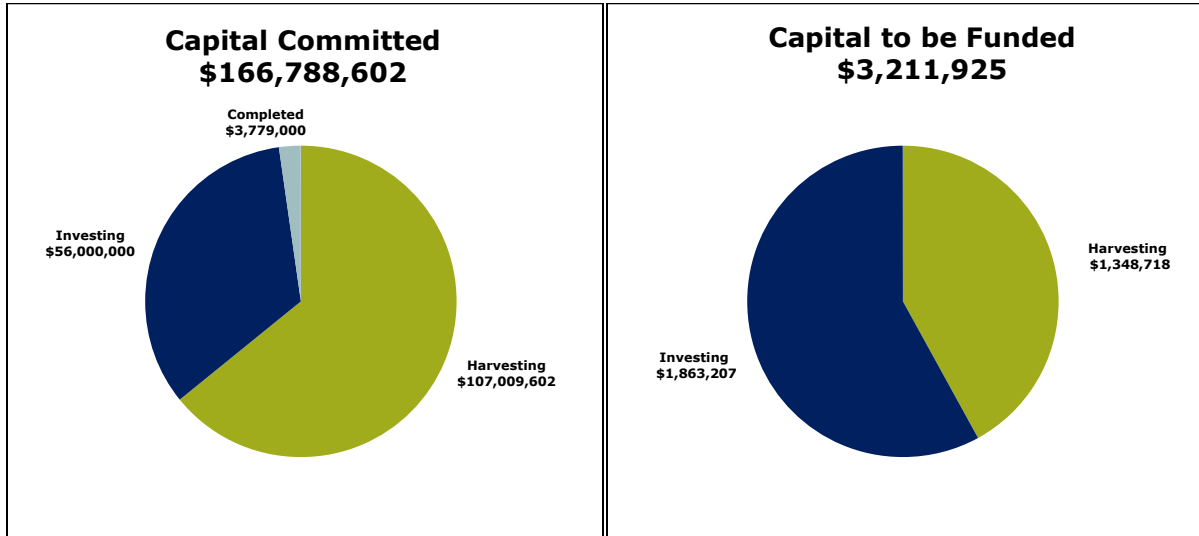
The Real Estate portfolio of Firefighters' Retirement System of Louisiana experienced a positive quarter, having a nominal IRR of 0.45%. The IRR since inception is 0.64%. The overall multiple (current valuation plus cumulative distributions, divided by total capital calls) is 1.03.

The following table presents the status of the Real Estate portfolio as of June 30, 2016:

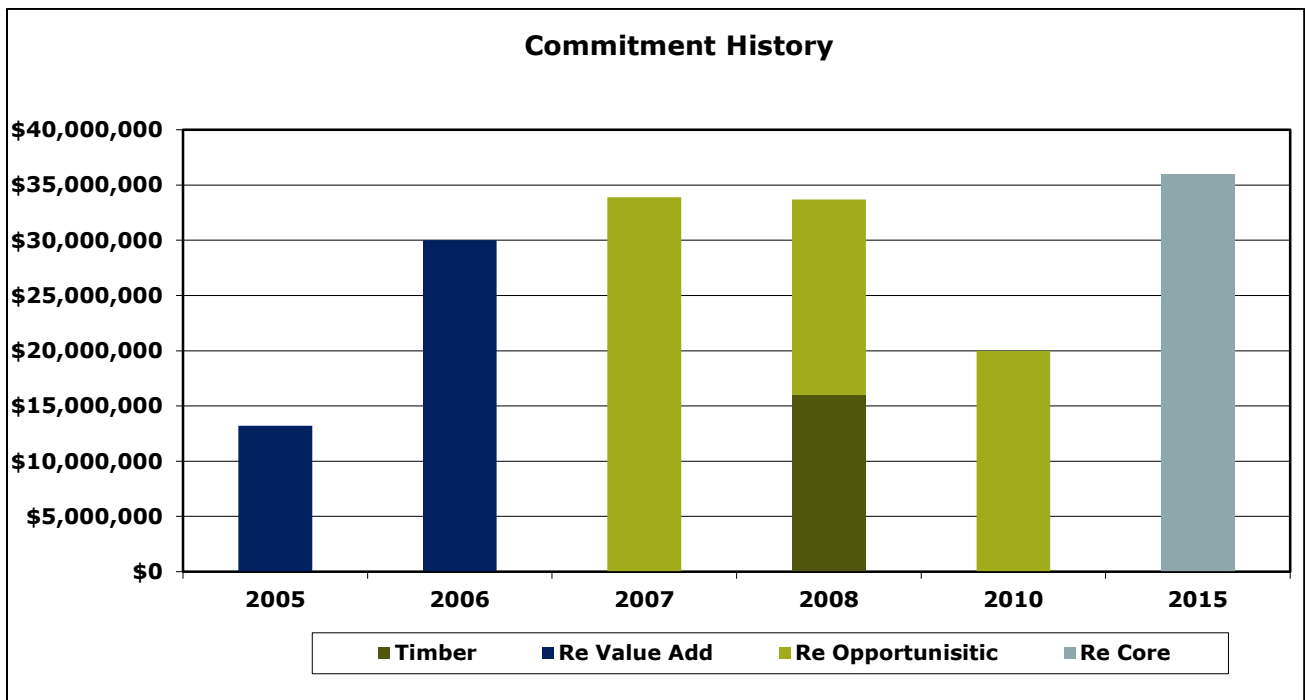
Commitments	Terminated Commitments	Amount Funded	Amount Distributed	Reported Value	Call Ratio	Distribution Ratio
\$166,788,602	\$0	\$163,576,677	\$53,836,954	\$115,168,701	98.07%	32.91%
Unfunded Commitments	Market Exposure (Reported Value + Unfunded Commitments)		Total Fund Composite as of 6/30/2016	Alternative Assets Target	Reported Value as a % of Total Fund	Market Exposure as a % Total Fund
\$3,211,925	\$118,380,626		\$1,362,241,178	4%*	8.45%	8.7%
Total Value (Reported Value + Distributions)			Total Value To Paid In Capital		Internal Rate of Return IRR, Since Inception (December 2005)	
\$169,005,655			1.03		0.64%	



As of June 30, 2016, the Firefighters' Retirement System of Louisiana had commitments totaling \$166.79 million to 12 real estate funds. Of the 12 funds in the real estate portfolio, 4 are in the investing stage, 7 are in the harvesting stage, and 1 is in the completed stage. The following charts illustrate the program's current life cycle:

