

Fresno County Employees' Retirement Association

Firm Background

Period Ending: September 30, 2008

Firm	Headquarters	Year Founded	Firm Assets (\$bb)	Real Estate Assets (\$bb)	History of Firm / Real Estate Group	Affiliations/Ownership
Buchanan Street Partners (BSP)	Newport Beach, CA	1999	\$1.9	\$1.9	Buchanan Street Partners is a real estate investment management firm. The company was founded in June 1999. the four founding partners, Robert Brunswick, Chris MacDonald, Tim Ballard, and Tim Hawthorne have been working together through several predecessor companies since 1990.	51% of the firm is owned by The TCW Group, Inc. TCW is an international asset management firm with over \$130 billion in assets. 39.2% of the firm is owned by 16 employees. 9.8% is owned by outside Buchanan Co-Investors, LLC.
Colony Realty Partners, LLC	Boston, MA	2005	\$3.7	\$3.7	Colony Realty Partners was created in 2005 and is a joint venture between Colony Capital, LLC and Scott D. Freeman, Mark M. Harmeling and Henry G. Brauer. (together the "Managing Principals")	The Firm is 50% owned by Colony Realty Member LLC, a wholly owned subsidiary of Colony, and 50% owned by the Managing Principals. Colony is 100% owned by Thomas J. Barrack, Jr. The Managing Principals, along with Thomas J. Barrack, Jr. and Richard B. Saltzman (Colony's President) comprise the board of managers and the investment committee of the Firm.
Stockbridge Capital Group	San Francisco, CA	2003	\$3.8	\$3.8	From 1994 to 2003, senior professionals of Stockbridge were executives at PaineWebber Inc. and its successor, UBS AG. While at PaineWebber, these senior professionals invested over \$450 million of equity for PaineWebber's own account in opportunistic real estate transactions. In April 2000, these senior professionals completed the initial closing for PaineWebber Real Estate Fund I. In April 2003, these senior professionals completed a spinout transaction in which Fund I, its general partner and its manager became fully independent of UBS. In 2007, ten senior individuals from RREEF, joined Stockbridge to expand the firm's value-added real estate investment platform.	Stockbridge is 100% owned by employees.
TA Associates Realty	Boston, MA	1982	\$11.9	\$11.9	Established in 1982, TA Associates Realty is a privately held real estate advisor. They currently manage four value added closed end commingled funds and eight separate accounts totaling over \$11.5 billion in institutional real estate investments.	TA Realty is an independent, privately owned, limited liability company. The firm is 100% employee owned.

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Firm Real Estate Assets (\$ millions)

Period Ending: September 30, 2008

Firm Real Estate Assets (\$ mm)

Firm	Core	Value Added	Opportunistic	REIT	Total
Buchanan Street Partners (BSP)	\$258	\$1,656	\$0	\$0	\$1,914
Colony Realty Partners, LLC	\$0	\$3,677	\$0	\$0	\$3,677
Stockbridge Capital Group	\$0	\$0	\$3,818	\$0	\$3,818
TA Associates Realty	\$4,617	\$7,329	\$0	\$0	\$11,946

Note: Stockbridge Capital Group has historically raised opportunistic funds. The value added team is raising their first fund.

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Firm Real Estate Investment Professionals

Period Ending: September 30, 2008

Firm	Acquisitions / Dispositions	Client Relations	Finance / Accounting	General Counsel	IT / Operations	Property Management	Portfolio / Asset Management	Real Estate Research	Other	Total
Buchanan Street Partners (BSP)	7	4	6	0	3	0	5	9	2	36
Colony Realty Partners, LLC	13	2	13	2	0	9	8	0	7	54
Stockbridge Capital Group	5	3	18	0	0	0	9	0	8	43
TA Associates Realty	22	7	21	0	0	0	18	0	0	68

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Fund Information

Period Ending: September 30, 2008

Firm	Fund Name	Style	Type of Fund	Geographic Focus
Buchanan Street Partners (BSP)	TCW / Buchanan Fund VI, LP	Value Added	Closed End	North America (Min. 80% US)
Colony Realty Partners, LLC	Colony Realty Partners III	Value Added	Closed End	United States
Stockbridge Capital Group	Stockbridge Value Fund, LP	Value Added	Closed End	United States
TA Associates Realty	Realty Associates Fund IX LP	Value Added	Closed End	United States

