



CRE
ANALYST

LPs

Allocator

Operator



generalist

specialist

double promote

lean

pressure to originate

integrated



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Allocator example: AEW



AEW ESSENTIAL HOUSING FUND Summary of Key Terms

Structure	The AEW Essential Housing Fund is a Delaware limited partnership that intends to make its investments through one or more entities that qualify as real estate investment trusts under the Internal Revenue Code of 1986.
Strategy	Assemble a portfolio of housing assets that benefit from structural supply/demand imbalance. Focus on portfolio diversification across geography, economic drivers, and depth of affordability. Manage assets with a focus on durability of cash flow.
Investment Guidelines	Invest in stabilized US rental housing assets; Up to 25% of the Fund may be invested in non-core or non-equity assets
Leverage	Not to exceed 50% of gross asset value in aggregate at Fund level
Target Return	Income Return of 5.0% Total Return of 7.5% - 8% or greater
Sponsor Co-Investment	The lesser of (i) 3% of Capital Contributions made during the Initial Capital Raise Period and (ii) \$10 million.
Minimum Investment	\$5 million
Term	Evergreen
Redemptions	Quarterly, subject to a 4-year lock-up period for Founder Investors.
Valuations	Each asset in the Fund will be externally appraised every twelve months. In addition, assets will be valued internally by AEW on a quarterly basis. The external and internal valuation process will be subject to oversight and review by an independent valuation advisor.
Investor Governance	Advisory Board representation for Founder Investors over \$25 million and subsequent investors over \$50 million
Management Fee	Management Fee 125 bps 112.5 bps 100 bps Commitment Amount (millions) Under \$50 million \$50-\$100 million Over \$100 million *Current Founder Investor fee 65 bps



There can be no assurances that the strategy will achieve its objectives. Nothing contained herein shall constitute an offer to sell or solicitation of an offer to buy an interest in the Fund. Any such offer will be made only to qualified investors pursuant to a private placement memorandum. There can be no assurances that the Fund will achieve its objectives. Please refer to the explanation of target returns in the additional notes section of the Appendix. Individual investor returns may vary due to differences in fee structures.

AEW ESSENTIAL HOUSING FUND / PAGE 16

ESSENTIAL HOUSING

Essential Housing is affordable

EXTENSIVE DEMAND ACROSS RENTER COHORTS

20.8 million or 47%
of renter households spend 30%
or more of incomes on housing
("cost-burdened")¹

Cost-burdened by renter demographic

60%
Single parents

52%
With a high school
degree

36%
With full-time
employment

50%
Married households
with two children

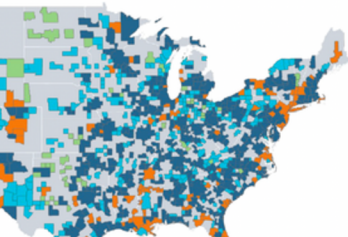


¹Source: Joint Center for Housing Studies of Harvard (Cost-burdened renter households pay more than 30 percent of their income for housing).
²Source: AEW Research (Costar, American Community Survey).
The information and opinions presented above have been prepared in good faith and are not intended to constitute an offer of investment or a recommendation of any particular investment. The information is not intended to be relied upon as a basis for investment decisions.

es and across markets

HOUSING IS WIDESPREAD²

POPULATION THAT IS COST BURDENED

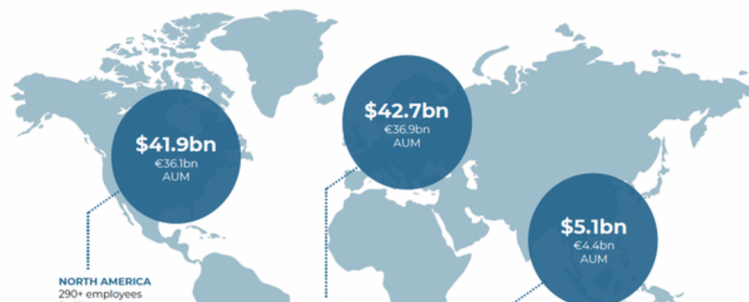


GLOBAL OVERVIEW

About AEW

- 40 years of real estate investment experience and exclusively focused on real estate
- Among the largest real estate investment managers in the world
- Over 770 employees in 17 offices
- AEW Capital Management, L.P. is a registered investment advisor and regulated by the SEC
- Our mission is to be our clients' most trusted and effective advisor
- Broad experience across all property types and geographic regions

