



INVESTMENT SUMMARY

CARLYLE PROPERTY INVESTORS, L.P.

U.S. CORE PLUS OPEN-END FUND

April 2025

EXECUTIVE SUMMARY

OVERVIEW

Review Date	Rating	Predecessor Fund Rating
March 2024	Buy	Buy

Carlyle Property Investors Fund (“CPI” or the “Fund”) is an open-end, U.S. core plus real estate fund targeting a long-term total net return of 9% - 11% per year. The Fund has a focus on investing in demographic-based demand sectors and in assets that have the potential to become core properties through minor repositioning. CPI seeks to identify underpriced fundamentals and invest in assets that offer the potential to capitalize on this mispricing. Active asset management, targeted at improving occupancy, optimizing the tenant mix, and executing value-added capital improvements are also used to enhance value. Since inception in 4Q 2015, the Fund has outperformed NFI-ODCE net return by +486bps

Aon Investments, USA has reviewed and performed an in-depth analysis of the above categories which includes, but is not limited to:

- Retention of Limited Partners
- Institutional Investor Representation
- Management Company Ownership
- Organization Expenses
- Management Fee
- Incentive Fees/ Waterfall Distribution
- Fund Size
- Sponsor Commitment
- Investment Period
- Fund Term
- Key Person Provision
- Turnover/Tenure
- GP Attribution Concentration
- Consistency/ Volatility of Returns
- Write-offs
- Transaction Experience in Strategy
- Ability to Create Value in Deals
- Valuation Discipline
- Reporting Transparency
- Back-Office Resources
- Fault Provisions
- Advisory Board
- Priority of Distributions
- Alignment of Partner Interest
- Firm Leadership

In addition, Aon Investments, USA’s Operational Due Diligence team has reviewed the Firm from an operating perspective and has given Carlyle a pass rating.

RECOMMENDATION

Aon Investments, USA is satisfied with the strategy of the Fund and its appropriateness for ATRS. Additionally, we believe that the merits of this offering outweigh its risks. We recommend that ATRS invest \$100 million in the Fund to fulfill ATRS’ 2025 real estate allocation, in accordance with the previously approved 2025 ATRS Real Asset Pacing Schedule.

Sponsor:

Sponsor	Carlyle U.S. Real Estate	Parent	The Carlyle Group
Headquarters	Washington D.C.	Strategy Inception	June 2016
Employees	2,200 (All Carlyle)	Real Estate Team	139
Firm AUM	\$426.0 billion	Real Estate AUM	\$29 billion

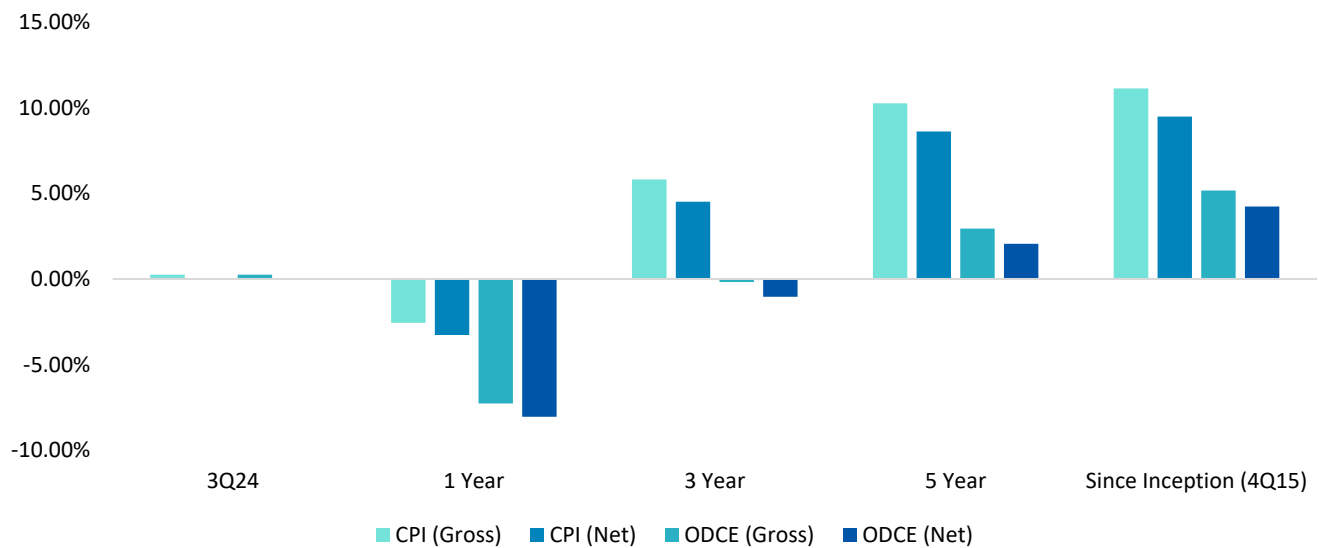
Portfolio Characteristics:

