



NEPC, LLC

YOU DEMAND MORE. So do we.SM



Dallas Police & Fire Pension System

First Quarter 2016 Private Markets Performance Review (Abbreviated Report)

September, 2016

Rhett Humphreys, CFA
Partner

Keith Stronkowsky, CFA
Senior Consultant

Jeff Roberts
Senior Research Consultant

Michael Yang
Research Consultant

255 State Street, Boston, MA 02109
TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com

BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | SAN FRANCISCO

Table of Contents	Page
Summary Letter	1
Private Markets Performance Summary	5
I. Private Equity & Private Debt	
Summary by Asset Class	6
Portfolio Executive IRR Summary	7
Portfolio by Investment Strategy	8
Portfolio by Vintage Year	10
II. Real Assets: Real Estate, Infrastructure, Natural Resources	
Summary by Asset Class	12
Real Assets Portfolio Summary	13

Information Disclosure

- NEPC, LLC uses, as its data source, the plan’s fund manager and custodian bank or fund service company, and NEPC, LLC relies on those sources for all transactions, including capital calls, distributions, income/expense and reported values. While NEPC, LLC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- The Investment Performance Analysis is provided as a management aid for the client’s internal use only. Portfolio performance reported in the Investment Performance Analysis does not constitute a recommendation by NEPC, LLC.
- Information in this report on market indices and security characteristics is received from sources external to NEPC, LLC. While efforts are made to ensure that this external data is accurate, NEPC, LLC cannot accept responsibility for errors that may occur.



September, 2016

Trustees & Staff
 Dallas Police & Fire Pension System
 4100 Harry Hines Blvd – Suite 100
 Dallas, TX 75219

RE: Private Markets Strategy – 1st Quarter 2016

Dear Trustees:

We are pleased to present the March 31, 2016 Private Markets Report for Dallas Police & Fire Pension System, (DPFP). The report provides a variety of performance analysis for the private markets portfolio. The reports include trailing performance, performance by investment stage and vintage year performance.

The DPFP experienced a positive quarter with a nominal IRR of 2.56%. The annualized IRR of the private markets portfolio since inception was 1.17% at quarter end. Since inception, the Total Value to Paid In multiple (current valuation plus cumulative distributions, divided by total capital calls) was 1.05.

The following table presents the status of the DPFP private markets portfolio as of March 31, 2016:

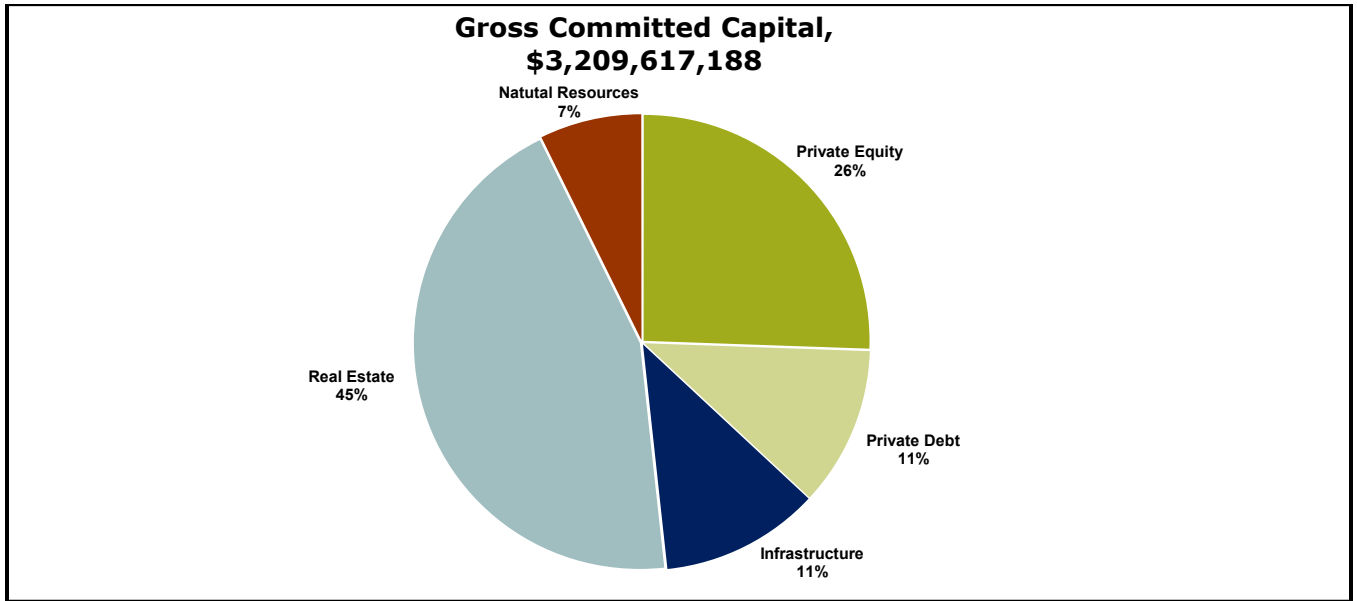
Since Inception Commitments	Terminated Commitments	Amount Funded	Amount Distributed	Reported Value	Call Ratio	Distribution Ratio
\$3,209,617,188	\$8,938,188	\$2,858,686,603	\$1,401,910,693	\$1,622,143,200	89.07%	49.04%

Unfunded Commitment	Market Exposure (Reported Value + Unfunded Commitment)	Total Fund Composite as of 3/31/2016	Private Markets Target	Reported Value of Total Fund	Market Exposure as a % Total Fund
\$359,868,773	\$1,982,011,973	\$2,654,819,526	Varies By Category	61.10%	74.66%

