

SBCERS

Santa Barbara County Employees' Retirement System

DATE: February 28, 2024

TO: SBCERS BOARD OF RETIREMENT

FROM: SBCERS Investment Staff

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

Recommendation

That the Board of Retirement receive and file the quarter ended September 30, 2023, Private Equity, Private Real Estate and Private Real Return performance updates presented by Principals Natalie Fitch and Elizabeth Bell of Hamilton Lane.

Summary

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

Through September 30, the Private Equity portfolio had a since inception IRR of 13.76% which represents a decrease of 30 bps from the previously reported second quarter 2023 returns. The total fund market value as of September 30 was \$567.4 million. SBCERS contributed \$11.5 million to its Private Equity portfolio and received cash distributions of \$16.9 million in the third quarter. SBCERS' total commitment to Private Equity as of September 30 was \$964.2 million, of which \$280.9 million is unfunded.

Through September 30, the Private Real Return portfolio had a since inception IRR of 12.34% which represents a decrease of 12 bps from the previously reported second quarter 2023 returns. The total fund market value as of September 30 was \$481.3 million. SBCERS contributed \$25.7 million to its Private Real Return portfolio and received cash distributions of \$12.9 million in the third quarter. SBCERS' total commitment to Private Real Return as of September 30 was \$736.8 million, of which \$262.1 million is unfunded.

Through September 30, the Private Real Estate portfolio had a since inception IRR of 9.26% which represents a decrease of 30 bps from the previously reported second quarter 2023 returns. The total fund market value as of September 30 was \$450.5 million. SBCERS contributed \$20.1 million to its Private Real Estate portfolio and received cash distributions of \$10 million in the third quarter. SBCERS' total commitment to Private Real Estate as of September 30 was \$692.4 million, of which \$111.3 million is unfunded.

Attachments

- SBCERS PE - 3Q 2023 - Portfolio Update
- SBCERS PRR - 3Q 2023 - Portfolio Update

- SBCERS RE – 3Q 2023 – Portfolio Update