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Fund Information

Period Ending: September 30, 2008

Firm	Fund Name	Target Fund Raise (\$mm)	Maximum Allowed Leverage
Buchanan Street Partners (BSP)	TCW / Buchanan Fund VI, LP	\$1,000	70%
Colony Realty Partners, LLC	Colony Realty Partners III	\$1,250	75%
Stockbridge Capital Group	Stockbridge Value Fund, LP	\$600-\$800	65%
TA Associates Realty	Realty Associates Fund IX LP	\$1,750	65%

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Fund Information

Period Ending: September 30, 2008

Firm	Fund Name	Minimum Investment	Commitment Period	Term	First Close	Estimated Final Close
Buchanan Street Partners (BSP)	TCW / Buchanan Fund VI, LP	\$10,000,000	3 years	8 years	1Q 2009	1Q 2010
Colony Realty Partners, LLC	Colony Realty Partners III	\$10,000,000	3 years	8 years w/ two 1-year extensions	1Q 2008	2Q 2009
Stockbridge Capital Group	Stockbridge Value Fund, LP	\$5,000,000	3 years	8 years w/ two 1-year extensions	4Q 2008	4Q 2009
TA Associates Realty	Realty Associates Fund IX LP	\$5,000,000	3 years	10 years	3Q 2008	3Q 2009

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Performance - Value Added Funds

Period Ending: September 30, 2008

Performance (as of 9/30/2008)

Firm / Fund	Close / Vintage	Total Commitments (\$mm)	Total Value (\$mm)	Gross IRR (%)	Net IRR (%)
Prior Real Estate Investments					
Buchanan Street Partners (BSP) The Buchanan Fund I	2000	\$25	\$271	34.7%	25.9%
Buchanan Street Partners (BSP) Buchanan Urban Investors I	2001	\$108	\$419	31.3%	26.8%
Buchanan Street Partners (BSP) Buchanan Urban Investors II	2003	\$573	\$2,160	43.6%	37.1%
Buchanan Street Partners (BSP) Buchanan Fund III	2002	\$110	\$673	51.8%	36.6%
Buchanan Street Partners (BSP) Buchanan Fund IV	2005	\$61	\$259	24.0%	16.8%
Buchanan Street Partners (BSP) Buchanan Fund V	2006	\$414	\$982	14.1%	11.7%
Colony Realty Partners, LLC CRP I	2005	\$512	\$1,283	13-15%	>13%
Colony Realty Partners, LLC CRP II	2006	\$976	\$1,980	13-15%	>13%
Stockbridge Capital Group Fund I (Opportunistic Fund)	2000	\$490	\$1,700	27%	22%
Stockbridge Capital Group Fund II (Opportunistic Fund)	2005	\$1,000	\$5,400	18-20%	14-16%
TA Associates Realty Realty Associates Fund I	1988	\$163	\$164	3.3%	2.4%
TA Associates Realty Realty Associates Fund II	1990	\$332	\$396	13.6%	12.5%
TA Associates Realty Realty Associates Fund III	1994	\$487	\$798	12.7%	11.7%
TA Associates Realty Realty Associates Fund IV	1996	\$450	\$726	14.9%	13.9%
TA Associates Realty Realty Associates Fund V	1999	\$563	\$908	14.3%	13.4%
TA Associates Realty Realty Associates Fund VI	2002	\$739	\$1,421	21.4%	20.1%
TA Associates Realty Realty Associates Fund VII	2004	\$917	\$1,834	19.7%	18.1%
TA Associates Realty Realty Associates Fund VIII	2006	\$1,742	\$1,396	15.0%	14.0%

Performance shown for Buchanan Street Partner funds is through 6/30/08. All performance for BSP funds with inception dates after 2002 are for realized investments only.

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Fund Expenses - Value Added Funds