Fund Structure	Open-End Fund	Risk Segment	US Focused Core Plus
Size NAV	\$6.9 billion	Average Asset Size	\$31 Million
Valuations	Quarterly	Minimum Commitment	\$10 million
Current/Max Leverage	48.0%/55.0%	Current/Max Non-Core %	3.5%/10.0%
Investment Guidelines	U.S. Core-Plus	Number of Holdings	231
Performance Objectives	To achieve a long-term total return of 9-11% per annum net of fees		
Benchmark	NFI-ODCE - Open End Diversified Core Equity Fund Index		

Strategy: CPI presents a different opportunity from the peer set as the Fund is tailored towards demographic-driven demand sectors (manufactured housing, senior housing, data centers, single family rentals, industrial (IOS), and self-storage). CPI invests in assets that have the potential to become core properties through minor repositioning (i.e., moderate capital expenditures, leasing upside, and/or operating improvements). CPI does not intend to engage in development activities but retains the option to allocate up to 10% of the Fund to development deals.

Fund Performance (as of 9/30/2024)

CPI vs. NFI-ODCE Historical Returns	Gross Returns		Net Returns	
	CPI	ODCE	CPI	ODCE
3Q24	0.25%	0.25%	0.04%	0.02%
1 Year	-2.56%	-7.27%	-3.27%	-8.04%
3 Year	5.81%	-0.18%	4.51%	-1.04%
5 Year	10.25%	2.94%	8.61%	2.05%
Since Inception (4Q15)	11.12%	5.16%	9.48%	4.23%



SPONSOR OVERVIEW

The Carlyle Group is a global alternative investment manager founded in 1987 by William Conway Jr., Daniel D’Aniello and David Rubinstein. As of December 31, 2023, the firm manages \$426 billion in AUM.

- Headquartered in Washington, DC, Carlyle has over 2,200 professionals, including 745 investment professionals, in 29 offices globally (8 in the US). In February 2023, Harvey Schwartz was appointed as the new CEO of the firm.
- Carlyle completed an initial public offering in 2012 (NASDAQ: CG) and operated as a Delaware Limited Partnership until its conversion to a Delaware Corporation in 2020. The Carlyle Group Inc. is largely held by senior professionals, with less than half owned by non-employee holders of the public stock.
- The firm is organized into three business units:
 - Global Private Equity: \$161 billion AUM – Corporate PE, Real Estate and Natural Resources
 - Global Credit: \$188 billion AUM – Liquid Credit, Private Credit, Real Assets, and other cross platform initiatives
 - Global Investment Solutions: \$77 billion AUM – AlpInvest Partners (Global Private Equity Investment company that offers commingled funds, separately managed accounts, and asset allocation services, providing varying levels of customization)

Owner Name	% Ownership
The Carlyle Group LP	14.9%
Daniel D' Aniello	9.2%
William Conway	8.9%
David Rubinstein	8.1%
Harvey Schwartz	1.9%
Other Shareholders	57.0%
Total	100.0%

EXHIBIT F: LEGAL STRUCTURE

FUND STRUCTURE

Carlyle Property Investors
Updated as of 1/4/2021

