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Firefighters' Retirement System of Louisiana

First Quarter, 2014 Real Estate Review

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July, 2014

Firefighters' Retirement System of Louisiana

RE: Real Estate Strategy – 1st Quarter 2014

Dear Members,

We are pleased to present the March 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.

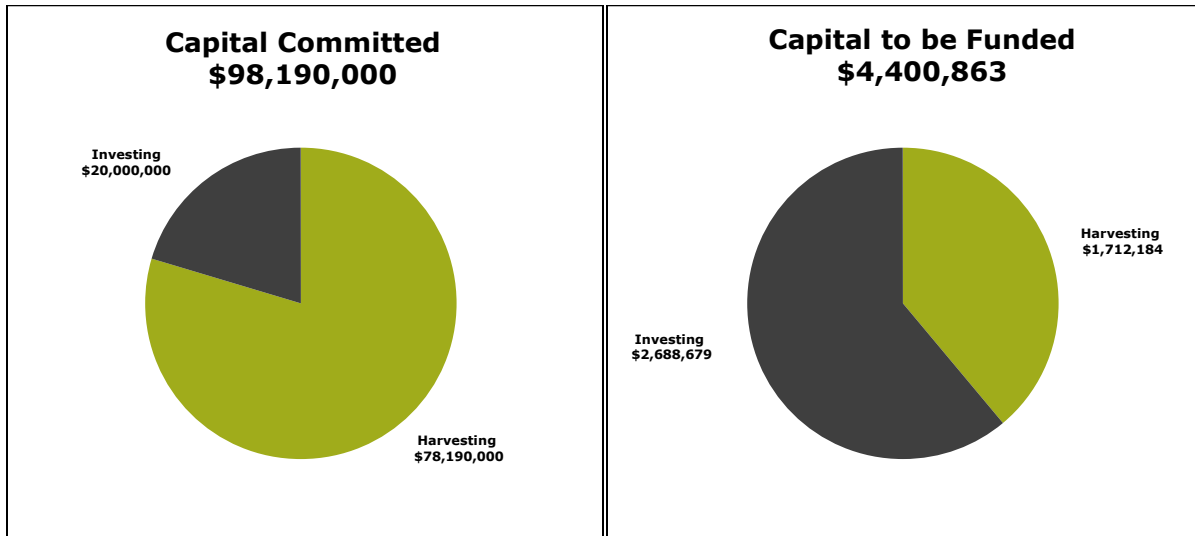
The Real Estate portfolio of Firefighters' Retirement System of Louisiana experienced a positive quarter, having a nominal IRR of 2.09%. The IRR since inception is 4.13%. The overall multiple (current valuation plus cumulative distributions, divided by total capital calls) is 1.22.

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

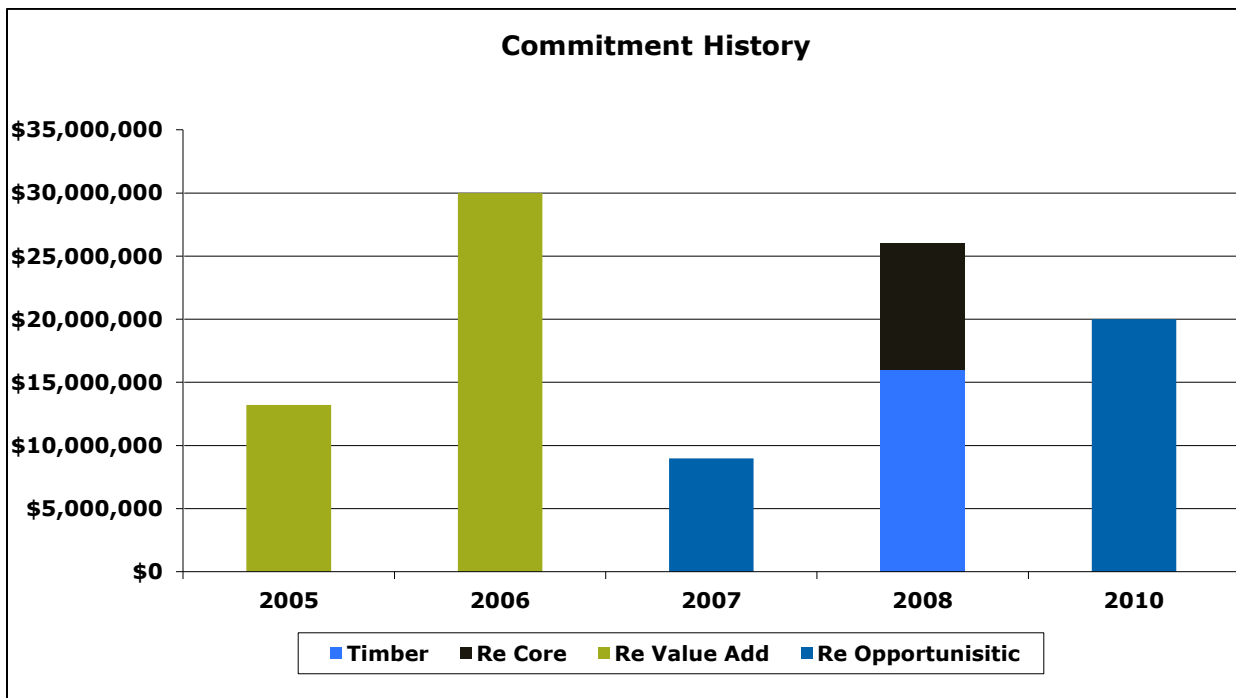
Commitments	Terminated Commitments	Amount Funded	Amount Distributed	Reported Value	Call Ratio	Distribution Ratio
\$98,190,000	\$0	\$93,789,137	\$29,126,143	\$85,240,577	95.52%	31.05%
Unfunded Commitments	Market Exposure (Reported Value + Unfunded Commitments)		Total Fund Composite as of 3/31/2014	Alternative Assets Target	Reported Value as a % of Total Fund	Market Exposure as a % Total Fund
\$4,400,863	\$89,641,440		\$1,332,171,880	8%*	6.40%	6.7%
Total Value (Reported Value + Distributions)			Total Value To Paid In Capital		Internal Rate of Return IRR, Since Inception (December 2005)	
\$114,366,720			1.22		4.13%	