Period Ending: September 30, 2008

Firm	Vehicle	Acquisition Fee	Management Fee / Expense Ratio	Incentive Fee	Other Fees
Buchanan Street Partners (BSP)	TCW/ Buchanan Fund VI, LP	-	1.50%	100% to LP until 8% preferred return achieved 50/50 catchup until GP receives 20% 80 LP/20 GP split thereafter	See footnote below
Colony Realty Partners, LLC	Colony Realty Partners III	-	1.50%	100% to LP until 9% preferred return achieved 80 LP/20 GP split thereafter	-
Stockbridge Capital Group	Stockbridge Value Fund, LP	-	1.50%	100% to LP until 9% preferred return achieved 80 LP/20 GP split thereafter	See footnote below
TA Associates Realty	Realty Associates Fund IX LP	-	0.50% in year #1 0.80% in year #2 1.10% in year #3 1.2% in year #4-5 1.125 in year #6 1.0 in year #7 0.60% thereafter	100% to LP until CPI achieved 94 LP / 6 GP split after 1% real return achieved 92.5 LP / 7.5 GP split after 2% real return achieved 90.5 LP / 9.5 GP split after 3% real return achieved 88.5 LP / 11.5 GP split after 4% real return achieved 86.5 LP / 13.5 GP split after 5% real return achieved 84.5 LP / 15.5 GP split after 6% real return achieved 82.5 LP / 17.5 GP split after 7% real return achieved 80 LP/20 GP split thereafter	Up to 0.25% organizational fees

Note: Buchanan Street Partners may contract with affiliates for financing investments. Fees would be at market rates.

Note: Stockbridge may contract with affiliates for property management services. Fees would be at market rates.

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Product Background

Period Ending: September 30, 2008

TCW/ Buchanan Fund VI

Buchanan Street Partners
620 Newport Beach, 8th Floor
Newport Beach, CA 92660

Product Type:	Real Estate	Geographic Focus:	80% US
Product Style:	Value Added	Target Fund Size (\$mm):	\$1,000
Vehicle:	Closed End Fund	Term:	8 years
Co-Investment:	3% (up to \$30mm)	Target # Properties:	30-40

Fund Objective:

The primary strategy of the fund is to focus on value-added opportunities by providing a broad range of equity and debt capital to experienced operating partners to acquire assets needing renovation, repositioning, or recapitalization. In some cases, BSP will consider redevelopment and new development with operating partners. All asset types will be considered but the fund will target office, retail, industrial and multi-family properties. Targeted properties will be in the \$35-\$150 million range and the fund will be allowed to invest in up to 20% in mezzanine loans.

Research Process:

Buchanan Street Partners uses a bottom-up approach at the property level and performs local market research for each investment opportunity while focusing on markets that exhibit strong population and job growth characteristics. They utilize a proprietary network of operating partners providing BSP a first look at investment opportunities. BSP also uses Property & Portfolio Research (An independent real estate research and portfolio strategy firm that provides leading institutional real estate market participants with objective research on real estate cycles and their implications for investment strategy) and REIs (An independent research firm that covers 80 US metropolitan areas and more than 2,300 submarkets for the office, apartment, retail, and industrial sectors) as macro-economic filters to determine overall conditions and trends of MSA's and submarkets where investments are being considered. Their combined bottom-up and macro filter approach is one of the key elements that aids in the execution of a business plan for asset value creation.

Key Personnel:	Title:	Years with Firm	Years Experience
Robert Beyer	CEO of TCW	NA	28
Robert Brunswick	President & CEO	9	27
Tim Ballard	COO & CIO	9	19
Chris MacDonald	Managing Director - Investor Services	9	27
Steve McCarthy	Managing Director	2	24
Robert Clark	CFO	1	20
Wayne Brandt	Managing Director	<1	24
Robert Dougherty	SVP Acquisitions	4	19
Tom Sherlock	Managing Director	9	23
Brian Zulpo	SVP Asset Management	1	24
Stephen Blue	SVP Acquisitions	6	15
Kristin Panehal	SVP Acquisitions	6	19
John Pantone	SVP Acquisitions	3	21
Steve Yeager	SVP Acquisitions	1	20
Hamilton Kipp	SVP Acquisitions	<1	13

Key Departures:

Buchanan has had a total of 21 individuals leave the strategy over the last 5 years. These include 1 Senior VP, 7 VPs, 9 Assistant VP, 1 Senior Associate, 2 Senior Investment Accountants, and 1 Associate.

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Product Background

Period Ending: September 30, 2008

Colony Realty Partners III

Colony Realty Partners, LLC
Boston, MA

Product Type:	Real Estate	Geographic Focus:	United States
Product Style:	Value Added	Target Fund Size (\$mm):	\$1,250
Vehicle:	Closed End Fund	Term:	8 years w/ two 1-year extensions
Co-Investment:	\$10mm	Target # Properties:	100

Fund Objective:

CRP III will be invested utilizing their value-added strategy. This strategy focuses on delivering the most attractive and non-volatile risk adjusted returns available in the United States' real estate markets today. CRP III will seek equity commitments of \$1.25 billion, and will utilize no more than 75% leverage during the commitment period and 60% leverage during the investment period, creating approximately \$3 billion of investment capacity. The fund will target the four traditional property types (40% office, 40% industrial and 20% retail / multifamily within the top 22 major metropolitan areas in the U.S. Average transaction size will be \$25-\$35 million. Projected returns for CRP III are 13-15% gross, with at least two-thirds of that return coming from current cash flow.

