

# MEPT FUND

## Portfolio Metrics as of 2Q 2022

Gross Asset Value	\$9.8 billion
Net Asset Value	\$7.2 billion
Leverage Ratio	27.0%
Cash % of NAV	2.8%
Leased %	94.5%
Number of Investors	317

## Performance Overview

- MEPT generated a second quarter 2022 total return of 6.84% (6.57%, net).
- MEPT's 1-year total gross return is 29.14% (27.99%, net), the 3-year total gross return is 12.29% (11.31%, net), and the 5-year total gross return is 10.13% (9.17%, net).
- MEPT outperforms the ODCE in the quarter and YTD time frames.

## Portfolio Highlights

- In 2Q 2022, the industrial portfolio continued as the Fund's strongest performer, generating the majority of the Fund's appreciation. Historically strong rental growth drove performance across most markets, offsetting cap rate expansion at select assets. The Fund's multifamily portfolio also appreciated due to continued rent growth across most markets, particularly in the South and Southeast regions.
- Demand for rental housing remained robust as housing supply continues to be constrained and the cost of homeownership increased due to rising mortgage rates. Sustained multifamily rent growth offset cap rate expansion in select markets, in part driven by capital markets uncertainty and higher cost of debt financing. The office portfolio experienced modest depreciation, while the retail portfolio value was flat.

## Asset Management

- The Fund's operating portfolio was 94.5% leased as of quarter-end. The Fund's industrial portfolio continues to benefit from strong tenant demand, highlighted by the successful completion of a 135,660 sf new lease with Bell-Carter Group at a Portland, OR industrial property. The team also completed a 302,400 sf renewal with Tesla at a Reno, NV industrial property.
- The Fund's multifamily portfolio continues to benefit from material rent increases on both renewals and lease trade-outs, as well as reduced downtime. Office leasing activity varied by market across the country. Best-in-class properties continue to attract and retain tenants, highlighted by the successful execution of a 54,802 sf lease extension with Berkeley Insurance at a Class A office property in New York.

## Transactions

- The Fund acquired five assets during the second quarter for a gross at-share price of \$184 M. The assets include Foundry at Mashburn Village (multifamily) in Atlanta, GA through the White Oak joint venture partnership; a property adjacent to an existing Fund asset, Prescott Industrial Park (industrial), in San Diego, CA; and three additional assets as part of the XLT portfolio (industrial).

## Quarterly Gross Unlevered Returns

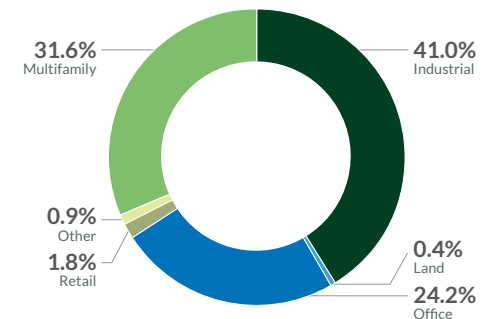
	INCOME	APP	TOTAL
Industrial	0.73%	8.09%	8.82%
Multifamily	0.84%	2.72%	3.56%
Office	1.24%	-0.50%	0.73%
Retail	1.31%	-0.70%	0.61%
<b>Total</b>	<b>0.88%</b>	<b>3.88%</b>	<b>4.76%</b>

- The Fund completed the disposition of two assets during the second quarter for net proceeds of \$197 M. The Fund sold Lighton Plaza, a suburban office building in Kansas City, and The Addison, a high-rise multifamily building in New York.

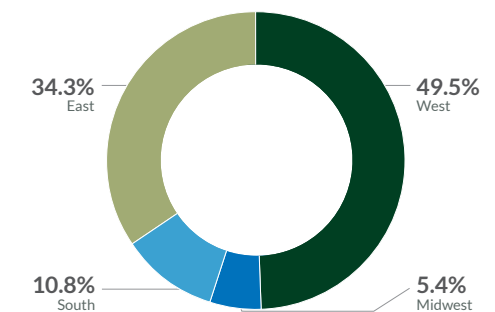
## Financing

- During the quarter the Fund's leverage ratio nominally increased from 26.1% to 27.0%. The Fund currently has \$203 million of available liquidity.
- The Fund procured property-level financing of \$43 million during the quarter comprising one bank loan. The Fund also expanded its revolving line of credit by \$100 million to \$550 million and consolidated two of its term loan facilities.

## Allocation by Property Type (GAV)



## Allocation by Region (GAV)



## MEPT 2Q 2022 Fund Level Returns

	Quarter		YTD		1-Year		3-Year		5-Year	
	MEPT	ODCE*	MEPT	ODCE*	MEPT	ODCE*	MEPT	ODCE*	MEPT	ODCE*
Income (Gross)	0.89%	0.87%	1.86%	1.80%	3.80%	3.83%	4.05%	3.93%	4.06%	4.05%
Appreciation	5.94%	3.89%	11.44%	10.58%	24.66%	24.94%	8.00%	8.47%	5.89%	6.29%
<b>Total (Gross)</b>	<b>6.84%</b>	<b>4.77%</b>	<b>13.40%</b>	<b>12.49%</b>	<b>29.14%</b>	<b>29.50%</b>	<b>12.29%</b>	<b>12.66%</b>	<b>10.13%</b>	<b>10.54%</b>
Total (Net) <sup>1</sup>	6.57%	4.58%	12.88%	12.05%	27.99%	28.36%	11.31%	11.68%	9.17%	9.56%

\* Preliminary ODCE returns

1. The Fund's net returns noted above reflect the deduction of the highest level of fees charged during the respective time period noted. Net returns may be higher for clients who qualify for a lower fee. More information on the Fund's tiered fee structure is available upon request.

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Trustee



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