As of March 31, 2014, the Firefighters' Retirement System of Louisiana had commitments totaling \$98.19 million to 6 real estate funds. Of the 6 funds in the real estate portfolio, 1 is in the investing stage and 5 are in the harvesting stage. The following charts illustrate the program's current life cycle:

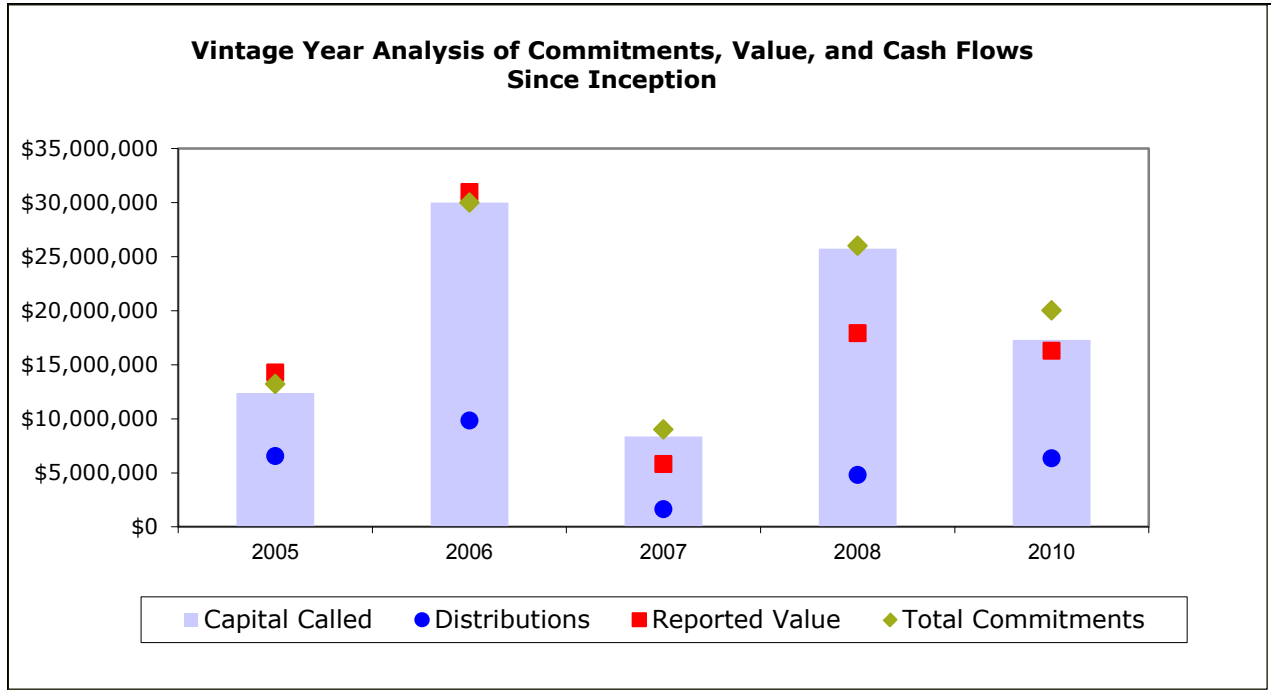


The following chart illustrates the commitment history of the Firefighters' Retirement System of Louisiana private markets program through the quarter end:





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

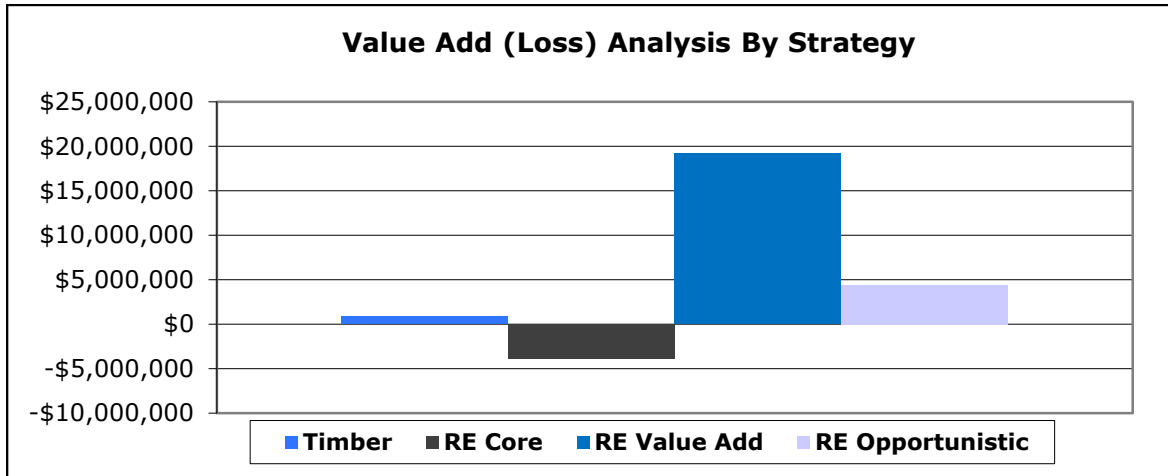


During the quarter-ended March 31, 2014, 2 funds in the Firefighters’ Retirement System of Louisiana Real Estate portfolio drew capital, and 4 funds made a distribution. The summary of the cash flow follows:

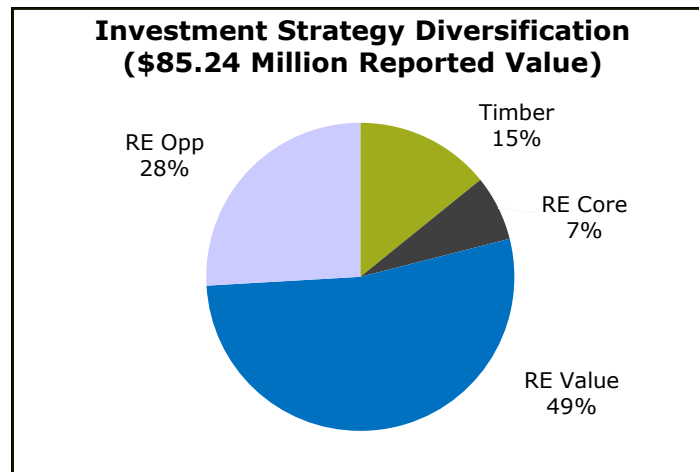
Calls & Expenses Funded for the Quarter	Number of Funds Calling Capital & Expenses	Distributions for the Quarter	Number of Funds Making Distributions	Net Cash/Stock Flows for the Quarter
\$514,020	2	\$2,921,024	4	\$2,407,004



Since inception the Real Estate program has gained \$20.58 million in value for the Firefighters' Retirement System of Louisiana. Timber added \$0.89 million, RE Value added \$19.23 million and RE Opportunistic added \$4.38 million. RE Core has lost (\$3.92) million.



