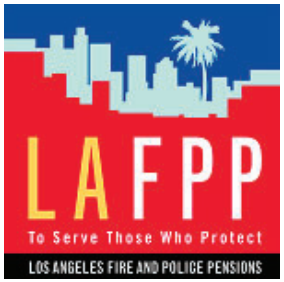
Real Estate Performance Measurement Report

Fourth Quarter 2025

Townsend



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Portfolio Funding Status

The following slides provide a review of key information for the LAFPP Real Estate Portfolio (the "Portfolio") through December 31, 2025.

LAFPP has a 10.0% target allocation to real estate and allows for additional flexibility of ± 1.5% of the Total Plan. On a funded basis, LAFPP is slightly below its established target but within the flexible range.

Unfunded commitments include all approved investments, but the funded and committed figures do not take into account liquidating positions or planned redemptions.

The Private Portfolio is well established and has 50 investment vehicles managed by 36 investment partners.

Portfolio Funding Status	Market Value ($ millions)*	% LAFPP Plan
LAFPP Total Plan Assets	**$36,039**	
Real Estate Target	**$3,604**	**10.00%**
RE Market Value		
Public	$1,015	2.82%
Private	$2,218	6.15%
Core	$1,402	3.89%
Non-Core	$816	2.26%
LAFPP Real Estate Market Value	**$3,233**	**8.97%**
Unfunded Commitments	$830	2.30%
RE Market Value and Unfunded Commitments	**$4,063**	**11.27%**
Remaining Allocation	**($459)**	**-1.27%**

*Figures may not add due to rounding.

Private Portfolio Composition

In 2024, LAFPP approved increasing private real estate exposure to 85% and reducing public exposure to 15% of the 10% allocation.

Staff have initiated a redemption plan for public Real Estate Investment Trusts (REITs) to move the portfolio toward the approved mix.

Private Portfolio is currently overweight to Core, while non-core exposure remains within the tactical range.

Portfolio leverage remains conservative:

- Core Private loan-to-value ("LTV"): 31.7%
- Total Portfolio LTV: 33.2% (below 60% policy limit)

	Strategic Targets		**Portfolio Composition (12/31/25)***	
	Target Allocation	Target Range	Market Value	Projected 3-Year
Private Core	60%	50% - 70%	63.2%	57.8%
Private Non-Core	40%	30% - 50%	36.8%	42.2%
Value-Add	*20%*	0% - 50%	*24.7%*	
Opportunistic	*20%*	0% - 50%	*12.1%*	

*Figures may not add due to rounding.