# SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT MEETING NOTICE AND AGENDA

## COMPENSATION COMMITTEE

**Tuesday, October 24, 2023, No Sooner Than 9:45 AM**

**SRP Administration Building**
**1500 N. Mill Avenue, Tempe, AZ 85288**

Committee Members: Mark Pace, Chairman; Robert Arnett, Vice Chairman; and Mario Herrera, Kevin Johnson, Anda McAfee, Kathy Mohr-Almeida, Larry Rovey, and Paul Rovey

Call to Order
Roll Call

1. **CONSENT AGENDA:** The following agenda item(s) will be considered as a group by the Committee and will be enacted with one motion. There will be no separate discussion of these item(s) unless a Committee Member requests, in which event the agenda item(s) will be removed from the Consent Agenda and considered as a separate item ................................................................ CHAIRMAN MARK PACE

   - Request for approval of the minutes for the meeting of September 19, 2023.

2. SRP Employees' Retirement Plan – Manager Presentation by PGIM Real Estate ........................................................................................CHALESE HARALDSEN; and KAYA MURRAY and STEVE MOEN, PGIM REAL ESTATE

   Informational presentation by PGIM Real Estate (an investment management business of Prudential Financial), a real estate fund manager in the SRP Employees' Retirement Plan (the Plan). Discussion will include current performance, portfolio positioning, and market outlook relative to the Plan.

3. Executive Session, Pursuant to A.R.S. §38-431.03(A)(5), for the Compensation Committee to Discuss or Consult with Designated Representatives of the Public Body in Order to Consider its Position and Instruct its Representatives Regarding Negotiations with Employee Organizations Regarding the Salaries, Salary Schedules, or Compensation Paid in the Form of Fringe Benefits of Employees of the Public Body with Respect to the International Brotherhood of Electrical Workers (IBEW) Local Union 266 Contract ................ PHYLLIS BRUNER

4. Report on Current Events by the General Manager and Chief Executive Officer or Designees .........................................................................JIM PRATT

5. Future Agenda Topics..................................................... CHAIRMAN MARK PACE

The Committee may vote during the meeting to go into Executive Session, pursuant to A.R.S. §38-431.03 (A)(3), for the purpose of discussion or consultation for legal advice with legal counsel to the Committee on any of the matters listed on the agenda.

The Committee may go into Closed Session, pursuant to A.R.S. §30-805(B), for records and proceedings relating to competitive activity, including trade secrets or privileged or confidential commercial or financial information.

Visitors: The public has the option to attend in-person or observe via Zoom and may receive teleconference information by contacting the Corporate Secretary's Office at (602) 236-4398. If attending in-person, all property in your possession, including purses, briefcases, packages, or containers, will be subject to inspection.

SRP®

**THE NEXT COMPENSATION COMMITTEE MEETING IS SCHEDULED FOR TUESDAY, NOVEMBER 14, 2023**

MINUTES
COMPENSATION COMMITTEE

**DRAFT**

September 19, 2023

A meeting of the Compensation Committee of the Salt River Project Agricultural Improvement and Power District (the District) and the Salt River Valley Water Users' Association (the Association), collectively SRP, convened at 10:47 a.m. on Tuesday, September 19, 2023, from the Hoopes Board Conference Room at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona. This meeting was conducted in-person and via teleconference in compliance with open meeting law guidelines.

Committee Members present at roll call were M.V. Pace, Chairman; R.C. Arnett, Vice Chairman; and M.J. Herrera, K.J. Johnson, A.G. McAfee, K.L. Mohr-Almeida, L.D. Rovey, and P.E. Rovey.

Also present were President D. Rousseau; Board Members N.R. Brown, R.J. Miller, J.M. White Jr., S.H. Williams, and K.B. Woods; Council Vice Chairman J.R. Shelton; Council Liaison M.L. Farmer; Council Members G.E. Geiger and M.C. Pedersen; Mmes. I.R. Avalos, P.R. Bruner, M.J. Burger, A.P. Chabrier, C. Haraldsen, L.F. Hobaica, T.A. Kaschak, L.A. Meyers, G.A. Mingura, and C.M. Sifuentes; Messrs. J.D. Coggins, M.R. Davis, M. Feder, J.M. Felty, R.T. Judd, B.J. Koch, K.J. Lee, R. Navarro, M.J. O'Connor, B.A. Olsen, J.S. Overstreet, and J.M. Pratt; Tim Egan and Ellen Martel of CAPTRUST; and Meredith Empie and Ron Taylor of T. Rowe Price.

In compliance with A.R.S. §38-431.02, Andrew Davis of the Corporate Secretary's Office had posted a notice and agenda of the Compensation Committee meeting at the SRP Administration Building, 1500 North Mill Avenue, Tempe, Arizona, at 9:00 a.m. on Friday, September 15, 2023.

Chairman M.V. Pace called the meeting to order.

Consent Agenda

Chairman M.V. Pace requested a motion for Committee approval of the Consent Agenda, in its entirety.

On a motion duly made by Board Member M.J. Herrera, and seconded by Board Member K.J. Johnson, the Committee unanimously approved and adopted the following item on the Consent Agenda:

- Minutes of the Compensation Committee meeting on August 15, 2023, as presented

Corporate Secretary J.M. Felty polled the Committee Members on Board Member M.J. Herrera's motion to approve the Consent Agenda, in its entirety. The vote was recorded as follows:

| | | |
|---|---|---|
| YES: | Board Members M.V. Pace, Chairman; R.C. Arnett, Vice Chairman; and M.J. Herrera, K.J. Johnson, A.G. McAfee, K.L. Mohr-Almeida, L.D. Rovey, and P.E. Rovey | (8) |
| NO: | None | (0) |
| ABSTAINED: | None | (0) |
| ABSENT: | None | (0) |

SRP Employees' 401(k) Plan – Manager Presentation by T. Rowe Price

Using a PowerPoint presentation, Chalese Haraldsen, SRP Assistant Treasurer of Financial Trusts and Investments, stated that T. Rowe Price is a domestic equity manager hired in September 2004 to manage assets in the SRP Employees' 401(k) (401(k) Plan). She stated that the current market value of the 401(k) Plan is $1.14 billion. She introduced Meredith Empie of T. Rowe Price.

Next, Ms. M. Empie discussed the 401(k) Plan's objective, mandate, and benchmark as of June 30, 2023. She introduced Ron Taylor of T. Rowe Price.

Continuing, Mr. R. Taylor provided an overview of the firm investment process, portfolio construction, and current performance. He concluded with an organizational overview and an overview of its investment team and investment process.

Ms. C. Haraldsen; and Meredith Empie and Ron Taylor of T. Rowe Price responded to questions from the Committee.

Copies of the PowerPoint slides used in this presentation are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Ms. L.A. Meyers left the meeting during the presentation.

SRP's Employees' Retirement Plan

Asset Allocation Policy

Using a PowerPoint presentation, Tim Egan, a Principal Financial Advisor of CAPTRUST, SRP's investment consultant for the SRP Employees' Retirement Plan (the Plan) and the 401(k) Plan, stated that the purpose of the presentation was to provide information regarding the Plan asset allocation policy and provide an analysis of the current asset allocation structure relative to an alternative structure that increases the Fixed Income, Liability Driven Investment (LDI), allocation from 25% of the Plan assets to 30%.