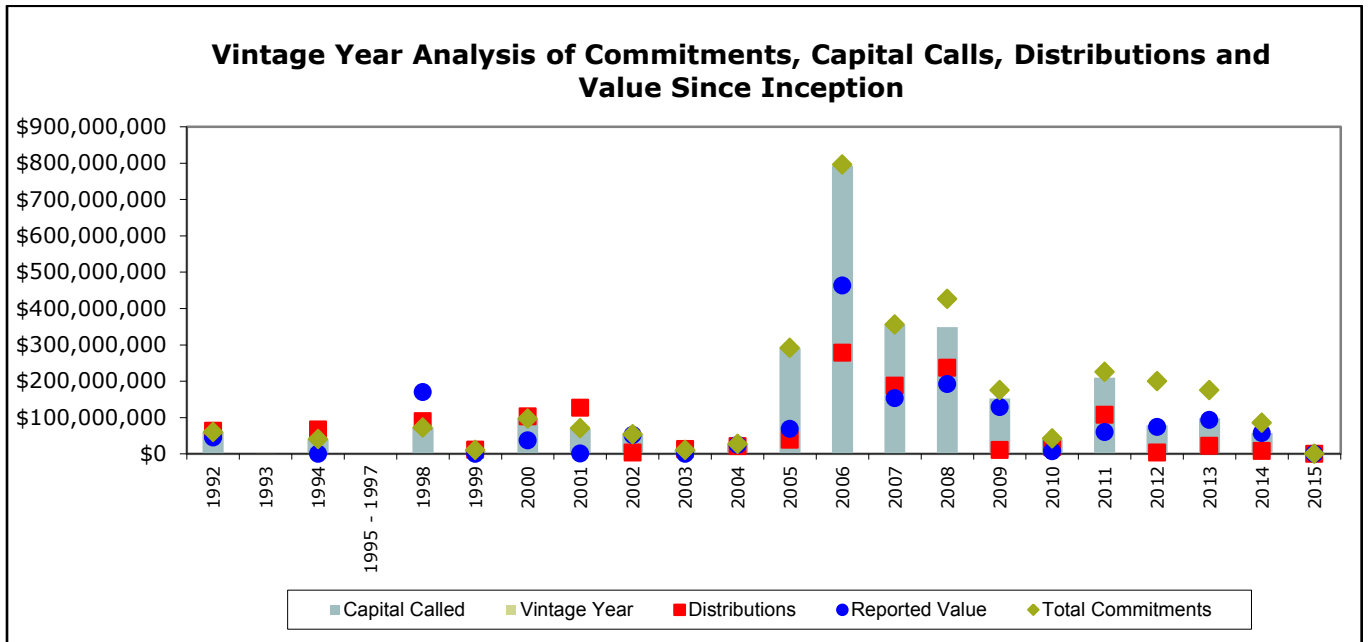
Total Value (Reported Value + Distributions)	Total Value To Capital Call Ratio	Internal Rate of Return IRR, Since Inception (October 13, 1994)
\$3,024,053,893	1.05	1.17%



As of March 31, 2016, the DPFP has made commitments totaling \$3,209.62 million to 84 private markets assets.



The following chart provides an analysis of the vintage year performance comparing the capital calls to the distributions and reported value for the private markets program:

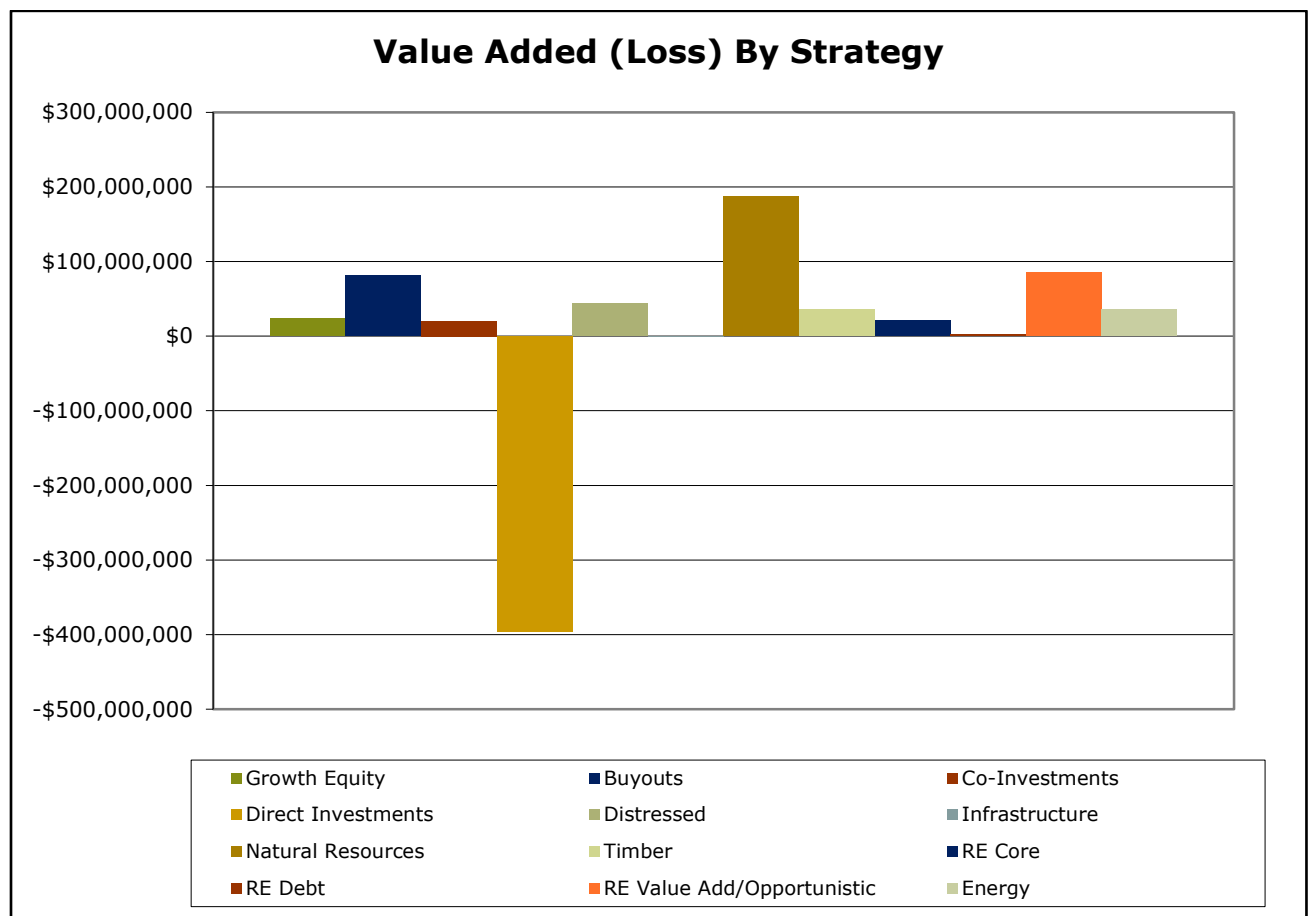




During the quarter-ended March 31, 2016, the DFPF private markets portfolio funded 29 investments and received 23 distributions from its funds. The summary of the cash flows follows:

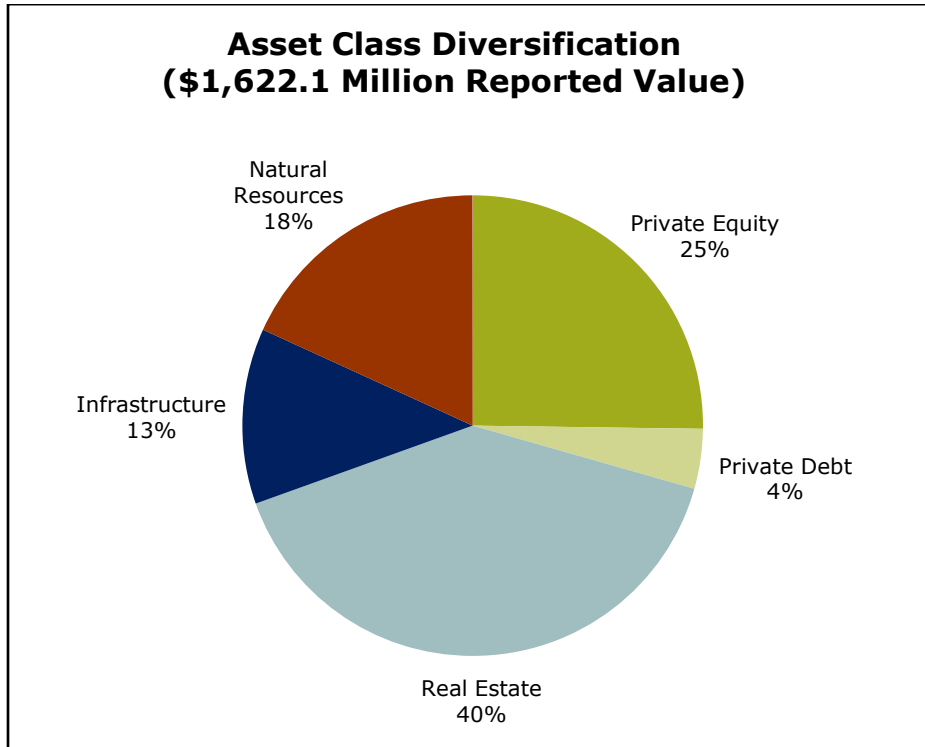
Amount Funded for the Quarter	Number of Funds Calling Capital	Distributions for the Quarter	Number of Funds Making Distributions	Net Cash/Stock Flows for the Quarter
\$27,902,451	29	\$28,815,247	23	\$912,796

Since inception the DFPF private markets portfolio added \$139.29 million in value to the DFPF. Investment strategies adding value include growth equity \$24.25 million, buyouts \$81.50 million, distressed \$43.26 million, Energy \$35.84 million, Natural Resources \$187.53 million, Timber \$35.47 million, RE Core \$20.54 million, RE Debt \$2.35 million, RE Value Add/Opportunistic \$85.24 million, and co-investments \$20.27 million. Direct Investments lost (\$396.27) million and Infrastructure lost (\$0.69) million.





As of March 31, 2016, the private markets funds in the DFPF portfolio had the following investment strategy diversification based on the investment fund's reported value:



We thank you for the opportunity to work with the DFPF and look forward to continued success in the future.

Dallas Police & Fire Pension System
Performance Analysis - Total Private Markets Program

3/31/2016

Investment Name	Commitment Amount	Paid in Capital	Capital to be Funded	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR (SI)
Private Equity / Debt	\$ 1,185,346,248	\$ 952,401,304	\$ 241,883,133	\$ 704,747,526	\$ 477,227,488	\$ 1,181,975,013	\$ 203,581,255	80%	0.72	1.21	5.00%
Real Assets	\$ 2,024,270,940	\$ 1,906,285,300	\$ 117,985,641	\$ 697,163,167	\$ 1,144,915,713	\$ 1,842,078,880	\$ (64,289,764)	94%	0.37	0.97	-0.82%
Total	\$ 3,209,617,188	\$ 2,858,686,604	\$ 359,868,774	\$ 1,401,910,693	\$ 1,622,143,201	\$ 3,024,053,893	\$ 139,291,491	89%	0.49	1.05	1.17%

Performance Analysis - Private Markets Subsectors

Investment Name	Commitment Amount	Paid in Capital	Capital to be Funded	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR (SI) ²
Private Equity	\$ 820,346,248	\$ 624,350,139	\$ 204,934,298	\$ 390,482,551	\$ 409,153,153	\$ 799,635,704	\$ 160,318,597	76%	0.61	1.25	5.18%
Private Debt ¹	\$ 365,000,000	\$ 328,051,165	\$ 36,948,835	\$ 314,264,975	\$ 68,074,335	\$ 382,339,310	\$ 43,262,658	90%	0.93	1.13	4.44%
Natural Resources	\$ 233,797,292	\$ 233,797,292	\$ -	\$ 161,825,126	\$ 294,969,814	\$ 456,794,940	\$ 222,997,648	100%	0.69	1.95	10.44%
Real Estate	\$ 1,426,473,648	\$ 1,393,353,837	\$ 33,119,811	\$ 456,408,240	\$ 650,345,810	\$ 1,106,754,050	\$ (286,599,787)	98%	0.33	0.79	-5.31%
Infrastructure	\$ 364,000,000	\$ 279,134,170	\$ 84,865,830	\$ 78,929,801	\$ 199,600,089	\$ 278,529,890	\$ (687,625)	77%	0.28	1.00	-0.09%
Total	\$ 3,209,617,188	\$ 2,858,686,604	\$ 359,868,774	\$ 1,401,910,693	\$ 1,622,143,201	\$ 3,024,053,893	\$ 139,291,491	89%	0.49	1.05	1.17%

Notes:

1. Exposure does not include Highland Capital (hedge fund) positions totaling \$17.5M in NAV. Overall plan exposure to private debt (including Highland Capital) is noted in the IPA report.

