

SBCERS

Santa Barbara County Employees' Retirement System

DATE: August 23, 2023

TO: SBCERS' Board of Retirement

FROM: SBCERS' Investments

RE: Private Equity, Private Real Return, and Real Estate Quarterly Review

Recommended Action:

That the Board of Retirement receive and accept the quarter ended March 31, 2023, Private Equity, Private Real Estate and Private Real Return performance updates presented by Manager Director Paul Yett and Principal Natalie Fitch.

Summary:

The reports cover portfolio performance, commitment activity, portfolio diversification, cash flows, and potential deals for the first quarter 2023.

Through March 31, the Private Equity portfolio had a since inception IRR of 14.15% which represents a decrease of 9 bps from the previously reported fourth quarter 2022 returns. The total fund market value as of March 31 was \$560 million. SBCERS contributed \$18.1 million to its Private Equity portfolio and received cash distributions of \$20.2 million in the first quarter. SBCERS' total commitment to Private Equity as of March 31 was \$934.6 million, of which \$274.7 million is unfunded.

Through March 31, the Private Real Return portfolio had a since inception IRR of 12.72% which represents a decrease of 52 bps from the previously reported fourth quarter 2022 returns. The total fund market value as of March 31 was \$444.1 million. SBCERS contributed \$17.3 million to its Private Real Return portfolio and received cash distributions of \$18.6 million in the first quarter. SBCERS' total commitment to Private Real Return as of March 31 was \$697.1 million, of which \$262.3 million is unfunded.

Through March 31, the Private Real Estate portfolio had a since inception IRR of 9.75% which represents a decrease of 36 bps from the previously reported fourth quarter 2022 returns. The total fund market value as of March 31 was \$426.4 million. SBCERS contributed \$12.1 million to its Private Real Estate portfolio and received cash distributions of \$6.2 million in the first quarter. SBCERS' total commitment to Private Real Estate as of March 31 was \$637.3 million, of which \$102.1 million is unfunded.

Attachments:

- SBCERS PE - 1Q 2023 - Portfolio Update
- SBCERS PRR - 1Q 2023 - Portfolio Update
- SBCERS RE – 1Q 2023 – Porfolio Update