Research Process:

While CRP has access to a large volume of proprietary research, it believes that applicable research is most effectively collected and utilized by seasoned individuals operating in local markets. The team includes six analysts who conduct extensive research regarding each acquisition and its market. The information includes demographic trends, job growth, population growth, barriers to entry, new construction deliveries, available land and other property and market specific trends. In addition, CRP relies on a variety of external resources and utilizes local real estate management, leasing and appraisal companies for detailed property information to substantiate and support their underwriting. The use of the internet has created an increase in the level of transparency in research data. Additionally, much of the statistics and local market information is readily available from their local network members. CRP's close relationships with numerous regional operating companies provides access to information that is timely and relevant to specific sub-markets and transactions. External market research is integrated with local market knowledge to create a detailed and accurate pro-forma for each investment.

Key Personnel:	Title:	Years with Firm	Years Experience
Scott D. Freeman	Managing Principal	3	20
Mark M. Harmeling	Managing Principal	3	23
Henry H. Brauer	Managing Principal	3	26
William R. Karnick	Managing Director - Acquisitions	3	15
Neil Waisnor	CFO	3	22
Nicholas T. Skiadas	Acquisitions Director	3	9
Brett N. Catlin	Acquisitions Director	3	7
Dan Dretler	Director of Portfolio Operations	2	13
Robert J. Sutherby	Controller - Portfolio Accounting	2	22
Robert Holmes	Director Asset Management	2	21
Jeffrey Foresman	Director Asset Management	2	5
Keisha Freeman	Director Asset Management	1	10
Kristina Lewison	Director Asset Management	1	14

Key Departures:

Colony has had a total of 2 individuals leave the strategy since inception. These include 1 Acquisition Analyst and 1 Asset Manager.

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Product Background

Period Ending: September 30, 2008

Stockbridge Value Fund, LP

Stockbridge Capital Group
San Francisco, CA

Product Type:	Real Estate	Geographic Focus:	United States
Product Style:	Value Added	Target Fund Size (\$mm):	\$600-\$800
Vehicle:	Closed End Fund	Term:	8 years w/ two 1-year extensions
Co-Investment:	\$15mm	Target # Properties:	30-35

Fund Objective:

The Value Fund will seek investments in real estate assets that the Stockbridge Professionals believe offer the potential for favorable investment returns (14 – 16% gross equity returns annually on a portfolio-wide basis), generally through aggressive management, leasing, capital improvements, recapitalization, repositioning, development or redevelopment. The Value Fund will also seek investments in real estate and real estate related assets and businesses that the Stockbridge Professionals believe are undervalued, underutilized or otherwise not operating to their full potential, and which can be improved through more efficient management techniques, additional capital investment and other strategies undertaken by the Value Fund and its operating partners.

Research Process:

Stockbridge believes strongly in the use of real estate company, market and demographic research in making investment decisions and subscribes to, or maintains relationships with, a variety of research services and organizations. In addition, Stockbridge maintains consulting relationships with two analytical real estate market intelligence firms: Property & Portfolio Research (“PPR”) and Rosen Consulting Group (“RCG”). Either PPR or RCG typically visits the Stockbridge offices once a quarter to present updated economic and real estate market trends. In addition, both PPR and RCG economists are available to Stockbridge to provide real estate market consultations for any prospective Stockbridge investment. In this sense, Stockbridge has access to customized research support beyond “off the shelf” publications for each of these firms, which essentially would mirror the function of an in house research group of another real estate investment firm. Through its relationship with PPR, Stockbridge has access to several data collectors and brokers including, among others, Real Capital Analytics (sales comps data), Axiometrics (apartment rent data) and Cushman & Wakefield (office rent data). In addition, Stockbridge maintains subscriptions to a variety of its own research databases and publications including, Moody’s Economy.com, The Linneman Letter, the Korpacz Real Estate Investor Survey, CoStar Group, Institutional Real Estate Letter, Real Estate Alert, Preqin Investor Surveys, Pensions & Investments Magazine and the Pension Real Estate Association (PREA). In addition to its regular research subscriptions, Stockbridge also engages independent research firms for property and/or market specific research on specific investments during the due diligence phase. Decisions with respect to commissioning market or other similar studies for individual investments are generally made by senior members of the Transaction Team responsible for the investment, and the information obtained is typically included in materials presented to the Investment Committee in connection with its evaluation of the investment.