2. IRR's are since inception as of the following dates: Private Equity (10.13.94), Private Debt (12.20.01), Real Estate (3.31.99), Natural Resources (3.12.99), Infrastructure (10.3.07)



NEPC, LLC

YOU DEMAND MORE. So do we.SM



Dallas Police & Fire Pension System

First Quarter 2016 *Private Equity & Private Debt*

255 State Street, Boston, MA 02109
TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com

BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | SAN FRANCISCO

Private Equity and Private Debt Summary by Asset Class

The following table presents the status of the DFPF **PRIVATE EQUITY** portfolio as of March 31, 2016:

Since Inception Commitments	Terminated Commitments	Amount Funded	Amount Distributed	Reported Value	Call Ratio	Distribution Ratio
\$820,346,248	\$0	\$624,350,139	\$390,482,551	\$409,153,153	76.11%	62.54%
Unfunded Commitment	Market Exposure (Reported Value + Unfunded Commitment)		Total Fund Composite as of 3/31/2016	Private Equity Target	Reported Value of Total Fund	Market Exposure as a % Total Fund
\$204,934,298	\$614,087,451		\$2,654,819,526	5%	15.41%	23.13%
Total Value (Reported Value + Distributions)			Total Value To Capital Call Ratio		Internal Rate of Return IRR, Since Inception	
\$799,635,704			1.25		5.18%	

The following table presents the status of the DFPF **PRIVATE DEBT** portfolio as of March 31, 2016:

Since Inception Commitments	Terminated Commitments	Amount Funded	Amount Distributed	Reported Value	Call Ratio	Distribution Ratio
\$365,000,000	\$0	\$328,051,165	\$314,264,975	\$68,074,335	89.88%	95.80%
Unfunded Commitment	Market Exposure (Reported Value + Unfunded Commitment)		Total Fund Composite as of 3/31/2016	Private Debt Target	Reported Value of Total Fund	Market Exposure as a % Total Fund
\$36,948,835	\$105,023,170		\$2,654,819,526	5%	2.56%	3.96%
Total Value (Reported Value + Distributions)			Total Value To Capital Call Ratio		Internal Rate of Return IRR, Since Inception	
\$382,339,310			1.13		4.44%	

Dallas Police & Fire Pension System
Private Equity & Debt Funds - IRR Summary

3/31/2016

Investment Name	Vintage Year	Commitment Amount	QTD	YTD	1 Year	3 Year	5 Year	Inception
Ashmore Global Special Situations Fund IV	2007	70,000,000	3.64	3.64	17.97	-9.33	-12.91	-8.63
BankCap Partners Fund I	2007	20,000,000	-5.38	-5.38	-7.24	-1.05	-1.01	-2.07
BankCap Partners Opportunity Fund, LP	2013	20,000,000	-1.28	-1.28	13.32			0.61
CDK Southern Cross	2008	10,000,000	-100.00	-100.00	89.44	-47.01	-28.39	-20.08
HM Capital Sector Performance Fund	2008	47,300,000				-4.53	14.00	-4.01
Hudson Clean Energy Partners	2009	25,000,000	-1.58	-1.58	2.24	-1.77	-6.77	-3.48
Huff Alternative Fund	2000	66,795,718	-4.30	-4.30	7.46	1.27	2.75	1.14
Huff Alternative Income Fund	1994	40,000,000						17.82
Huff Energy Fund	2006	100,000,000	20.56	20.56	24.10	-12.45	-3.87	5.72
Kainos Capital Partners, L.P.	2013	35,000,000	7.48	7.48	37.88			29.04
Levine Leichtman Capital Partners IV	2008	50,000,000	2.20	2.20	29.58	9.96	21.26	19.91
Levine Leichtman Capital Partners V, L.P.	2013	25,000,000	2.18	2.18	13.23			12.45
Levine Leichtman Deep Value Fund	2006	75,000,000	2.26	2.26	3.54	-4.37	-2.12	1.22
Levine Leichtman Private Capital Solutions II, L.P.	2012	25,000,000	4.21	4.21	4.04	2.95		2.40
Lone Star CRA Fund	2008	50,000,000	2.94	2.94	-41.27	-22.89	-5.64	18.09
Lone Star Fund IX (U.S.), L.P.	2014	35,000,000	-0.11	-0.11	16.69			5.67
Lone Star Fund VII (U.S.), L.P.	2011	25,000,000	-4.68	-4.68	-0.09	57.08		49.24
Lone Star Fund VIII (U.S.), L.P.	2013	25,000,000	-8.43	-8.43	-1.66			27.35
Lone Star Growth Capital	2006	16,000,000	2.18	2.18	-13.57	-13.86	5.81	8.67
Lone Star Opportunities Fund V, LP	2012	75,000,000	2.09	2.09	-58.85	-28.29		-11.57
Merit Energy Partners E-I	2004	7,018,930	2.35	2.35	-20.15	-4.68	1.80	15.10
Merit Energy Partners F-I	2005	8,748,346	4.01	4.01	-40.98	-29.25	-23.38	-17.09
Merit Energy Partners G, LP	2008	39,200,000	9.32	9.32	-14.88	-9.23	-7.36	-3.17
Merit Energy Partners H, LP	2010	10,000,000	3.74	3.74	-14.22	-9.30		-8.02
North Texas Opportunity Fund	2000	10,000,000	-2.21	-2.21	-7.22	-13.44	-12.82	3.25
Oaktree Loan Fund 2X	2007	60,000,000	-0.88	-0.88	-23.38	-5.56	1.07	2.64
Oaktree Power Fund III	2011	30,000,000	5.06	5.06	30.85	16.07	16.96	14.10
OCM Opportunities Fund IV	2001	50,000,000	10.06	10.06	0.12	23.24	12.82	28.36
Pharos Capital Co-Investment, LLC	2007	20,000,000				-3.53	18.18	-9.92
Pharos Capital Co-Investments, LP	2008	40,000,000	-0.14	-0.14	14.04	28.49	15.21	9.04
Pharos Capital Partners IIA, L.P.	2005	20,000,000	-5.60	-5.60	-17.31	-4.32	0.02	4.97
Pharos Capital Partners III, LP	2012	50,000,000	8.85	8.85	7.56	-0.53		-4.32
Yellowstone Energy Ventures II, L.P.	2008	5,283,254	9.53	9.53	-57.72	-47.16	-38.01	-32.80
Dallas Police & Fire Pension System		1,185,346,248	6.19	6.19	5.14	-2.76	1.62	5.00

Dallas Police & Fire Pension System
Private Equity & Debt Funds - Performance Analysis by Strategy Type