Mr. T. Egan reminded the Committee that part of its responsibility is to periodically review the Plan's asset allocation structure. He reported that with the rise in pension discount rates and improving funded status, SRP may consider expanding the LDI mandate from its current allocation of 25% of Plan's assets.

Mr. T. Egan stated that CAPTRUST's rationale for this increase is to take advantage of higher interest rates and provide modest additional funded status protection should rates decline following a period of steep increases. He reviewed the asset allocation process and capital market assumptions and the Plan's asset allocation output.

Mr. T. Egan responded to questions from the Committee.

Copies of the PowerPoint slides used in this presentation are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Meredith Empie and Ron Taylor of T. Rowe Price left the meeting during the presentation.

Update to the Asset Allocation Policy and Investment Policy Statement

Using a PowerPoint presentation, Ms. C. Haraldsen stated that the purpose of the presentation was to request approval to update the Plan asset allocation structure and Investment Policy Statement to increase the Fixed Income LDI allocation from 25% of the Plan assets to 30%.

Ms. C. Haraldsen provided a summary of the asset allocation recommendations, a comparison of current versus recommended allocations, and a timeline from the approval of allocation to completion of reallocation of assets.

In conclusion, Ms. C. Haraldsen requested approval to update the Plan asset allocation structure and Investment Policy Statement by 1) authorizing Management to reallocate assets to reduce the Opportunistic Platform from 15% to 10% and increase the LDI mandate from 25% to 30%; and 2) authorizing the Treasurer or a designee to enter into the investment management agreements and other necessary documents, as needed, related to the reallocation of assets. She reminded the Committee that as the named Fiduciary of the Plan and 401(k) Plan, the Committee is authorized to approve this change.

On a motion duly made by Board Member M.J. Herrera, seconded by Board Member K.J. Johnson and carried, the Committee granted approval to update the Plan asset allocation structure and Investment Policy Statement to increase the Fixed Income LDI allocation from 25% of plan assets to 30%.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member M.J. Herrera's motion to approve the recommendation as presented. The vote was recorded as follows:

| | | |
|---|---|---|
| YES: | Board Members M.V. Pace, Chairman; R.C. Arnett, Vice Chairman; and M.J. Herrera, K.J. Johnson, A.G. McAfee, K.L. Mohr-Almeida, L.D. Rovey, and P.E. Rovey | (8) |
| NO: | None | (0) |
| ABSTAINED: | None | (0) |
| ABSENT: | None | (0) |

Copies of the PowerPoint slides used in this presentation are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Marshall Wace Investment Management Fee Increase

Using a PowerPoint Presentation, Ellen Martel, a Principal of CAPTRUST, stated that the purpose of the presentation was to request approval of an increase in the investment management fee to be charged by Marshall Wace, a global long/short equity manager within the opportunistic platform of the Plan. She said that the fee increase would be effective October 1, 2023, and will be capped at 0.75% of net asset value (NAV) per annum.

Ms. E. Martel provided background information regarding Marshall Wace's engagement with SRP as follows: 1) hired in December 2019; 2) represents one of four managers in the opportunistic platform within the Plan; 3) is a leading global alternative investment manager that specializes in long/short equity; 4) combines fundamental investing and quantitative strategies in pursuit of delivering strong risk-adjusted returns, net of fees; 5) announced an increase in investment management fee of up to 0.75%, effective October 1, 2023; and 6) increases SRP fee from 1.50% to a maximum of 2.25%. She discussed hedge fund marketing fees and options to consider.

Ms. E. Martel said that while the new Marshall Wace proposed fee agreement is above market for other industry peers and a step-up from the prior arrangement, Management and CAPTRUST believe Marshall Wace continues to be a top-tier investment manager and retain conviction in the Eureka strategy. She noted that Marshall Wace is above risk-adjusted returns since inception, net of fees and is a unique make-up of fundamental portfolio managers and individual traders.

Ms. E. Martel concluded by requesting approval of the increase in the investment management fee of up to 0.75% to be charged by Marshall Wace, a global long/short equity manager within the opportunistic platform of the Plan, effective October 1, 2023; and authorizing the Treasurer or a designee to enter into the investment management agreements and other necessary documents, as needed, related to the new investment management fee. She reminded the Committee that as the named Fiduciary of the Plan and 401(k) Plan, the Committee is authorized to approve this change.

On a motion duly made by Board Member M.J. Herrera, seconded by Board Member P.E. Rovey and carried, the Committee granted approval of the increase in the investment management fee of up to 0.75% to be charged by Marshall Wace, a global long/short equity manager within the opportunistic platform of the Plan, effective October 1, 2023.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member M.J. Herrera's motion to approve the recommendation as presented. The vote was recorded as follows:

| | | |
|---|---|---|
| YES: | Board Members M.V. Pace, Chairman; R.C. Arnett, Vice Chairman; and M.J. Herrera, K.J. Johnson, A.G. McAfee, K.L. Mohr-Almeida, L.D. Rovey, and P.E. Rovey | (8) |
| NO: | None | (0) |
| ABSTAINED: | None | (0) |
| ABSENT: | None | (0) |

Copies of the PowerPoint slides used in this presentation are on file in the Corporate Secretary's Office and, by reference, made a part of these minutes.

Board Member K.B. Woods; Mmes. C. Haraldsen and T.A. Kaschak; and Tim Egan and Ellen Martel of CAPTRUST left the meeting.

Executive Session: International Brotherhood of Electrical Workers (IBEW) Local Union 266 Contract

Chairman M.V. Pace requested a motion to enter into executive session, pursuant to A.R.S. §38-431.03(A)(5), to discuss or consult with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations with employee organizations regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of employees of the public body with respect to the IBEW Local Union 266 Contract.

On a motion duly made by Board Member A.G. McAfee, seconded by Board Member M.J. Herrera and carried, the Committee convened into executive session at 11:14 a.m.

Corporate Secretary J.M. Felty polled the Committee Members on Board Member A.G. McAfee's motion to enter into executive session. The vote was recorded as follows:

| | | |
|---|---|---|
| YES: | Board Members M.V. Pace, Chairman; R.C. Arnett, Vice Chairman; and M.J. Herrera, K.J. Johnson, A.G. McAfee, K.L. Mohr-Almeida, L.D. Rovey, and P.E. Rovey | (8) |
| NO: | None | (0) |
| ABSTAINED: | None | (0) |
| ABSENT: | None | (0) |

The Committee reconvened into open session at 11:25 a.m. with the following members and other present: President D. Rousseau; Board Members R.C. Arnett, N.R. Brown, M.J. Herrera, K.J. Johnson, A.G. McAfee, K.L. Mohr-Almeida, R.J. Miller, M.V. Pace, L.D. Rovey, P.E. Rovey, J.M. White Jr., and S.H. Williams; Council Vice Chairman J.R. Shelton; Council Liaison M.L. Farmer; Council Members G.E. Geiger and M.C. Pedersen; Mmes. I.R. Avalos, P.R. Bruner, M.J. Burger, A.P. Chabrier, L.F. Hobaica, G.A. Mingura, and C.M. Sifuentes; and Messrs. J.D. Coggins, M.R. Davis M. Feder, J.M. Felty, R.T. Judd, B.J. Koch, K.J. Lee, R. Navarro, M.J. O'Connor, B.A. Olsen, J.S. Overstreet, and J.M. Pratt.

