



Santa Barbara County Employees' Retirement System

DATE: January 25, 2023 **Agenda Item #3**
TO: SBCERS' BOARD OF RETIREMENT
FROM: SBCERS' Investments
RE: **Hamilton Lane Real Estate Market Overview**

Recommendation

That the Board of Retirement receive and accept the attached presentation by presented by Lead Real Estate Consultant Elizabeth Bell, Managing Director Paul Yett and Vice President Natalie Fitch.

Summary

The purpose of this education piece is twofold. The first purposed is to introduce Lead Real Estate Consultant Elizabeth to the Board of Trustees. Trustees Lavagnino, Sullivan and Daly had the opportunity to meet Elizabeth during the on-site due diligence trip conducted by the Real Estate RFP committee which they were members. During the on-site due diligence trip Trustees Lavagnino, Sullivan and Daly were able to establish rapport with Elizabeth as well as validate her investment acumen in regard to Real Estate markets. Allowing Elizabeth to present to the whole board will help to establish her role as the Lead Real Estate Consultant as the transition to Hamilton Lane is conclude.

Secondly, this presentation will reintroduce Real Estate as a segment of the investable world. The Real Estate Market Overview Review will start fundamentals, transaction activity and returns before diving into investment themes. Investment themes will cover structural demand drivers fueling “K-shaped” recovery, cyclical demand drivers negatively impacting vulnerable sectors and inflation coupled with rising interest rates.

Next the presentation will cover attractive areas of investment within Real Estate. Attractive areas of investment will be separated into U.S. and Europe & Asia. This will allow the conversation to focus on domestic investment opportunities before turning to foreign investment opportunities.

Attachments

- Real Estate Market Overview_SBCERS