\$89.7/€77.4 billion in direct and listed assets under management in North America, Europe and Asia Pacific



NORTH AMERICA
290+ employees

STRUCTURAL OPPORTUNITIES

Target opportunities facilitated by **strategy, structure, and culture**



Collaborate with and source from non-profits and mission-oriented entities

- Access financial incentives to maintain and improve affordability with a long-term perspective
- Source from nonprofits with a desire for stable property management revenue from an aligned capital partner



Source from affordable housing developers seeking to optimize funding resources

- Acquire from developers with a desire to maximize tax credits while maintaining property management revenue



Invest in markets that are not traditionally pursued by institutional capital



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Operator example: Greystar



Greystar Equity Partners XI

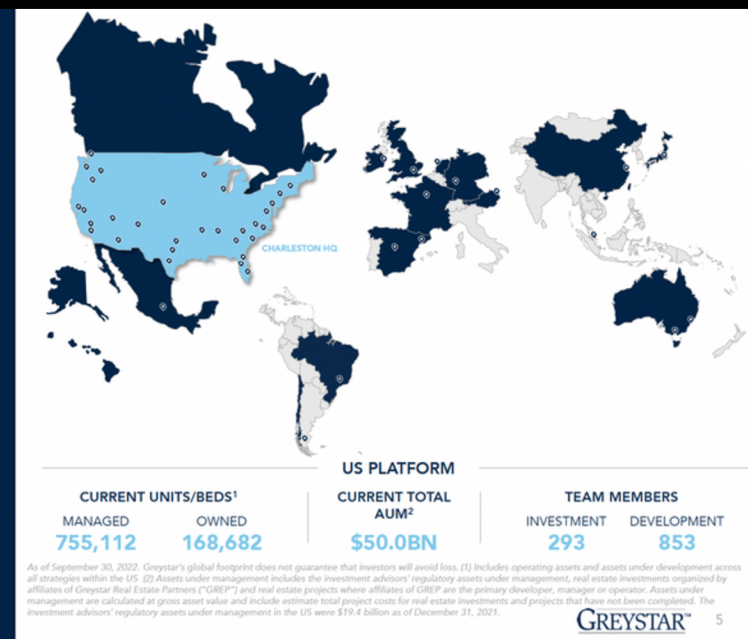
Prepared for Employees' Retirement System of Rhode Island
US Value-Add Rental Housing Fund
March 22, 2023

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GLOBAL FOOTPRINT WITH LOCAL EXECUTION

21,400+ people in 65 offices and presence in 225+ cities across the globe

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A GLOBAL LEAD

Global Perspective, Executed Locally

Estimated \$250bn+¹ real estate under operation

Specialist across multifamily, student, active adult housing, credit and logistics

Vertically integrated owner, developer and operator

Positioned

As of end of 3Q22. Please see section 2 for gross and net level target returns for each asset class. (1) Includes operating assets and assets under development across all strategies within the US. (2) Assets under management includes the investment advisors' regulatory assets under management, real estate investments organized by affiliates of Greystar Real Estate Partners ("GREP") and real estate projects where affiliates of GREP are the primary developer, manager or operator. Assets under management are calculated at gross asset value and include estimate total project costs for real estate investments and projects that have not been completed. The investment advisors' regulatory assets under management in the US were \$19.4 billion as of December 31, 2021.

GREYSTAR'S APPROACH TO VALUE CREATION

Seek to leverage Greystar's scale and experience to drive value at the asset level



SUMMARY OF PROPOSED TERMS

GREYSTAR EQUITY PARTNERS XI, LP (THE "FUND")

TARGET SIZE	\$2.5bn of equity commitments
HARD CAP	\$3.0bn of equity commitments
GREYSTAR CO-INVESTMENT	3% of total commitments
MANAGEMENT FEE	1.50% on committed capital during investment period; 1.50% on invested capital thereafter
PERFORMANCE FEES	20% over an 8% preferred return hurdle; 50/50 catchup
INVESTMENT PERIOD	3 years from the initial closing, plus a one-year extension subject to advisory committee approval
FUND TERM	8 years from the initial closing, plus two, one-year extensions subject to advisory committee approval