As of March 31, 2014, the 6 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**

3/31/2014

Investment	Vintage Year	Commitment	Qtr TD	YTD	1 Year	3 Year	5 Year	Inception
AEW Partners VI	2010	20,000,000	1.44	1.44	15.84	16.14	N/A	12.74
Americus Real Estate Fund II, Ltd.	2005	13,200,000	1.87	1.87	8.38	31.56	17.30	10.01
Gainesville Vision, LLC	2008	10,000,000	0.00	0.00	-13.05	-5.54	-9.86	-9.68
JP Morgan India Property Fund	2007	8,990,000	4.82	4.82	-14.50	-3.41	2.19	-2.65
Sentinel Real Estate Fund	2006	30,000,000	3.00	3.00	17.37	26.30	11.16	4.46
Timbervest Crossover Partners II, L.P.	2008	16,000,000	0.67	0.67	-0.74	1.46	1.81	1.53
Total: Firefighters' Retirement System of Louisiana		98,190,000	2.09	2.09	7.43	14.30	7.58	4.13

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**

3/31/2014

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	6,322,626	16,285,658	22,608,284	5,296,963	87 %	0.37	1.31	12.74 %
2 Americus Real Estate Fund II, Ltd.	2005	13,200,000	12,381,374	818,626	0	6,536,844	14,267,528	20,804,372	8,422,998	94 %	0.53	1.68	10.01 %
3 Gainesville Vision, LLC	2008	10,000,000	9,746,765	253,235	0	0	5,830,171	5,830,171	-3,916,594	97 %	0.00	0.60	-9.68 %
4 JP Morgan India Property Fund	2007	8,990,000	8,349,677	640,323	0	1,628,632	5,807,539	7,436,171	-913,506	93 %	0.20	0.89	-2.65 %
5 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	9,838,041	30,963,978	40,802,019	10,802,019	100 %	0.33	1.36	4.46 %
6 Timbervest Crossover Partners II, L.f	2008	16,000,000	16,000,000	0	0	4,800,000	12,085,702	16,885,702	885,702	100 %	0.30	1.06	1.53 %
6 Total Partnerships		98,190,000	93,789,137	4,400,863	0	29,126,143	85,240,577	114,366,720	20,577,583	96 %	0.31	1.22	4.13 %

*** Indicates Estimated Valuation for the fund

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

3/31/2014

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	6,322,626	16,285,658	22,608,284	5,296,963	87 %	0.37	1.31	12.74 %
2 Investing Subtotal		20,000,000	17,311,321	2,688,679	0	6,322,626	16,285,658	22,608,284	5,296,963	87 %	0.37	1.31	12.74 %
3 Harvesting													
2 Americus Real Estate Fund II, Ltd.	2005	13,200,000	12,381,374	818,626	0	6,536,844	14,267,528	20,804,372	8,422,998	94 %	0.53	1.68	10.01 %
3 Gainesville Vision, LLC	2008	10,000,000	9,746,765	253,235	0	0	5,830,171	5,830,171	-3,916,594	97 %	0.00	0.60	-9.68 %
4 JP Morgan India Property Fund	2007	8,990,000	8,349,677	640,323	0	1,628,632	5,807,539	7,436,171	-913,506	93 %	0.20	0.89	-2.65 %
5 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	9,838,041	30,963,978	40,802,019	10,802,019	100 %	0.33	1.36	4.46 %
6 Timbervest Crossover Partners II, L.P.	2008	16,000,000	16,000,000	0	0	4,800,000	12,085,702	16,885,702	885,702	100 %	0.30	1.06	1.53 %
3 Harvesting Subtotal		78,190,000	76,477,816	1,712,184	0	22,803,517	68,954,919	91,758,436	15,280,620	98 %	0.30	1.20	3.39 %
6 Total Partnerships		98,190,000	93,789,137	4,400,863	0	29,126,143	85,240,577	114,366,720	20,577,583	96 %	0.31	1.22	4.13 %