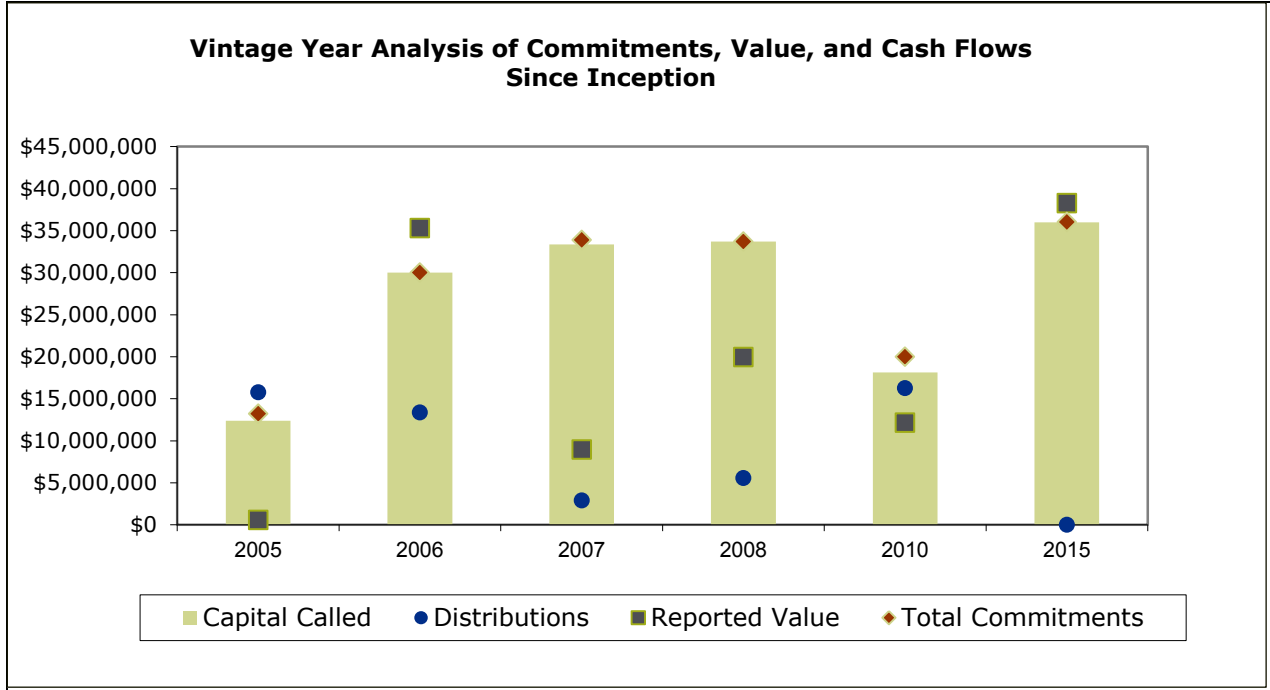


The following chart illustrates the commitment history of the Firefighters' Retirement System of Louisiana private markets program through the quarter end:





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

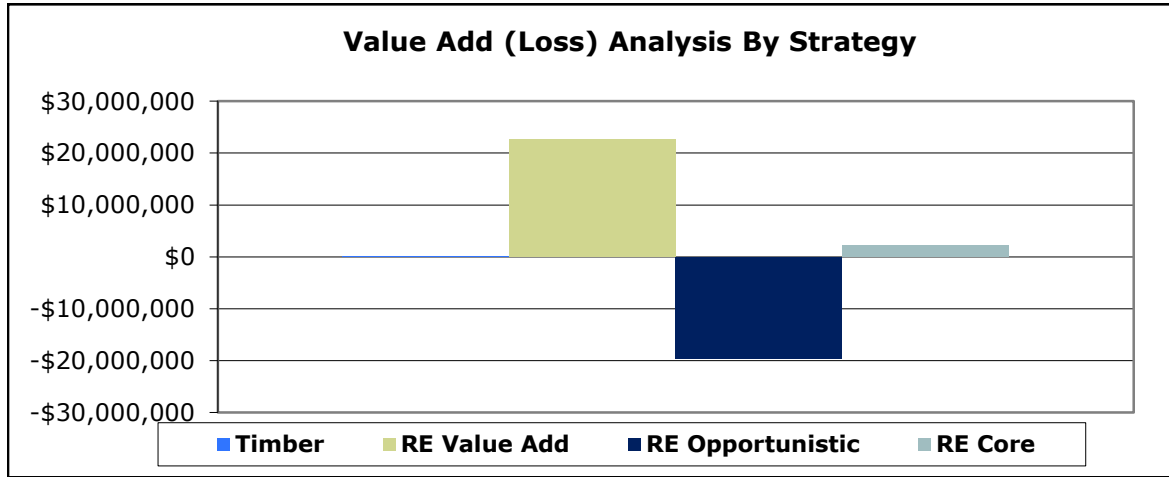


During the quarter-ended June 30, 2016, 1 fund in the Firefighters’ Retirement System of Louisiana Real Estate portfolio drew capital, and 3 funds made a distribution. The summary of the cash flow follows:

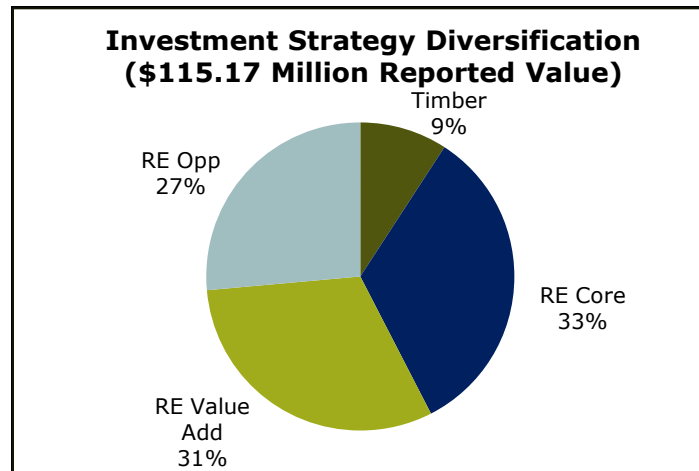
Calls & Expenses Funded for the Quarter	Number of Funds Calling Capital & Expenses	Distributions for the Quarter	Number of Funds Making Distributions	Net Cash/Stock Flows for the Quarter
\$1,320,000	1	\$1,116,594	3	(\$203,406)



Since inception the Real Estate program has gained \$5.43 million in value for the Firefighters' Retirement System of Louisiana. Timber added \$0.14 million, RE Core added \$2.28 million, and RE Value added \$22.64 million. RE Opportunistic has lost (\$19.63) million.



As of June 30, 2016, the 12 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, CAIA
Senior Consultant

Firefighters' Retirement System of Louisiana

Executive IRR Summary

6/30/2016

Investment Name	Vintage Year	Commitment Amount	QTD	YTD	1 Year	3 Year	5 Year	Inception
AEW Core Property Trust	2015	12,000,000	2.20	4.05	10.40			11.12
AEW Partners VI	2010	20,000,000	1.42	1.77	15.75	17.95	18.00	14.80
Americus Real Estate Fund II, Ltd.	2005	13,200,000	-23.94	-8.86	-51.52	-11.90	11.59	4.69
ASB Allegiance Real Estate Fund II, Ltd.	2015	12,000,000	1.33	2.72				2.72
FRS-GA (Georgia)	2008	9,273,354	0.17	0.17	0.17	-4.40	-2.66	-8.10
FRS-LB I (NLTP AZ)	2007	24,900,208	-0.41	-0.41	-0.41	1.33	-26.82	-22.26
FRS-LB II (SMT AZ)	2008	3,779,000			-100.00			
FRS-LB III (ST George UT)	2008	4,646,040	-12.91	-12.91	-12.91	-4.50	-3.74	-0.14
Heitman America Real Estate Trust, L.P.	2015	12,000,000	2.00	3.94				6.05
JP Morgan India Property Fund	2007	8,990,000	-2.61	-2.84	-6.14	-3.84	-2.83	-2.36
Sentinel Real Estate Fund	2006	30,000,000	2.23	3.78	11.23	12.37	19.11	5.66
Timbervest Crossover Partners II, L.P.	2008	16,000,000	-0.55	0.41	-7.82	-2.87	0.10	0.18
Firefighters' Retirement System of Louisiana		166,788,602	0.45	1.62	0.81	4.71	4.05	0.64

