



Santa Barbara County Employees' Retirement System

DATE: May 24, 2023 **Agenda Item #1**

TO: SBCERS' BOARD OF RETIREMENT

FROM: SBCERS' Investments

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

Recommendation

That the Board of Retirement receive and accept the quarter ended December 31, 2022, Private Equity and Private Real Return performance updates presented by Managing Director Paul Yett and Principal Natalie Fitch.

Summary

The reports cover portfolio performance, commitment activity, portfolio diversification, cash flows, and potential deals for the fourth quarter 2022.

Through December 31, the Private Equity portfolio had a since inception IRR of 14.29% which represents a decrease of 5 bps from the third quarter 2022. The total fund market value as of December 31 was \$538 million. SBCERS contributed \$26.4 million to its Private Equity portfolio and received cash distributions of \$15.3 million in the fourth quarter. SBCERS' total commitment to Private Equity as of December 31 was \$904.1 million, of which \$260.8 million is unfunded.

Through December 31, the Private Real Return portfolio had a since inception IRR of 13.23% which represents an increase of 56 bps from the third quarter 2022. The total fund market value as of December 31 was \$440.2 million. SBCERS contributed \$44 million to its Private Real Return portfolio and received cash distributions of \$32.2 million in the fourth quarter. SBCERS' total commitment to Private Real Return as of December 31 was \$676.9 million, of which \$258.4 million is unfunded.

Through December 31, the Private Real Estate portfolio had a since inception IRR of 10.13% which represents a decrease of 37 bps from the third quarter 2022. The total fund market value as of December 31 was \$431 million. SBCERS contributed \$27.8 million to its Private Real Estate portfolio and received cash distributions of \$20.6 million in the fourth quarter. SBCERS' total commitment to Private Real Estate as of December 31 was \$636.5 million, of which \$131.5 million is unfunded.

Attachments

- SBCERS PE - 4Q 2022 - Portfolio Update
- SBCERS PRR - 4Q 2022 - Portfolio Update
- SBCERS RE – 4Q 2022 – Porfolio Update