Executive Session: Long-Term Incentive Plan for SRP's General Manager and Chief Executive Officer

Chairman M.V. Pace requested a motion to enter into executive session, pursuant to A.R.S. §38-431.03(A)(1), to discuss a proposed Long-Term Incentive Plan for SRP's General Manager and Chief Executive Officer.

On a motion duly made by Vice Chairman R.C. Arnett, seconded by Board Member K.J. Johnson and carried, the Committee convened into executive session at 11:26 a.m.

Corporate Secretary J.M. Felty polled the Committee Members on Vice Chairman R.C. Arnett's motion to enter into executive session. The vote was recorded as follows:

| | | |
|---|---|---|
| YES: | Board Members M.V. Pace, Chairman; R.C. Arnett, Vice Chairman; and M.J. Herrera, K.J. Johnson, A.G. McAfee, K.L. Mohr-Almeida, L.D. Rovey, and P.E. Rovey | (8) |
| NO: | None | (0) |
| ABSTAINED: | None | (0) |
| ABSENT: | None | (0) |

Mmes. I.R. Avalos and A.P. Chabrier; and Messrs. J.D. Coggins, K.J. Lee, R. Navarro, B.A. Olsen, and J.M. Pratt left the meeting.

The Committee reconvened into open session at 11:45 a.m. with the following members and other present: President D. Rousseau; Board Members R.C. Arnett, N.R. Brown, M.J. Herrera, K.J. Johnson, A.G. McAfee, K.L. Mohr-Almeida, R.J. Miller, M.V. Pace, L.D. Rovey, P.E. Rovey, J.M. White Jr., and S.H. Williams; Council Vice Chairman J.R. Shelton; Council Liaison M.L. Farmer; Council Members G.E. Geiger and M.C. Pedersen; Mmes. M.J. Burger, L.F. Hobaica, G.A. Mingura, and C.M. Sifuentes; and Messrs. M. Feder, J.M. Felty, R.T. Judd, M.J. O'Connor, and J.S. Overstreet.

Mmes. I.R. Avalos and A.P. Chabrier; and Messrs. J.D. Coggins, K.J. Lee, R. Navarro, B.A. Olsen, and J.M. Pratt entered the meeting.

Report on Current Events by the General Manager and Chief Executive Officer or Designees

There was no report on current events by Jim M. Pratt, SRP General Manager and Chief Executive Officer.

Future Agenda Topics

Chairman M.V. Pace asked the Committee if there were any future agenda topics. None were requested.

There being no further business to come before the Compensation Committee, the meeting adjourned at 11:48 a.m.

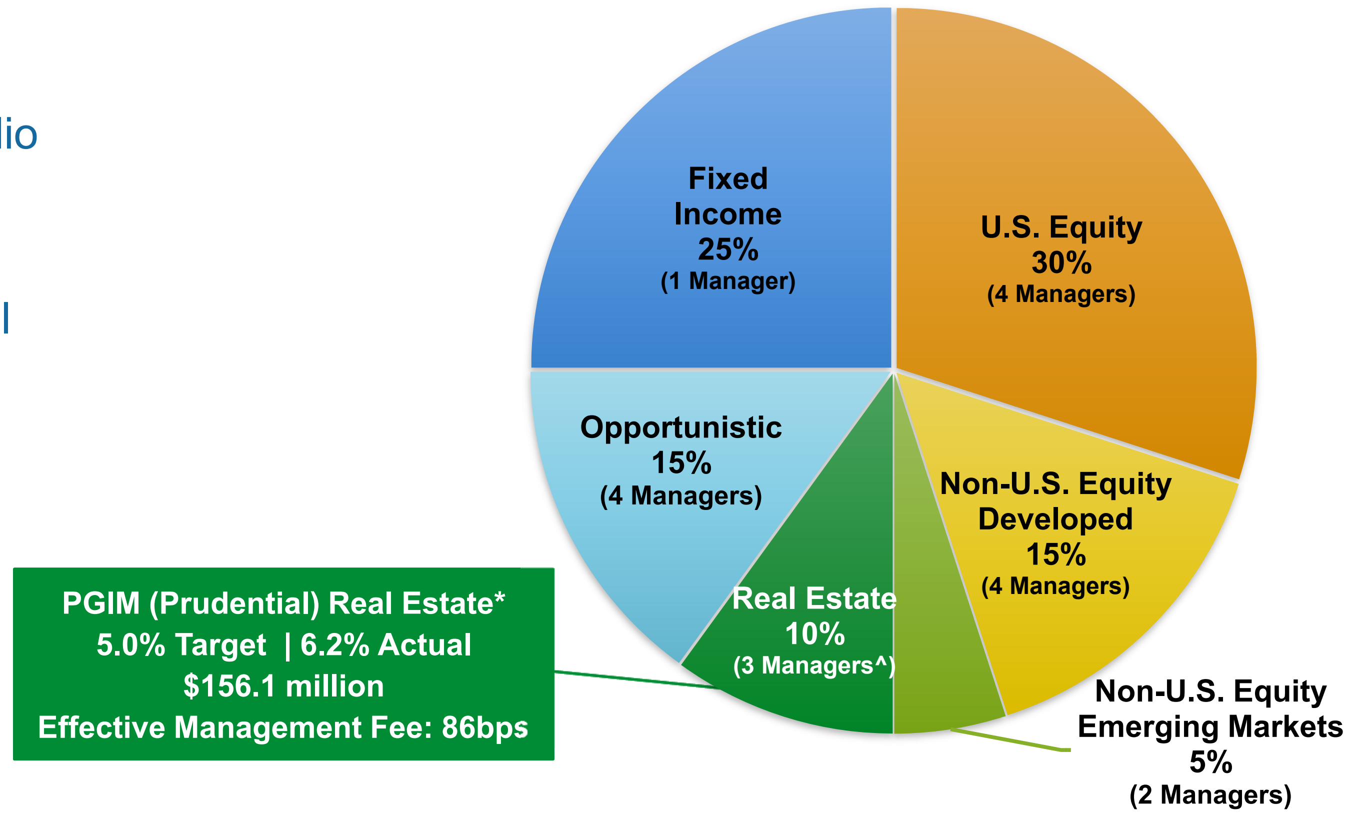
John M. Felty
Corporate Secretary

# Salt River Project
# Employees' Retirement Plan
# Compensation Committee

Chalese Haraldsen | October 24, 2023

# PRESENTING INVESTMENT MANAGER: PGIM REAL ESTATE RETIREMENT PLAN MARKET VALUE: $2.52 BILLION*

- Hired June 2004
- Core equity real estate portfolio with focus on total return
- Diversified portfolio of high-quality, income-producing real estate assets with durable cashflows
- Includes build-to-core investments to access modern, well-located properties with return premiums




*As of 09/30/2023

^ UBS Trumbull Property Income Fund LP in full redemption with ongoing distributions

PGIM REAL ESTATE

# PRISA

## Salt River Project

October 24, 2023

For Professional Investors only. All investments involve risk, including the possible loss of capital.