3/31/2016

Investment Name	Vintage Year	Commitment Amount	Paid in Capital	Capital to be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
110 Growth Equity													
1 BankCap Partners Fund I	2007	20,000,000	20,000,000	0	0	2,485,941	14,642,715	17,128,656	-2,871,344	100%	0.12	0.86	-2.07%
2 BankCap Partners Opportunity Fund, LP	2013	20,000,000	12,424,126	7,575,874	0	0	12,505,127	12,505,127	81,001	62%	0.00	1.01	0.61%
3 Hudson Clean Energy Partners	2009	25,000,000	24,912,744	87,256	0	3,661,896	17,669,588	21,331,484	-3,581,260	100%	0.15	0.86	-3.48%
4 Lone Star CRA Fund	2008	50,000,000	7,352,941	50,000,000	0	12,928,698	9,524,743	22,453,441	15,100,500	15%	1.76	3.05	18.09%
5 Lone Star Growth Capital	2006	16,000,000	12,800,000	16,000,000	0	12,800,000	9,882,945	22,682,945	9,882,945	80%	1.00	1.77	8.67%
6 Lone Star Opportunities Fund V, LP	2012	75,000,000	18,750,000	56,250,000	0	443,746	15,372,008	15,815,754	-2,934,246	25%	0.02	0.84	-11.57%
7 North Texas Opportunity Fund	2000	10,000,000	10,000,000	0	0	8,798,464	4,695,538	13,494,002	3,494,002	100%	0.88	1.35	3.25%
8 Pharos Capital Partners IIA, L.P.	2005	20,000,000	19,800,000	0	0	10,896,166	15,225,923	26,122,089	6,322,089	99%	0.55	1.32	4.97%
9 Pharos Capital Partners III, LP	2012	50,000,000	19,750,000	30,250,000	-54,286	1,063,488	17,388,491	18,451,979	-1,243,735	40%	0.05	0.94	-4.32%
Subtotal: 110 Growth Equity		286,000,000	145,789,811	160,163,130	-54,286	53,078,399	116,907,078	169,985,477	24,249,952	48%	0.36	1.17	3.43%
120 Buyouts													
1 HM Capital Sector Performance Fund	2008	47,300,000	44,354,248	0	1,933,378	39,792,545	0	39,792,545	-6,495,081	100%	0.86	0.86	-4.01%
2 Huff Alternative Fund	2000	66,795,718	66,795,718	0	12,022,676	52,998,260	32,090,727	85,088,987	6,270,593	100%	0.67	1.08	1.14%
3 Huff Alternative Income Fund	1994	40,000,000	40,000,000	0	2,018,676	66,940,198	0	66,940,198	24,921,522	100%	1.59	1.59	17.82%
4 Kainos Capital Partners, L.P.	2013	35,000,000	25,795,067	9,204,933	0	3,495,816	31,532,531	35,028,347	9,233,280	74%	0.14	1.36	29.04%
5 Levine Leichtman Capital Partners IV	2008	50,000,000	38,090,461	11,909,539	0	51,056,556	24,340,074	75,396,630	37,306,169	76%	1.34	1.98	19.91%
6 Levine Leichtman Capital Partners V, L.P.	2013	25,000,000	14,498,971	10,501,029	-4,405	967,288	16,074,999	17,042,287	2,547,721	58%	0.07	1.18	12.45%
7 Oaktree Power Fund III	2011	30,000,000	19,344,870	10,655,130	0	15,556,208	11,504,302	27,060,510	7,715,640	64%	0.80	1.40	14.10%
Subtotal: 120 Buyouts		294,095,718	248,879,334	42,270,632	15,970,325	230,806,870	115,542,633	346,349,503	81,499,844	85%	0.87	1.31	7.96%
150 Distressed													
1 Ashmore Global Special Situations Fund IV	2007	70,000,000	70,000,000	0	0	37,522,325	5,249,165	42,771,490	-27,228,510	100%	0.54	0.61	-8.63%
2 Levine Leichtman Deep Value Fund	2006	75,000,000	75,000,000	0	11,025,662	78,666,167	11,842,397	90,508,564	4,482,902	100%	0.91	1.05	1.22%
3 Levine Leichtman Private Capital Solutions II, L.P.	2012	25,000,000	18,067,397	6,932,603	-175	0	19,091,776	19,091,776	1,024,554	72%	0.00	1.06	2.40%
4 Lone Star Fund IX (U.S.), L.P.	2014	35,000,000	11,863,677	23,136,323	0	211,751	11,945,435	12,157,186	293,510	34%	0.02	1.02	5.67%
5 Lone Star Fund VII (U.S.), L.P.	2011	25,000,000	23,459,112	1,540,888	0	37,895,460	4,608,259	42,503,719	19,044,607	94%	1.62	1.81	49.24%
6 Lone Star Fund VIII (U.S.), L.P.	2013	25,000,000	19,660,978	5,339,022	0	13,318,016	13,365,505	26,683,521	7,022,542	79%	0.68	1.36	27.35%
7 Oaktree Loan Fund 2X	2007	60,000,000	60,000,000	0	0	64,287,256	1,807,786	66,095,042	6,095,042	100%	1.07	1.10	2.64%
8 OCM Opportunities Fund IV	2001	50,000,000	50,000,000	0	0	82,364,001	164,011	82,528,012	32,528,012	100%	1.65	1.65	28.36%
Subtotal: 150 Distressed		365,000,000	328,051,165	36,948,835	11,025,487	314,264,975	68,074,335	382,339,310	43,262,658	90%	0.93	1.13	4.44%
200 Co-Investment													
1 Pharos Capital Co-Investment, LLC	2007	20,000,000	20,000,000	0	0	10,019,157	0	10,019,157	-9,980,843	100%	0.50	0.50	-9.92%
2 Pharos Capital Co-Investments, LP	2008	40,000,000	40,000,000	0	0	67,397,892	2,849,698	70,247,590	30,247,590	100%	1.68	1.76	9.04%
Subtotal: 200 Co-Investment		60,000,000	60,000,000	0	0	77,417,049	2,849,698	80,266,747	20,266,747	100%	1.29	1.34	4.40%

Dallas Police & Fire Pension System
Private Equity & Debt Funds - Performance Analysis by Strategy Type