Firefighters' Retirement System of Louisiana

Performance Analysis

6/30/2016

Investment Name	Vintage Year	Commitment Amount	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 Core Property Trust	2015	12,000,000	12,000,000	0	0	0	13,634,845	13,634,845	1,634,845	100%	0.00	1.14	11.12%
2 AEW Partners VI	2010	20,000,000	18,136,793	1,863,207	0	16,249,583	12,151,343	28,400,926	10,264,133	91%	0.90	1.57	14.80%
3 Americus Real Estate Fund II, Ltd.	2005	13,200,000	12,381,374	818,626	0	15,770,826	582,381	16,353,207	3,971,833	94%	1.27	1.32	4.69%
4 ASB Allegiance Real Estate Fund II, Ltd.	2015	12,000,000	12,000,000	0	0	0	12,168,888	12,168,888	168,888	100%	0.00	1.01	2.72%
5 FRS-GA (Georgia)	2008	9,273,354	9,273,354	0	0	0	4,762,850	4,762,850	-4,510,504	100%	0.00	0.51	-8.10%
6 FRS-LB I (NLTP AZ)	2007	24,900,208	24,900,208	0	0	0	4,463,550	4,463,550	-20,436,658	100%	0.00	0.18	-22.26%
7 FRS-LB II (SMT AZ)	2008	3,779,000	3,779,000	0	0	0	0	0	-3,779,000	100%	0.00	0.00	N/A
8 FRS-LB III (ST George UT)	2008	4,646,040	4,646,040	0	0	0	4,594,816	4,594,816	-51,224	100%	0.00	0.99	-0.14%
9 Heitman America Real Estate Trust, L.P.	2015	12,000,000	12,000,000	0	0	0	12,474,049	12,474,049	474,049	100%	0.00	1.04	6.05%
10 JP Morgan India Property Fund	2007	8,990,000	8,459,908	530,092	0	2,872,127	4,471,910	7,344,037	-1,115,872	94%	0.34	0.87	-2.36%
11 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	13,376,418	35,289,933	48,666,351	18,666,351	100%	0.45	1.62	5.66%
12 Timbervest Crossover Partners II, L.P.	2008	16,000,000	16,000,000	0	0	5,568,000	10,574,135	16,142,135	142,135	100%	0.35	1.01	0.18%
Total: Firefighters' Retirement System of Louisiana		166,788,602	163,576,677	3,211,925	0	53,836,954	115,168,701	169,005,654	5,428,977	98%	0.33	1.03	0.64%

Firefighters' Retirement System of Louisiana

Lifecycle Performance Analysis

6/30/2016

Investment Name	Vintage Year	Commitment Amount	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 Core Property Trust	2015	12,000,000	12,000,000	0	0	0	13,634,845	13,634,845	1,634,845	100%	0.00	1.14	11.12%
2 AEW Partners VI	2010	20,000,000	18,136,793	1,863,207	0	16,249,583	12,151,343	28,400,926	10,264,133	91%	0.90	1.57	14.80%
3 ASB Allegiance Real Estate Fund II, Ltd.	2015	12,000,000	12,000,000	0	0	0	12,168,888	12,168,888	168,888	100%	0.00	1.01	2.72%
4 Heitman America Real Estate Trust, L.P.	2015	12,000,000	12,000,000	0	0	0	12,474,049	12,474,049	474,049	100%	0.00	1.04	6.05%
Subtotal: 2 Investing		56,000,000	54,136,793	1,863,207	0	16,249,583	50,429,125	66,678,708	12,541,915	97%	0.30	1.23	13.80%
3 Harvesting													
1 Americus Real Estate Fund II, Ltd.	2005	13,200,000	12,381,374	818,626	0	15,770,826	582,381	16,353,207	3,971,833	94%	1.27	1.32	4.69%
2 FRS-GA (Georgia)	2008	9,273,354	9,273,354	0	0	0	4,762,850	4,762,850	-4,510,504	100%	0.00	0.51	-8.10%
3 FRS-LB I (NLTP AZ)	2007	24,900,208	24,900,208	0	0	0	4,463,550	4,463,550	-20,436,658	100%	0.00	0.18	-22.26%
4 FRS-LB III (ST George UT)	2008	4,646,040	4,646,040	0	0	0	4,594,816	4,594,816	-51,224	100%	0.00	0.99	-0.14%
5 JP Morgan India Property Fund	2007	8,990,000	8,459,908	530,092	0	2,872,127	4,471,910	7,344,037	-1,115,872	94%	0.34	0.87	-2.36%
6 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	13,376,418	35,289,933	48,666,351	18,666,351	100%	0.45	1.62	5.66%
7 Timbervest Crossover Partners II, L.P.	2008	16,000,000	16,000,000	0	0	5,568,000	10,574,135	16,142,135	142,135	100%	0.35	1.01	0.18%
Subtotal: 3 Harvesting		107,009,602	105,660,884	1,348,718	0	37,587,371	64,739,576	102,326,946	-3,333,938	99%	0.36	0.97	-0.47%
5 Completed													
1 FRS-LB II (SMT AZ)	2008	3,779,000	3,779,000	0	0	0	0	0	-3,779,000	100%	0.00	0.00	N/A
Subtotal: 5 Completed		3,779,000	3,779,000	0	0	0	0	0	-3,779,000	100%	0.00	0.00	N/A
Total: Firefighters' Retirement System of Louisiana		166,788,602	163,576,677	3,211,925	0	53,836,954	115,168,701	169,005,654	5,428,977	98%	0.33	1.03	0.64%