THE PURSUIT OF OUTPERFORMANCE

PGIM REAL ESTATE

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## PGIM REAL ESTATE REPRESENTATIVES

**KAYA MURRAY**

PRISA Portfolio Manager

**STEVE MOEN**

Business Development

**Important Note on PRISA SA, PRISA LP, PRISA Composite:** PRISA SA and PRISA LP are separate investment vehicles with separate terms (including fee structures) that invest in substantially the same assets. The performance of each of PRISA SA and PRISA LP, on a separate basis, may differ materially from PRISA Composite. For more information about the performance, returns after the deduction of Manager Compensation/Fees, and other data regarding the fund in which they are invested (i.e., PRISA SA or PRISA LP, as applicable), investors should review the **PRISA SA, PRISA LP, and Net Returns Addendum** in the Appendix. Investors should also consult the statements and reports provided to them pursuant to their investment agreements, including their individual client statements, financial statements and quarterly reports, in each case, which include data exclusively related to PRISA LP or PRISA SA, as the case may be. Unless otherwise stated, photos of properties throughout this deck reflect PRISA's current assets.

# U.S. Market News and Outlook

## Repricing Continues, But Incomes Resilient

- The inflation rate has slowed substantially, in response to tighter monetary policy and fading fiscal stimulus.
- Increasing labor force participation make a soft landing a plausible base case, though downside risks dominate.
- Affordability is the main constraint to tenant demand across property types. Housing costs have risen faster than incomes, setting the stage for lower rent growth. Commercial tenants are similarly looking for cost savings as profits decline.
- We estimate value declines are about halfway done, with most additional losses due to pressure on cap rates from higher interest rates, not falling property incomes.

## Debt and Development Offer Best Risk-Adjusted Returns

- Investors are no longer over allocated to real estate, after a strong recovery in equity markets. However, real estate equity is still historically expensive relative to fixed-income alternatives, limiting the likelihood of a near-term reversal in investor interest.
- Core real estate debt returns are attractive both relative to fixed-income alternatives and equity real estate.
- Debt availability remains constrained, creating non-core lending opportunities at attractive risk-adjusted returns.
- Supply pipelines are slowing in response to high construction debt costs, limiting competition for newly built housing and logistics properties.

## Income Growth to Continue, But at Slower Pace

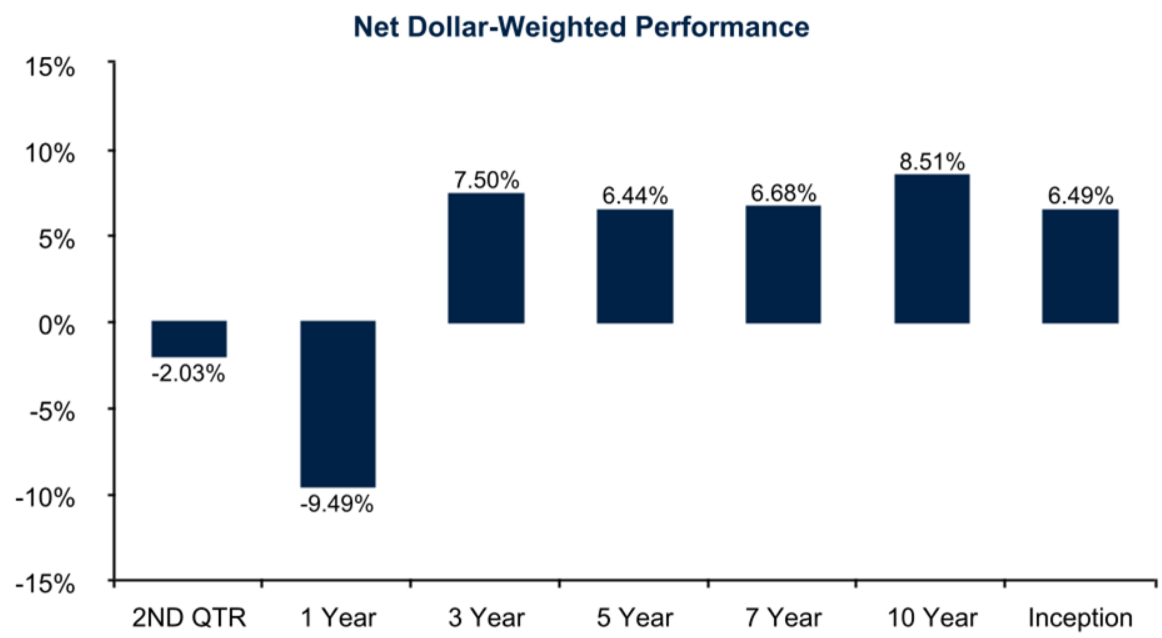
- **Apartment:** Persistent construction in the face of slowing demand will weigh on rent growth.
- **Industrial:** Demand easing from record pace as supply delivers in less constrained markets. Dense, coastal markets remain best positioned.
- **Office:** Tenant demand subdued and net downsizing ongoing, pressuring effective rents lower.
- **Retail:** Rent growth is positive but slowing as retail sales decelerate. Necessity formats offer best risk-adjusted returns.
- **Senior Housing:** Revenue growth is heading higher as rent and occupancy gains offset operating expense growth.
- **Storage:** Rent growth has decelerated, driven by the slowing economy and less work-from-home flexibility.
- **Student Housing:** Occupancies are at historical highs. Outlook is best near most competitive schools.

Source: PGIM Real Estate. As of July 2023.

# Northern Trust as the trustee for The Salt River Project

## PRISA SA Assets as of June 30, 2023

| Investment Details | |
|---|---|
| **Contributions (06/30/2004 Inception Date)** | |
| All Previous | $64,826,265 |
| 06/30/2016 | $6,256,384 |
| 06/30/2020 | $15,000,000 |
| **TOTAL CONTRIBUTIONS** | **$86,082,649** |
| | |
| **Investment Earnings** | |
| Investment Income | $76,760,260 |
| Appreciation | $44,059,573 |
| **TOTAL INVESTMENT EARNINGS** | **$120,819,833** |
| | |
| **Disbursements** | |
| Withdrawals | ($32,000,000) |
| Deducted Fees | ($14,161,948) |
| Cash Flow Distributions | ($4,559,186) |
| **TOTAL DISBURSEMENTS** | **($50,721,134)** |
| | |
| **Market Value** | **$156,181,348** |