3/31/2016

Investment Name	Vintage Year	Commitment Amount	Paid in Capital	Capital to be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
210 Direct Investment													
1 CDK Southern Cross	2008	10,000,000	1,535,316	395,684	0	0	0	0	-1,535,316	15%	0.00	0.00	-20.08%
Subtotal: 210 Direct Investment		10,000,000	1,535,316	395,684	0	0	0	0	-1,535,316	80%	0.00	0.00	-20.08%
400 Energy													
1 Huff Energy Fund	2006	100,000,000	99,880,021	119,979	-947,331	4,477,394	135,647,606	140,125,000	41,192,310	100%	0.05	1.42	5.72%
2 Merit Energy Partners E-I	2004	7,018,930	7,018,930	0	-1,741	12,737,361	2,881,699	15,619,060	8,601,871	100%	1.82	2.23	15.10%
3 Merit Energy Partners F-I	2005	8,748,346	8,748,346	0	0	3,644,724	189,065	3,833,789	-4,914,557	100%	0.42	0.44	-17.09%
4 Merit Energy Partners G, LP	2008	39,200,000	39,200,000	0	0	6,532,135	28,742,134	35,274,269	-3,925,731	100%	0.17	0.90	-3.17%
5 Merit Energy Partners H, LP	2010	10,000,000	8,186,074	1,813,926	0	749,908	5,881,881	6,631,789	-1,554,285	82%	0.09	0.81	-8.02%
6 Yellowstone Energy Ventures II, L.P.	2008	5,283,254	5,112,307	170,947	0	1,038,711	511,359	1,550,070	-3,562,237	97%	0.20	0.30	-32.80%
Subtotal: 400 Energy		170,250,530	168,145,678	2,104,852	-949,072	29,180,233	173,853,744	203,033,977	35,837,371	99%	0.17	1.21	3.75%
Total: Dallas Police & Fire Pension System		1,185,346,248	952,401,304	241,883,133	25,992,454	704,747,526	477,227,488	1,181,975,013	203,581,255	80%	0.72	1.21	5.00%

Dallas Police & Fire Pension System

Private Equity & Debt Funds - Vintage Year Performance Analysis

3/31/2016

Investment Name	Vintage Year	Commitment Amount	Paid in Capital	Capital to be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
1994													
1 Huff Alternative Income Fund	1994	40,000,000	40,000,000	0	2,018,676	66,940,198	0	66,940,198	24,921,522	100%	1.59	1.59	17.82%
Subtotal: 1994		40,000,000	40,000,000	0	2,018,676	66,940,198	0	66,940,198	24,921,522	100%	1.59	1.59	17.82%
2000													
1 Huff Alternative Fund	2000	66,795,718	66,795,718	0	12,022,676	52,998,260	32,090,727	85,088,987	6,270,593	100%	0.67	1.08	1.14%
2 North Texas Opportunity Fund	2000	10,000,000	10,000,000	0	0	8,798,464	4,695,538	13,494,002	3,494,002	100%	0.88	1.35	3.25%
Subtotal: 2000		76,795,718	76,795,718	0	12,022,676	61,796,724	36,786,265	98,582,989	9,764,595	100%	0.70	1.11	1.50%
2001													
1 OCM Opportunities Fund IV	2001	50,000,000	50,000,000	0	0	82,364,001	164,011	82,528,012	32,528,012	100%	1.65	1.65	28.36%
Subtotal: 2001		50,000,000	50,000,000	0	0	82,364,001	164,011	82,528,012	32,528,012	100%	1.65	1.65	28.36%
2004													
1 Merit Energy Partners E-I	2004	7,018,930	7,018,930	0	-1,741	12,737,361	2,881,699	15,619,060	8,601,871	100%	1.82	2.23	15.10%
Subtotal: 2004		7,018,930	7,018,930	0	-1,741	12,737,361	2,881,699	15,619,060	8,601,871	100%	1.82	2.23	15.10%
2005													
1 Merit Energy Partners F-I	2005	8,748,346	8,748,346	0	0	3,644,724	189,065	3,833,789	-4,914,557	100%	0.42	0.44	-17.09%
2 Pharos Capital Partners IIA, L.P.	2005	20,000,000	19,800,000	0	0	10,896,166	15,225,923	26,122,089	6,322,089	99%	0.55	1.32	4.97%
Subtotal: 2005		28,748,346	28,548,346	0	0	14,540,890	15,414,988	29,955,878	1,407,532	100%	0.51	1.05	0.82%
2006													
1 Huff Energy Fund	2006	100,000,000	99,880,021	119,979	-947,331	4,477,394	135,647,606	140,125,000	41,192,310	100%	0.05	1.42	5.72%
2 Levine Leichtman Deep Value Fund	2006	75,000,000	75,000,000	0	11,025,662	78,666,167	11,842,397	90,508,564	4,482,902	100%	0.91	1.05	1.22%
3 Lone Star Growth Capital	2006	16,000,000	12,800,000	16,000,000	0	12,800,000	9,882,945	22,682,945	9,882,945	80%	1.00	1.77	8.67%
Subtotal: 2006		191,000,000	187,680,021	16,119,979	10,078,331	95,943,561	157,372,948	253,316,509	55,558,157	92%	0.49	1.28	4.56%
2007													
1 Ashmore Global Special Situations Fund IV	2007	70,000,000	70,000,000	0	0	37,522,325	5,249,165	42,771,490	-27,228,510	100%	0.54	0.61	-8.63%
2 BankCap Partners Fund I	2007	20,000,000	20,000,000	0	0	2,485,941	14,642,715	17,128,656	-2,871,344	100%	0.12	0.86	-2.07%
3 Oaktree Loan Fund 2X	2007	60,000,000	60,000,000	0	0	64,287,256	1,807,786	66,095,042	6,095,042	100%	1.07	1.10	2.64%
4 Pharos Capital Co-Investment, LLC	2007	20,000,000	20,000,000	0	0	10,019,157	0	10,019,157	-9,980,843	100%	0.50	0.50	-9.92%
Subtotal: 2007		170,000,000	170,000,000	0	0	114,314,678	21,699,666	136,014,345	-33,985,655	100%	0.67	0.80	-4.37%
2008													
1 CDK Southern Cross	2008	10,000,000	1,535,316	395,684	0	0	0	0	-1,535,316	15%	0.00	0.00	-20.08%
2 HM Capital Sector Performance Fund	2008	47,300,000	44,354,248	0	1,933,378	39,792,545	0	39,792,545	-6,495,081	100%	0.86	0.86	-4.01%
3 Levine Leichtman Capital Partners IV	2008	50,000,000	38,090,461	11,909,539	0	51,056,556	24,340,074	75,396,630	37,306,169	76%	1.34	1.98	19.91%
4 Lone Star CRA Fund	2008	50,000,000	7,352,941	50,000,000	0	12,928,698	9,524,743	22,453,441	15,100,500	15%	1.76	3.05	18.09%