Firefighters' Retirement System of Louisiana

Vintage Year Performance Analysis

6/30/2016

Investment Name	Vintage Year	Commitment Amount	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	15,770,826	582,381	16,353,207	3,971,833	94%	1.27	1.32	4.69%
Subtotal: 2005		13,200,000	12,381,374	818,626	0	15,770,826	582,381	16,353,207	3,971,833	94%	1.27	1.32	4.69%
2006													
1 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	13,376,418	35,289,933	48,666,351	18,666,351	100%	0.45	1.62	5.66%
Subtotal: 2006		30,000,000	30,000,000	0	0	13,376,418	35,289,933	48,666,351	18,666,351	100%	0.45	1.62	5.66%
2007													
1 FRS-LB I (NLTP AZ)	2007	24,900,208	24,900,208	0	0	0	4,463,550	4,463,550	-20,436,658	100%	0.00	0.18	-22.26%
2 JP Morgan India Property Fund	2007	8,990,000	8,459,908	530,092	0	2,872,127	4,471,910	7,344,037	-1,115,872	94%	0.34	0.87	-2.36%
Subtotal: 2007		33,890,208	33,360,116	530,092	0	2,872,127	8,935,460	11,807,587	-21,552,530	98%	0.09	0.35	-14.97%
2008													
1 FRS-GA (Georgia)	2008	9,273,354	9,273,354	0	0	0	4,762,850	4,762,850	-4,510,504	100%	0.00	0.51	-8.10%
2 FRS-LB II (SMT AZ)	2008	3,779,000	3,779,000	0	0	0	0	0	-3,779,000	100%	0.00	0.00	N/A
3 FRS-LB III (ST George UT)	2008	4,646,040	4,646,040	0	0	0	4,594,816	4,594,816	-51,224	100%	0.00	0.99	-0.14%
4 Timbervest Crossover Partners II, L.P.	2008	16,000,000	16,000,000	0	0	5,568,000	10,574,135	16,142,135	142,135	100%	0.35	1.01	0.18%
Subtotal: 2008		33,698,394	33,698,394	0	0	5,568,000	19,931,801	25,499,801	-8,198,593	100%	0.17	0.76	-4.27%
2010													
1 AEW Partners VI	2010	20,000,000	18,136,793	1,863,207	0	16,249,583	12,151,343	28,400,926	10,264,133	91%	0.90	1.57	14.80%
Subtotal: 2010		20,000,000	18,136,793	1,863,207	0	16,249,583	12,151,343	28,400,926	10,264,133	91%	0.90	1.57	14.80%
2015													
1 AEW Core Property Trust	2015	12,000,000	12,000,000	0	0	0	13,634,845	13,634,845	1,634,845	100%	0.00	1.14	11.12%
2 ASB Allegiance Real Estate Fund II, Ltd.	2015	12,000,000	12,000,000	0	0	0	12,168,888	12,168,888	168,888	100%	0.00	1.01	2.72%
3 Heitman America Real Estate Trust, L.P.	2015	12,000,000	12,000,000	0	0	0	12,474,049	12,474,049	474,049	100%	0.00	1.04	6.05%
Subtotal: 2015		36,000,000	36,000,000	0	0	0	38,277,782	38,277,782	2,277,782	100%	0.00	1.06	9.76%
Total: Firefighters' Retirement System of Louisiana		166,788,602	163,576,677	3,211,925	0	53,836,954	115,168,701	169,005,654	5,428,977	98%	0.33	1.03	0.64%