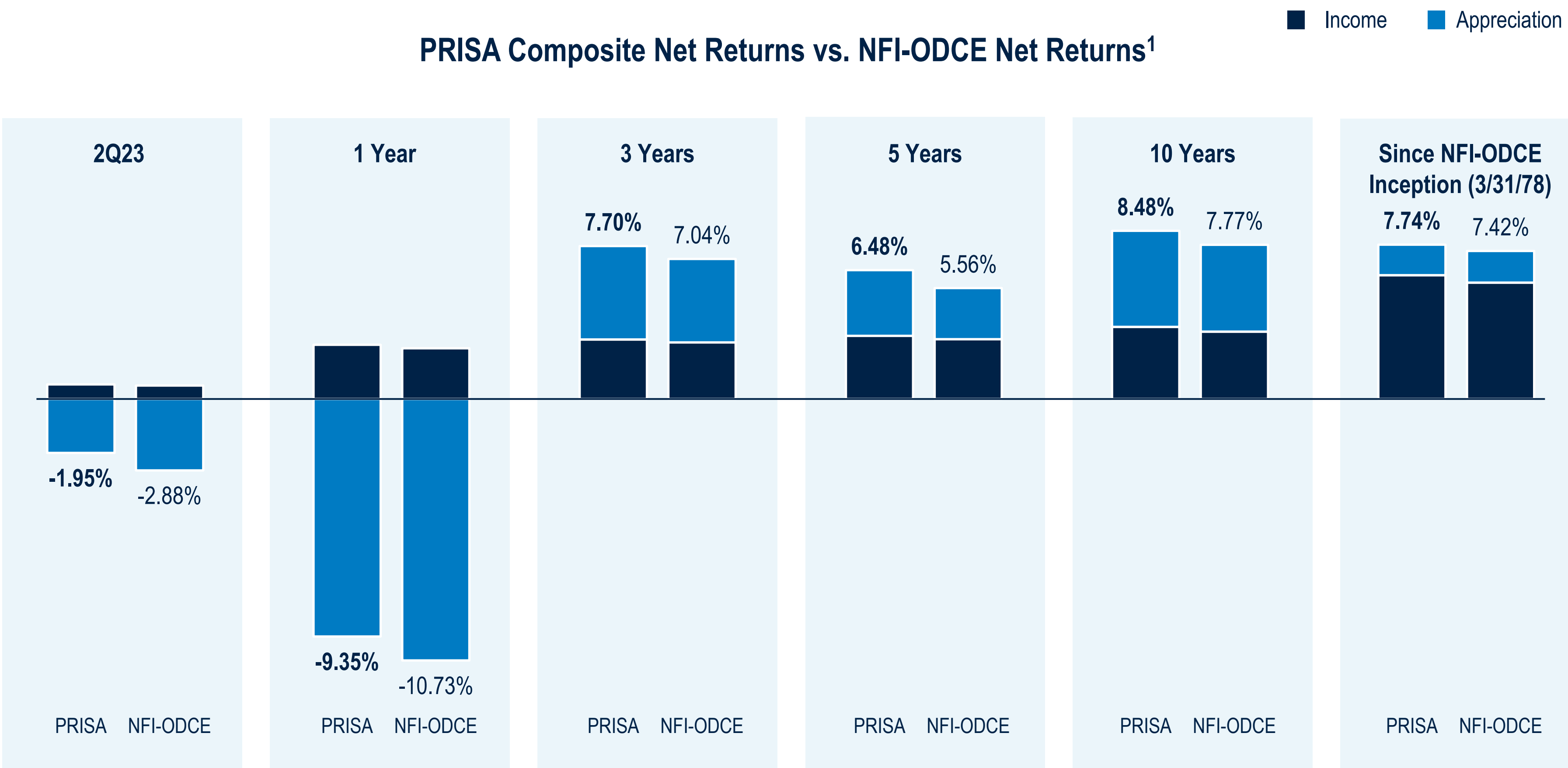

| Operating Cash Flow | | Capital Commitments | |
|---|---|---|---|
| Total Distributed | $4,559,186 | Undrawn Commitments | $0 |
| Total Reinvested | $56,845,094 | | |
| Current Election | Reinvesting | | |
| Current Cash Flow | $1,164,735 | | |

Note: **Past performance is not a guarantee or reliable indicator of future results.** Numbers are rounded to the nearest dollar.

# Favorable Long-Term Outperformance

## Enhanced by Competitive Fee Structure

**PRISA Composite Net Returns vs. NFI-ODCE Net Returns[1]**




**vs. ODCE**

| 2Q23 | 1 Year | 3 Years | 5 Years | 10 Years | Since NFI-ODCE Inception (3/31/78) |
|---|---|---|---|---|---|
| +93 bps | +138 bps | +66 bps | +92 bps | +71 bps | +32 bps |

**Past performance is not a guarantee or a reliable indicator of future results.** Note: Returns for NFI-ODCE are based on the final report published by NCREIF on July 31, 2023. Returns shown are time-weighted rates of return after deduction of Manager Compensation/Fees. Please see page 2 for important information regarding PRISA Composite. As of June 30, 2023. [1] Returns shown prior to January 1, 2013 are based upon PRISA SA only.

# Current Positioning / Strategy

PGIM REAL ESTATE

## Expected to Weather Repricing with Capacity to Shift to Offense

**Dynamic Core**
Active Management

**Durable Income:**
Emphasis on Asset Management and Property Fundamentals

**Selective Investing**: Focus on Alternatives and Upgrades

**Defensive Risk Positioning**
and Liquidity Management

**Favorable Allocations:**
70% Industrial, Housing and Alternatives

Ongoing Focus on
**Diversification**

Note: **There is no guarantee that these objectives will be achieved. Diversification does not assure a profit or protect against loss in declining markets.**

# PRISA Composite[1] Snapshot

**$33.6B**
Gross Asset Value

**$26.7B**
Net Asset Value

**$802M**
Cash Balance

**93%**
Total Leased Portfolio[2]

**288**
Investments

**4 Star**
GRESB Rating 2022

**Neptune Marina**
Los Angeles



| RISK METRICS[3] | 2Q23 | GUIDELINE |
|---|---|---|
| Stabilized Properties | 90.1% | ≥ 75% |
| Leverage Ratio | 22.3% | ≤ 35% |

| TRANSACTIONS[4] | 2Q23 | YTD |
|---|---|---|
| Acquisitions | $0M | $0M |
| Dispositions | $106M | $312M |

| CLIENT ACTIVITY | 2Q23 | YTD |
|---|---|---|
| Contributions | $257M | $384M |
| Cash Flow Reinvested | $61M | $124M |
| Withdrawals | $300M | $550M |
| Cash Flow Distributions | $138M | $267M |

| QUEUES | 2Q23 |
|---|---|
| Unfunded Commitments | $65M |
| Redemption Queue | $3,481M |

**Property image featured is for illustrative purposes only.** Data as of June 30, 2023.
[1] "Gross Asset Value" and "Net Asset Value" represent the value of the assets held by PRISA SA and PRISA LP without netting out PRISA SA's respective interest therein. PRISA LP net asset value is $12,228M. [2] Includes all properties that have a certificate of occupancy. [3] Stabilized properties are a percentage of Fund GAV at PRISA's effective ownership share. Leverage ratio is based on T-1 leverage. [4] Represents combined activity of PRISA SA and PRISA LP. Transactions based on Composite's share of gross activity.