Key Personnel:

	Title:	Years with Firm	Years Experience
Terrence E. Fancher	Executive Managing Director/ Firm Mgmt.	17	22
Stephen M. Steppe	Executive Managing Director/ Firm Mgmt.	1	35
Douglas D. Sturiale	Managing Director/ Senior Portfolio Manager	1	25
Mark D. Carlson	Managing Director/ Acquisitions	1	23
Kevin D. Cox	Managing Director/ Acquisitions	17	23
Dwight L. Merriman	Managing Director and CIO/ Acquisitions	1	25
Warren H. Otto	Managing Director/ Portfolio Management	<1	30
Sol A. Raso	Managing Director/ Client Relations	1	24
Kristin H. Renaudin	Vice President/ Finance, Underwriting	9	10
Susan Swanezy	Managing Director/ Client Relations	1	23
Daniel S. Weaver	Managing Director/ Acquisitions	1	21

Key Departures:

There have been no key departures related to this product.

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Product Background

Period Ending: September 30, 2008

Realty Associates Fund IX LP

TA Associates Realty
Boston, MA

Product Type:	Real Estate	Geographic Focus:	United States
Product Style:	Value Added	Target Fund Size (\$mm):	\$1,750
Vehicle:	Closed End Fund	Term:	10 years
Co-Investment:	0.2% or \$3.5mm	Target # Properties:	150

Fund Objective:

TA Realty employs a hands-on, value-added approach. This value-added approach seeks to improve cash flow through: 1) Purchasing assets "off-market" when possible, often at a discount to replacement cost. 2) Intensive hands-on asset management and execution of the business plan developed at acquisition. 3) Repositioning well located assets through the completion of strategic capital improvements. 4) Portfolio aggregation and subsequent cap rate arbitrage at disposition. 5) Exploiting market inefficiencies by taking advantage of local real estate knowledge that is not widely known or available. The fund will target small- to mid-sized properties in supply constrained markets.

Research Process:

Their research process combines a "top-down" examination of trends affecting real estate assets and markets, with a "bottom-up" understanding of the nuances of individual markets, product types and properties. Top-down empirical work provides the tools they need to analyze general real estate trends and the long term prospects of specific markets and product types. Information is gathered from their ongoing relationships with regional and national brokers, leasing companies and property management groups and augmented with proprietary data from real estate economists and academicians at Harvard Business School and the MIT Center for Real Estate. This research provides an overview and serves as a valuable tool to check the macro trends they experience first hand in real estate and capital markets. TA Realty's bottom-up research provides detailed information about local markets, product types, and properties. The majority of this accurate, real-time information is generated internally or through their national network. TA Realty utilizes proprietary databases/models in each of their portfolio, asset management, acquisition and valuation groups as well as their accounting and finance areas to capture and track this information. Bottom-up data provides performance measurements that are used to identify drivers, trends or to conduct sensitivity analysis. They utilize the results of this research in every aspect of their investment and management processes. The acquisitions group utilizes the results of bottom-up research to assess the viability of a transaction. Bottom-up research results are real-time and focused on the markets and assets in which TA Realty is invested. Real-time information can make a significant difference in the timing of investment decisions or in the selection of lease terms unique to a specific market. This integrated research approach enables TA Realty to respond quickly to potential market and value creation opportunities with an integrated management team that is fully accountable for its results.

Key Personnel:

	Title:	Years with Firm	Years Experience
Michael A. Ruane	Managing Partner	25	28
Scott W. Amling	Partner	8	19
Dwight Angelini	Partner	3	9
Alan E. Brand	Partner	8	25
James O. Buckingham	Partner	11	25
Scott L. Dalrymple	Partner, Director of Finance	5	15
Richard G. Egan, Jr.	Partner, CFO	7	21
Douglas M. Engelman	Partner	5	20
Christopher J. Good	Partner	7	21
Nicole Dutra Grinnell	Partner	6	13
Michael R. Haggerty	Partner	10	20
Heather L. Hohenthal	Partner	8	17
James P. Knowles	Partner	9	24

Key Departures:

TA Associates has had a total of 2 individuals leave the strategy over the last 5 years. These include 2 Partners, Scott Freeman and Andrew Neher.