Firefighters' Retirement System of Louisiana

Investment Strategy Performance Analysis

6/30/2016

Investment Name	Vintage Year	Commitment Amount	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	5,568,000	10,574,135	16,142,135	142,135	100%	0.35	1.01	0.18%
Subtotal: 501 Timber		16,000,000	16,000,000	0	0	5,568,000	10,574,135	16,142,135	142,135	100%	0.35	1.01	0.18%
610 RE Core													
1 AEW Core Property Trust	2015	12,000,000	12,000,000	0	0	0	13,634,845	13,634,845	1,634,845	100%	0.00	1.14	11.12%
2 ASB Allegiance Real Estate Fund II, Ltd.	2015	12,000,000	12,000,000	0	0	0	12,168,888	12,168,888	168,888	100%	0.00	1.01	2.72%
3 Heitman America Real Estate Trust, L.P.	2015	12,000,000	12,000,000	0	0	0	12,474,049	12,474,049	474,049	100%	0.00	1.04	6.05%
Subtotal: 610 RE Core		36,000,000	36,000,000	0	0	0	38,277,782	38,277,782	2,277,782	100%	0.00	1.06	9.76%
615 RE Value Add													
1 Americus Real Estate Fund II, Ltd.	2005	13,200,000	12,381,374	818,626	0	15,770,826	582,381	16,353,207	3,971,833	94%	1.27	1.32	4.69%
2 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	13,376,418	35,289,933	48,666,351	18,666,351	100%	0.45	1.62	5.66%
Subtotal: 615 RE Value Add		43,200,000	42,381,374	818,626	0	29,147,244	35,872,314	65,019,558	22,638,184	98%	0.69	1.53	5.46%
630 RE Opportunistic													
1 AEW Partners VI	2010	20,000,000	18,136,793	1,863,207	0	16,249,583	12,151,343	28,400,926	10,264,133	91%	0.90	1.57	14.80%
2 FRS-GA (Georgia)	2008	9,273,354	9,273,354	0	0	0	4,762,850	4,762,850	-4,510,504	100%	0.00	0.51	-8.10%
3 FRS-LB I (NLTP AZ)	2007	24,900,208	24,900,208	0	0	0	4,463,550	4,463,550	-20,436,658	100%	0.00	0.18	-22.26%
4 FRS-LB II (SMT AZ)	2008	3,779,000	3,779,000	0	0	0	0	0	-3,779,000	100%	0.00	0.00	N/A
5 FRS-LB III (ST George UT)	2008	4,646,040	4,646,040	0	0	0	4,594,816	4,594,816	-51,224	100%	0.00	0.99	-0.14%
6 JP Morgan India Property Fund	2007	8,990,000	8,459,908	530,092	0	2,872,127	4,471,910	7,344,037	-1,115,872	94%	0.34	0.87	-2.36%
Subtotal: 630 RE Opportunistic		71,588,602	69,195,303	2,393,299	0	19,121,710	30,444,469	49,566,179	-19,629,125	97%	0.28	0.72	-5.70%
Total: Firefighters' Retirement System of Louisiana		166,788,602	163,576,677	3,211,925	0	53,836,954	115,168,701	169,005,654	5,428,977	98%	0.33	1.03	0.64%

Firefighters' Retirement System of Louisiana

Transaction Summary

4/1/2016 - 6/30/2016

Date	Funding	Additional Fees	Cash	Net Cash Flow
Firefighters' Retirement System of Louisiana				
Americus Real Estate Fund II, Ltd.				
04/25/2016			39,600.00	-39,600.00
05/18/2016			261,360.00	-300,960.00
06/10/2016			15,840.00	-316,800.00
Total: Americus Real Estate Fund II, Ltd.			316,800.00	-316,800.00
ASB Allegiance Real Estate Fund II, Ltd.				
06/30/2016	1,320,000.00			1,320,000.00
Total: ASB Allegiance Real Estate Fund II, Ltd.			1,320,000.00	1,320,000.00
JP Morgan India Property Fund				
06/28/2016			414,130.82	-414,130.82
Total: JP Morgan India Property Fund			414,130.82	-414,130.82
Sentinel Real Estate Fund				
04/15/2016			385,663.28	-385,663.28
Total: Sentinel Real Estate Fund			385,663.28	-385,663.28
Total:	1,320,000.00		1,116,594.10	203,405.90