# Drivers of Performance

## Resiliency in Alternatives Offsetting Uncertainty in Office as Repricing Continues

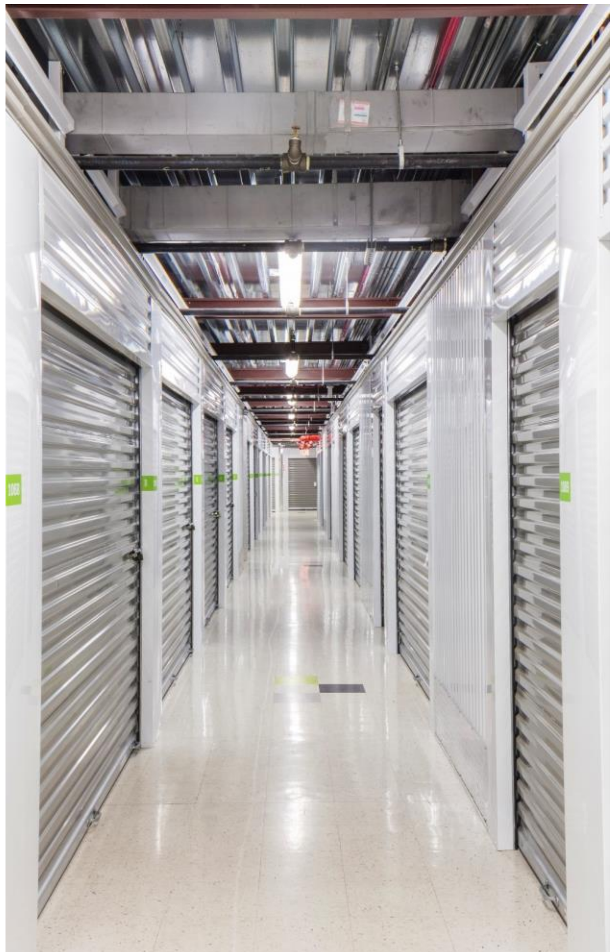
**TRENDS**

▲ Alternatives Portfolio Most Resilient

▲ Retail Sector Led Repricing

▼ Multifamily Relative Increase in Investment Rates

▼ Office Continues to Suffer Most: Values Down 26% Since 4Q19



**Extra Space Storage Portfolio**
Various

**PRISA UNLEVERED RETURN: 1-QUARTER**

| | Income | Appreciation | Total |
|---|---|---|---|
| ALTERNATIVES[1] | 1.2% | -0.4% | **0.8%** |
| INDUSTRIAL | 0.8% | -0.2% | **0.6%** |
| RETAIL | 1.3% | -0.8% | **0.5%** |
| MULTIFAMILY | 0.8% | -2.3% | **-1.5%** |
| OFFICE | 1.3% | -7.1% | **-5.8%** |
| **TOTAL[2]** | **1.0%** | **-2.2%** | **-1.2%** |

**PRISA UNLEVERED RETURN: 1-YEAR**

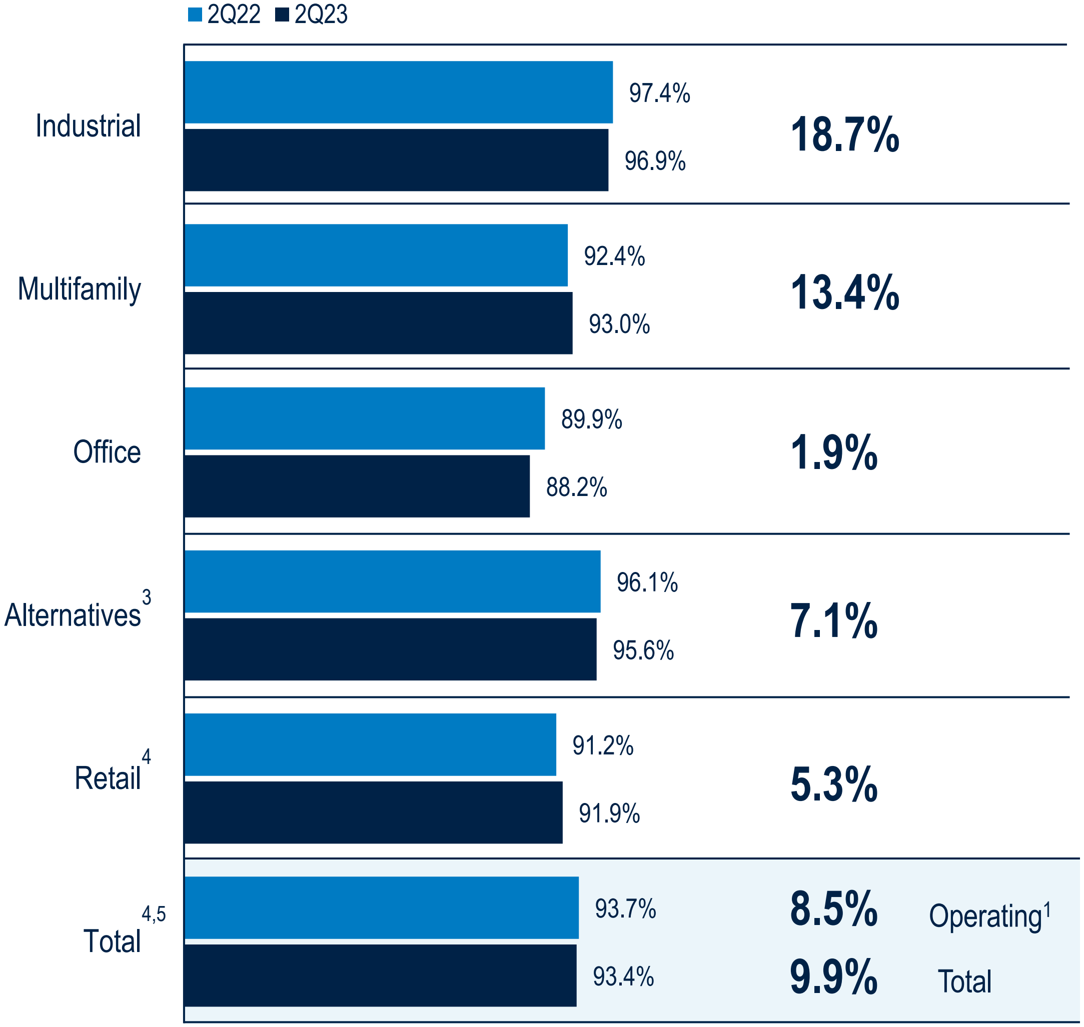
| | Income | Appreciation | Total |
|---|---|---|---|
| ALTERNATIVES[1] | 4.6% | -1.3% | **3.3%** |
| RETAIL | 5.4% | -3.7% | **1.5%** |
| INDUSTRIAL | 2.9% | -8.5% | **-5.7%** |
| MULTIFAMILY | 3.2% | -10.2% | **-7.3%** |
| OFFICE | 5.0% | -19.4% | **-15.1%** |
| **TOTAL[2]** | **3.8%** | **-10.0%** | **-6.5%** |

**Past performance is not a guarantee or a reliable indicator of future results. Property image is for illustrative purposes only.** Note: As of June 30, 2023. [1] Includes life science / lab space, storage, senior housing and manufactured housing. Life science / lab space are currently included in office and industrial respectively for NCREIF reporting. [2] Total includes Harbor Garage and land.