Dallas Police & Fire Pension System
Private Equity & Debt Funds - Vintage Year Performance Analysis

3/31/2016

Investment Name	Vintage Year	Commitment Amount	Paid in Capital	Capital to be Funded	Additional Fees	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio	IRR
5 Merit Energy Partners G, LP	2008	39,200,000	39,200,000	0	0	6,532,135	28,742,134	35,274,269	-3,925,731	100%	0.17	0.90	-3.17%
6 Pharos Capital Co-Investments, LP	2008	40,000,000	40,000,000	0	0	67,397,892	2,849,698	70,247,590	30,247,590	100%	1.68	1.76	9.04%
7 Yellowstone Energy Ventures II, L.P.	2008	5,283,254	5,112,307	170,947	0	1,038,711	511,359	1,550,070	-3,562,237	97%	0.20	0.30	-32.80%
Subtotal: 2008		241,783,254	175,645,272	62,476,171	1,933,378	178,746,537	65,968,008	244,714,545	67,135,894	74%	1.01	1.38	7.24%
2009													
1 Hudson Clean Energy Partners	2009	25,000,000	24,912,744	87,256	0	3,661,896	17,669,588	21,331,484	-3,581,260	100%	0.15	0.86	-3.48%
Subtotal: 2009		25,000,000	24,912,744	87,256	0	3,661,896	17,669,588	21,331,484	-3,581,260	100%	0.15	0.86	-3.48%
2010													
1 Merit Energy Partners H, LP	2010	10,000,000	8,186,074	1,813,926	0	749,908	5,881,881	6,631,789	-1,554,285	82%	0.09	0.81	-8.02%
Subtotal: 2010		10,000,000	8,186,074	1,813,926	0	749,908	5,881,881	6,631,789	-1,554,285	82%	0.09	0.81	-8.02%
2011													
1 Lone Star Fund VII (U.S.), L.P.	2011	25,000,000	23,459,112	1,540,888	0	37,895,460	4,608,259	42,503,719	19,044,607	94%	1.62	1.81	49.24%
2 Oaktree Power Fund III	2011	30,000,000	19,344,870	10,655,130	0	15,556,208	11,504,302	27,060,510	7,715,640	64%	0.80	1.40	14.10%
Subtotal: 2011		55,000,000	42,803,982	12,196,018	0	53,451,668	16,112,561	69,564,229	26,760,247	78%	1.25	1.63	30.68%
2012													
1 Levine Leichtman Private Capital Solutions II, L.P.	2012	25,000,000	18,067,397	6,932,603	-175	0	19,091,776	19,091,776	1,024,554	72%	0.00	1.06	2.40%
2 Lone Star Opportunities Fund V, LP	2012	75,000,000	18,750,000	56,250,000	0	443,746	15,372,008	15,815,754	-2,934,246	25%	0.02	0.84	-11.57%
3 Pharos Capital Partners III, LP	2012	50,000,000	19,750,000	30,250,000	-54,286	1,063,488	17,388,491	18,451,979	-1,243,735	40%	0.05	0.94	-4.32%
Subtotal: 2012		150,000,000	56,567,397	93,432,603	-54,461	1,507,234	51,852,275	53,359,509	-3,153,427	38%	0.03	0.94	-3.22%
2013													
1 BankCap Partners Opportunity Fund, LP	2013	20,000,000	12,424,126	7,575,874	0	0	12,505,127	12,505,127	81,001	62%	0.00	1.01	0.61%
2 Kainos Capital Partners, L.P.	2013	35,000,000	25,795,067	9,204,933	0	3,495,816	31,532,531	35,028,347	9,233,280	74%	0.14	1.36	29.04%
3 Levine Leichtman Capital Partners V, L.P.	2013	25,000,000	14,498,971	10,501,029	-4,405	967,288	16,074,999	17,042,287	2,547,721	58%	0.07	1.18	12.45%
4 Lone Star Fund VIII (U.S.), L.P.	2013	25,000,000	19,660,978	5,339,022	0	13,318,016	13,365,505	26,683,521	7,022,542	79%	0.68	1.36	27.35%
Subtotal: 2013		105,000,000	72,379,143	32,620,857	-4,405	17,781,119	73,478,162	91,259,281	18,884,544	69%	0.25	1.26	20.84%
2014													
1 Lone Star Fund IX (U.S.), L.P.	2014	35,000,000	11,863,677	23,136,323	0	211,751	11,945,435	12,157,186	293,510	34%	0.02	1.02	5.67%
Subtotal: 2014		35,000,000	11,863,677	23,136,323	0	211,751	11,945,435	12,157,186	293,510	34%	0.02	1.02	5.67%
Total: Dallas Police & Fire Pension System		1,185,346,248	952,401,304	241,883,133	25,992,454	704,747,526	477,227,488	1,181,975,013	203,581,255	80%	0.72	1.21	5.00%



NEPC, LLC

YOU DEMAND MORE. So do we.SM



Dallas Police & Fire Pension System

First Quarter 2016 *Private Real Assets Program* (Real Estate, Infrastructure, Natural Resources)

255 State Street, Boston, MA 02109
TEL: 617.374.1300 | FAX: 617.374.1313 | www.nepc.com

BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | SAN FRANCISCO

Real Assets Portfolio Summary by Asset Class

The following table presents the status of the DPFP **REAL ESTATE** portfolio as of March 31, 2016:

Since Inception Commitments	Terminated Commitments	Amount Funded	Amount Distributed	Reported Value	Call Ratio	Distribution Ratio
\$1,426,473,648	\$0	\$1,393,353,837	\$456,408,240	\$650,345,810	97.68%	32.76%

Unfunded Commitment	Market Exposure (Reported Value + Unfunded Commitment)	Total Fund Composite as of 3/31/2016	Real Estate Target	Reported Value of Total Fund	Market Exposure as a % Total Fund
\$33,119,811	\$683,465,621	\$2,654,819,526	12%	24.50%	25.74%

Total Value (Reported Value + Distributions)	Total Value To Capital Call Ratio	Internal Rate of Return IRR, Since Inception
\$1,106,754,050	0.79	-5.31%

The following table presents the status of the DPFP **NATURAL RESOURCES** portfolio as of March 31, 2016:

Since Inception Commitments	Terminated Commitments	Amount Funded	Amount Distributed	Reported Value	Call Ratio	Distribution Ratio
\$233,797,292	\$0	\$233,797,292	\$161,825,126	\$294,969,814	100.00%	69.22%

Unfunded Commitment	Market Exposure (Reported Value + Unfunded Commitment)	Total Fund Composite as of 3/31/2016	Natural Resources Target	Reported Value of Total Fund	Market Exposure as a % Total Fund
\$0	\$294,969,814	\$2,654,819,526	5%	11.11%	11.11%

Total Value (Reported Value + Distributions)	Total Value To Capital Call Ratio	Internal Rate of Return IRR, Since Inception
\$456,794,940	1.95	10.44%

The following table presents the status of the DPFP **INFRASTRUCTURE** portfolio as of March 31, 2016:

Since Inception Commitments	Terminated Commitments	Amount Funded	Amount Distributed	Reported Value	Call Ratio	Distribution Ratio
\$364,000,000	\$0	\$279,134,170	\$78,929,801	\$199,600,089	76.69%	28.28%

Unfunded Commitment	Market Exposure (Reported Value + Unfunded Commitment)	Total Fund Composite as of 3/31/2016	Infrastructure Target	Reported Value of Total Fund	Market Exposure as a % Total Fund
\$84,865,830	\$284,465,919	\$2,654,819,526	5%	7.52%	10.72%

Total Value (Reported Value + Distributions)	Total Value To Capital Call Ratio	Internal Rate of Return IRR, Since Inception
\$278,529,890	1.00	-0.09%

Dallas Police & Fire Pension System
Real Assets Portfolio Summary

3/31/2016¹

Investment Name	Vintage Year	Commitment Amount	Paid in Capital	Capital to be Funded	Cumulative Distributions	Valuation	Total Value	Net Benefit	Call Ratio	DPI Ratio	TVPI Ratio
Real Estate											
Direct Investments	Various	1,203,163,108	1,201,779,057	1,384,051	245,872,383	583,624,027	829,496,410	-372,282,647	100%	0.20	0.69
CDK Multifamily I	2014	10,409,876	10,409,876	0	0	11,026,029	11,026,029	616,153	100%	0.00	1.06
Hearthstone MS II Homebuilding Investors	1999	10,000,000	7,970,115	2,029,885	10,989,565	447	10,990,012	3,019,897	80%	1.38	1.38
Hearthstone MS III Homebuilding Investors	2003	10,000,000	9,365,943	634,057	12,863,833	42,323	12,906,156	3,540,213	94%	1.37	1.38
Lone Star Fund III (U.S.), L.P.	2000	20,000,000	19,827,415	172,585	40,612,278	59,930	40,672,208	20,844,793	99%	2.05	2.05
Lone Star Fund IV (U.S.), L.P.	2001	20,000,000	19,045,201	954,799	43,786,407	140,572	43,926,979	24,881,778	95%	2.30	2.31
Lone Star Fund V (U.S.), L.P.	2005	22,500,000	22,500,000	0	16,414,141	5,426,198	21,840,339	-659,661	100%	0.73	0.97
Lone Star Fund VI (U.S.), L.P.	2008	25,000,000	20,005,358	4,994,642	26,884,679	5,206,643	32,091,322	12,085,964	80%	1.34	1.60
Lone Star Real Estate Fund (U.S.), L.P.	2008	25,000,000	20,719,418	4,280,582	22,817,586	3,311,910	26,129,496	5,410,078	83%	1.10	1.26
Lone Star Real Estate Fund II	2011	25,000,000	21,783,010	3,216,990	28,493,043	4,758,645	33,251,688	11,468,678	87%	1.31	1.53
Lone Star Real Estate Fund III	2014	25,000,000	21,713,204	3,286,796	4,075,417	21,705,762	25,781,179	4,067,975	87%	0.19	1.19
M&G Real Estate Debt Fund II	2013	30,369,664	18,204,240	12,165,424	3,598,909	15,043,324	18,642,233	437,993	60%	0.20	1.02
Subtotal Real Estate		1,426,473,648	1,393,353,837	33,119,811	456,408,241	650,345,810	1,106,754,051	-286,599,786	98%	0.33	0.79
Infrastructure											
AIRRO Consolidated	Various	77,000,000	42,319,254	34,680,746	4,677,250	34,388,025	39,065,275	-2,491,438	55%	0.11	0.94
JP Morgan Consolidated	Various	87,000,000	77,858,482	9,141,518	13,741,240	56,165,601	69,906,842	-7,951,237	89%	0.18	0.90
LBJ Infrastructure Group Holding, LLC (LBJ)	2009	50,000,000	44,346,229	5,653,771	1,782,000	44,436,258	46,218,258	1,872,029	89%	0.04	1.04
NTE 3a-3b	2012	50,000,000	21,984,613	28,015,387	1,490,556	21,984,613	23,475,169	1,490,555	44%	0.07	1.07
NTE Mobility Partners Holding, LLC (NTE)	2009	50,000,000	42,625,592	7,374,408	2,000,000	42,625,592	44,625,592	2,000,000	85%	0.05	1.05
RREEF North American Infrastructure Fund	2007	50,000,000	50,000,000	0	55,238,755	0	55,238,755	4,392,466	100%	1.09	1.09
Subtotal Infrastructure		364,000,000	279,134,170	84,865,830	78,929,801	199,600,089	278,529,890	-687,625	77%	0.28	1.00
Natural Resources											
Hancock Agricultural ³	1998	71,820,001	71,820,001	0	89,596,343	169,753,243	259,349,586	187,529,585	100%	1.25	3.61
BTG Timberland	2006	102,327,595	102,327,595	0	9,500,000	80,905,128	90,405,128	-11,922,467	100%	0.09	0.88
FIA Timberland	1992	59,649,696	59,649,696	0	62,728,783	44,311,443	107,040,226	47,390,530	100%	1.05	1.79
Subtotal Natural Resources		233,797,292	233,797,292	0	161,825,126	294,969,814	456,794,940	222,997,648	100%	0.69	1.95
Total: Real Assets		2,024,270,940	1,906,285,300	117,985,641	697,163,167	1,144,915,713	1,842,078,880	-64,289,764	94%	0.37	0.97

Notes:

1. Data provided from managers as of March 31, 2016
2. Balance includes the Sumitomo line of credit of \$188,900,000
3. Hancock Agricultural performance is gross of fees and subject to change, awaiting fee reconciliation from manager