Firefighters' Retirement System of Louisiana
Vintage Year Performance Analysis

3/31/2014

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	6,536,844	14,267,528	20,804,372	8,422,998	94 %	0.53	1.68	10.01 %
2005 Subtotal		13,200,000	12,381,374	818,626	0	6,536,844	14,267,528	20,804,372	8,422,998	94 %	0.53	1.68	10.01 %
2006													
2 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	9,838,041	30,963,978	40,802,019	10,802,019	100 %	0.33	1.36	4.46 %
2006 Subtotal		30,000,000	30,000,000	0	0	9,838,041	30,963,978	40,802,019	10,802,019	100 %	0.33	1.36	4.46 %
2007													
3 JP Morgan India Property Fund	2007	8,990,000	8,349,677	640,323	0	1,628,632	5,807,539	7,436,171	-913,506	93 %	0.20	0.89	-2.65 %
2007 Subtotal		8,990,000	8,349,677	640,323	0	1,628,632	5,807,539	7,436,171	-913,506	93 %	0.20	0.89	-2.65 %
2008													
4 Gainesville Vision, LLC	2008	10,000,000	9,746,765	253,235	0	0	5,830,171	5,830,171	-3,916,594	97 %	0.00	0.60	-9.68 %
5 Timbervest Crossover Partners II, L.P.	2008	16,000,000	16,000,000	0	0	4,800,000	12,085,702	16,885,702	885,702	100 %	0.30	1.06	1.53 %
2008 Subtotal		26,000,000	25,746,765	253,235	0	4,800,000	17,915,873	22,715,873	-3,030,892	99 %	0.19	0.88	-3.05 %
2010													
6 AEW Partners VI	2010	20,000,000	17,311,321	2,688,679	0	6,322,626	16,285,658	22,608,284	5,296,963	87 %	0.37	1.31	12.74 %
2010 Subtotal		20,000,000	17,311,321	2,688,679	0	6,322,626	16,285,658	22,608,284	5,296,963	87 %	0.37	1.31	12.74 %
6 Total Partnerships		98,190,000	93,789,137	4,400,863	0	29,126,143	85,240,577	114,366,720	20,577,583	96 %	0.31	1.22	4.13 %

Firefighters' Retirement System of Louisiana
Investment Strategy Performance Analysis

3/31/2014

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	4,800,000	12,085,702	16,885,702	885,702	100 %	0.30	1.06	1.53 %
501 Timber Subtotal		16,000,000	16,000,000	0	0	4,800,000	12,085,702	16,885,702	885,702	100 %	0.30	1.06	1.53 %
610 RE Core													
1 Gainesville Vision, LLC	2008	10,000,000	9,746,765	253,235	0	0	5,830,171	5,830,171	-3,916,594	97 %	0.00	0.60	-9.68 %
610 RE Core Subtotal		10,000,000	9,746,765	253,235	0	0	5,830,171	5,830,171	-3,916,594	97 %	0.00	0.60	-9.68 %
615 RE Value Add													
1 Americus Real Estate Fund II, Ltd.	2005	13,200,000	12,381,374	818,626	0	6,536,844	14,267,528	20,804,372	8,422,998	94 %	0.53	1.68	10.01 %
2 Sentinel Real Estate Fund	2006	30,000,000	30,000,000	0	0	9,838,041	30,963,978	40,802,019	10,802,019	100 %	0.33	1.36	4.46 %
615 RE Value Add Subtotal		43,200,000	42,381,374	818,626	0	16,374,885	45,231,506	61,606,391	19,225,017	98 %	0.39	1.45	5.87 %
630 RE Opportunistic													
1 AEW Partners VI	2010	20,000,000	17,311,321	2,688,679	0	6,322,626	16,285,658	22,608,284	5,296,963	87 %	0.37	1.31	12.74 %
2 JP Morgan India Property Fund	2007	8,990,000	8,349,677	640,323	0	1,628,632	5,807,539	7,436,171	-913,506	93 %	0.20	0.89	-2.65 %
630 RE Opportunistic Subtotal		28,990,000	25,660,998	3,329,002	0	7,951,258	22,093,197	30,044,455	4,383,457	89 %	0.31	1.17	5.52 %
6 Total Partnerships		98,190,000	93,789,137	4,400,863	0	29,126,143	85,240,577	114,366,720	20,577,583	96 %	0.31	1.22	4.13 %

**Firefighters' Retirement System of Louisiana
Transaction Summary**

1/1/2014 - 3/31/2014

Date	Funding	Additional Fees	Cash	Stock	Net Cash Flow
AEW Partners VI					
2/28/2014			460,102.00		-460,102.00
3/17/2014	471,698.00				11,596.00
3/31/2014			941,077.00		-929,481.00
Total: AEW Partners VI					
	471,698.00		1,401,179.00		-929,481.00
Americus Real Estate Fund II, Ltd.					
1/31/2014			59,400.00		-59,400.00
3/12/2014			23,760.00		-83,160.00
Total: Americus Real Estate Fund II, Ltd.					
			83,160.00		-83,160.00
JP Morgan India Property Fund					
1/28/2014			1,070,895.69		-1,070,895.69
1/28/2014	42,322.13				-1,028,573.56
Total: JP Morgan India Property Fund					
	42,322.13		1,070,895.69		-1,028,573.56
Sentinel Real Estate Fund					
1/24/2014			365,789.51		-365,789.51
Total: Sentinel Real Estate Fund					
			365,789.51		-365,789.51
Total: Firefighters' Retirement System of Louisiana					
	514,020.13		2,921,024.20		-2,407,004.07
Total:					
	514,020.13		2,921,024.20		-2,407,004.07