# Healthy Portfolio Fundamentals

PGIM REAL ESTATE

Same Property Leased Status[1] | Same Property TTM NOI Growth[1,2]




**93%+ Leased**
Same Property Portfolio[1]

**Modest Near-Term Rollover**
**7%** in Next 12 Months

**2023 Budgeted Revenue**
**95%** Based on In-Place Leases[6]
(Industrial, Office, Retail, Life Science)

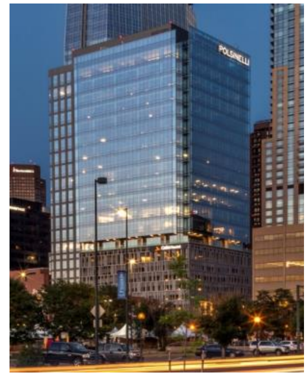
**2023 Same Property Reforecasted NOI Growth[1,7]**

| **7%** | **9%** |
|---|---|
| Operating | Total |

Note: **Results are not guaranteed. Past performance is not a guarantee or reliable indicator of future results.** As of June 30, 2023. [1] Same Property. To provide a more meaningful basis for comparison, includes all operating and lease-up properties that generally have a CofO and were owned in both comparative time periods. Excludes land and debt investments. [2] Chart displays change in total same property TTM NOI compared to prior year. Baseline: NOI June-2021. [3] Alternatives include Storage, Life Science, Senior Housing and Manufactured Housing. Storage assets leased status represents average for the quarter. [4] TTM NOI Growth excludes the impact of 2021 bad debt reversal for the Retail sector. With bad debt reversal included, TTM NOI Growth for the retail sector was -0.7%, total operating was 7.7% and total was 9.0%. [5] Total portfolio weighted based on property gross market value. [6] Based on contractual revenue per third-party appraisals for the following sectors: Industrial, Office, Retail and Alternatives (only Life Science). Total Budgeted Revenue: $1.7B; Total Budgeted Revenue for all sectors (included Housing Strategies and Storage): $2.6B. [7] **Targets are not guaranteed.** Original 2023 Forecast Budget: 5% Operating and 9% Total.

# Active Property Type Allocation

## Within or Very Near Strategic Ranges for All Property Types





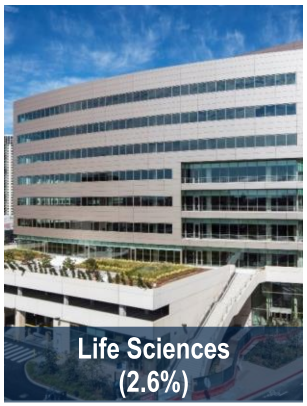
| | INDUSTRIAL | MULTIFAMILY | OFFICE | ALTERNATIVES[1] | RETAIL |
|---|---|---|---|---|---|
| **3-Year Change in Exposure[2]** | +1,550 bps | +120 bps | -1,340 bps | +70 bps | -390 bps |
| **2Q23 Exposure[3]** | 31.7% | 26.4% | 19.4% | 11.2% | 10.0% |
| **2Q23 ODCE Exposure[4]** | 32.9% | 28.3% | 20.8% | 7.2%[6] | 9.7% |
| **Strategic Direction[5]** | ◀▶ 25-30% | ◀▶ 25-30% | ▼ 15-20% | ▲ 10-20% | ◀▶ 10-15% |

**Diversification does not assure a profit or protect against loss in declining markets. There is no guarantee that these targets will be achieved. Property images featured are for illustrative purposes only.** Note: Percentages may not sum to 100% due to rounding. [1] Alternatives include Life Science / Lab Space, Storage, Manufactured Housing, and Senior Housing. Life Science / Lab Space may currently be included in Office for NCREIF reporting. [2] Based upon PRISA's share of GMV in properties and debt investments. [3] Other is not shown, which includes Harbor Garage, land, and tax incentive notes connected to real estate investments. Other totaled 1.3% as of June 30, 2023. [4] Based on NFI-ODCE gross market value in the preliminary NCREIF Performance Attribution Report as of 2Q23. Life science / lab space is included in the office allocations for ODCE. [5] Projected movement and target over the 2023-2026 time period. [6] Latest data available as of September 30, 2022 based on NFI-ODCE gross market value in the NCREIF Performance Attribution Report (calculated at 100% share).

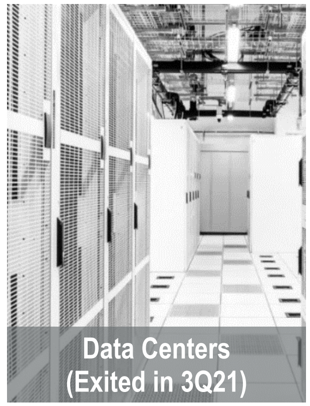
# Beyond the Conventional Property Types

## Alternative Property Types Generating Higher Returns for Lower Risk[1]

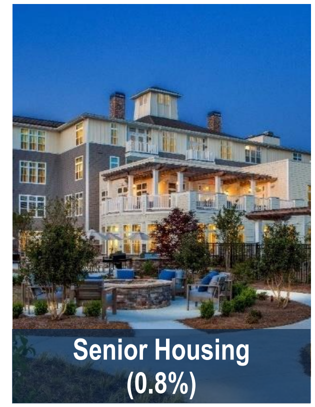
## 11.2% ALLOCATION


Life Sciences (2.6%)

Storage (6.9%)


Data Centers (Exited in 3Q21)


Manufactured Housing (0.8%)


Senior Housing (0.8%)


Single Family Rental[2]

**Year Invested**

| | Life Sciences | Storage | Data Centers | Manufactured Housing | Senior Housing | Single Family Rental |
|---|---|---|---|---|---|---|
| PGIM | 1999 | 1998 | 2006 | 2017 | 1998 | 2021 |
| **PRISA** | **2004** | **2005** | **2013** | **2021** | **2021** | **Pending** |

## Strategies Incubated Across the Platform to Build Expertise

**Past performance not a guarantee or reliable indicator of future results. Property images featured are for illustrative purposes only.** Note: Data as of June 30, 2023, unless otherwise noted. [1] Based on historical NCREIF returns. Allocations are subject to change. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. [2] Image of a representative asset and not an existing PRISA property.

PGIM REAL ESTATE

# Acquisitions[1]

**$1.3B**
Development Underway

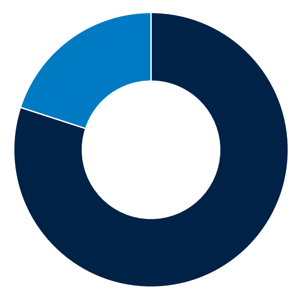
**$0.1B**
Remaining Equity

**The Laurent**
Boston

## STRATEGY AND OUTLOOK

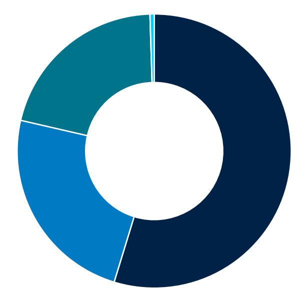
- Moving forward very selectively on new deals
- Underwriting reflects evolving market conditions
- 9 developments concentrated in housing and industrial
- Control of 9 projects ($1.5B)[2] primarily in predevelopment

### Development Underway



- 80% Multifamily
- 20% Industrial

### Potential Acquisition Pipeline



- 53% Multifamily
- 28% Industrial
- 19% Alternatives
- <1% Retail

**Please note pipeline transactions have not closed and there is no guarantee they can be completed. Property image featured is for illustrative purposes only.**

[1] Based on PRISA gross % of investment.

[2] $0.1B pipeline funded to date.

ACQUISITION HIGHLIGHT

# Alta Amberglen II[1]

Best-in-Class Project in a Strong Suburb Location


## PROPERTY OVERVIEW AND RATIONALE

- Luxury mid-rise apartment development in highly-educated and affluent Portland suburb
- Supply-constrained market with proximity to major employers including Intel, Microsoft, and Nike
- Reduced construction budget and improved JV terms enhanced economics
- Aligned with PRISA's strategy to grow multifamily exposure in dynamic Next Tier Strategic Markets

| | |
|---|---|
| **Size** | 594 units; 4 buildings |
| **Cost at Completion** | $210.5M ($354K / unit) |
| **PRISA Net Equity Commitment** | $90.5M |
| **Closing Date** | 12/16/2022 |
| **Est. Completion** | 4 Phases: 2Q25-2Q26 |
| **Ownership Interest** | 95% |
| **Development Yield[2]** | 6.0% |
| **Market Cap Rate** | 4.5% |
| **10yr Unlevered / Levered IRR** | 8.5% / 9.9% |
| **Green Certification** | Green Globes (2 Globes) |

**There is no guarantee that returns for these or similar investments in the future will be achieved. Projections are not guaranteed and are subject to risk. Property image featured is for illustrative purposes only.** Returns are gross of fund-level fees and expenses. [1] All metrics based on final budget authorization unless otherwise noted. [2] Development yield shown is the untrended yield. The trended development yield is 6.2%.

# Dispositions[1]

| | |
|---|---|
| **$312M** Closed | **$470M** Pending |

**Lake Lily**
Orlando

## RESULTS AND OUTLOOK

- Success in achieving non-strategic sale targets
- Average pricing near appraised values
- ‘Hit ratio’ remains modest given market dislocation
- Will remain active, subject to market conditions

### Closed & Underway
**$782M**

| | |
|---|---|
| 66% Multifamily | 81% Southeast |
| 20% Industrial | 13% Mideast |
| 11% Retail | 6% Pacific |
| 3% Land | |

**Targets are not guaranteed. Past performance is not a guarantee or reliable indicator of future results.**
**Property image featured is for illustrative purposes only.**
[1] Based on PRISA % GMV as of June 30, 2023 or PRISA % sale price.

DISPOSITION HIGHLIGHT

# One Plantation[1]

## Capitalizing on Demand for Value-Add Sunbelt Apartments

**One Plantation**
Miami Metro

## OVERVIEW AND RATIONALE

- Aging build-to-core development
- Significant defensive capital needed to remain competitive
- Exited in advance of growing supply headwinds

| | |
|---|---|
| **Year Built** | 2013 |
| **Sold** | June 2023 |
| **Size** | 2 buildings; 321 units |
| **Occupancy** | 95% |
| **Ownership** | 100% |
| **Gross Sale Price** | $104.1M ($324K / unit) |
| **Cost** | $71.9M ($224K / unit) |
| **IRR[2]** | 8.2% (11-year hold) |
| **Equity Multiple[2]** | 1.9x (11-year hold) |

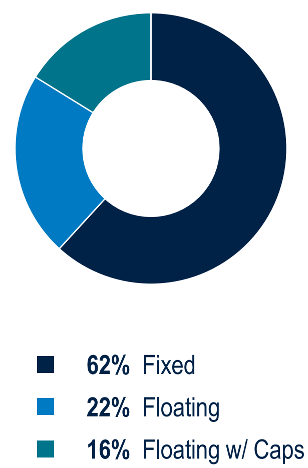
**Past performance is not a guarantee or reliable indicator of future results. Returns are gross of fund level fees and expenses. Property image featured is for illustrative purposes only.** [1] All metrics are actual results as of deal closing. [2] Partially levered due to the use of a construction loan throughout development.

# Debt Positioning

| LTV below benchmark by 220 bps | Zero 2023 debt maturities remaining | Majority fixed rate: mitigates rate risk | Maintain unencumbered assets for flexibility |
|---|---|---|---|

| KEY METRICS[1] | |
|---|---|
| **Leverage Ratio** | 22.3% |
| **Weighted Average Maturity** | 4.3 yrs |
| **Total Weighted Average Cost of Debt** | 4.6% |
| **Unencumbered Assets (by $ / by count)** | 69% / 72% |
| **Line of Credit Size** | $900M ($0 Drawn) |

### Fixed vs. Floating Rate Debt[1]




### Property vs. Portfolio Debt[1]


Data as of June 30, 2023 unless otherwise noted.

[1] Represents portfolio level debt, 100% wholly owned and PRISA's share of all joint venture debt. Weighted average maturity calculation based on 100% principal. Leverage ratio is based on T-1 leverage.

## We Believe We Are

# Positioned for the Future

### Stable Portfolio with Downside Protection

- Strong occupancy and lease term
- Stable and growing income
- Low leverage and limited maturities

### Favorable Sector Allocations

- Overweight alternatives and housing
- Underweight traditional office
- No mall exposure

### Positioned for Opportunity

- Low risk profile allows pivot to offense
- Attractive pipeline concentrated in housing, logistics and alternatives

Note: **Results are not guaranteed. Past performance is not a guarantee or reliable indicator of future results. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. Pipeline is not guaranteed and is subject to change.** As of June 30, 2023 unless otherwise noted.

# APPENDIX

# PRISA's Team and Platform Resources

## Complementary and Diverse Team with Scaled Platform

### PRISA Portfolio Management

**JOANNA MULFORD**
**Managing Director**
**Senior Portfolio Manager**
RE Experience: 26

**JAMES GLEN**
**Managing Director**
**Portfolio Manager**
RE Experience: 23

**KAYA MURRAY**
**Executive Director**
**Portfolio Manager**
RE Experience: 18

**LEXI WOOLF**
**Executive Director**
**Assistant Portfolio Manager**
RE Experience: 13

**CLAY CLEMENTS**
**Senior Investment Associate**
RE Experience: 8

### PRISA Portfolio Analytics

**HERNAN CARREIRA**
**Executive Director**
RE Experience: 19

**MEGAN REYNOLDS**
**Investment Associate**
RE Experience: 4

**RYAN SCHWEIKERT**
**Investment Associate**
RE Experience: 5

### INVESTMENT RESOURCES[1]

| 85 | 54 | 12 |
|---|---|---|
| Asset Management[2] | Transactions[2] | Research |

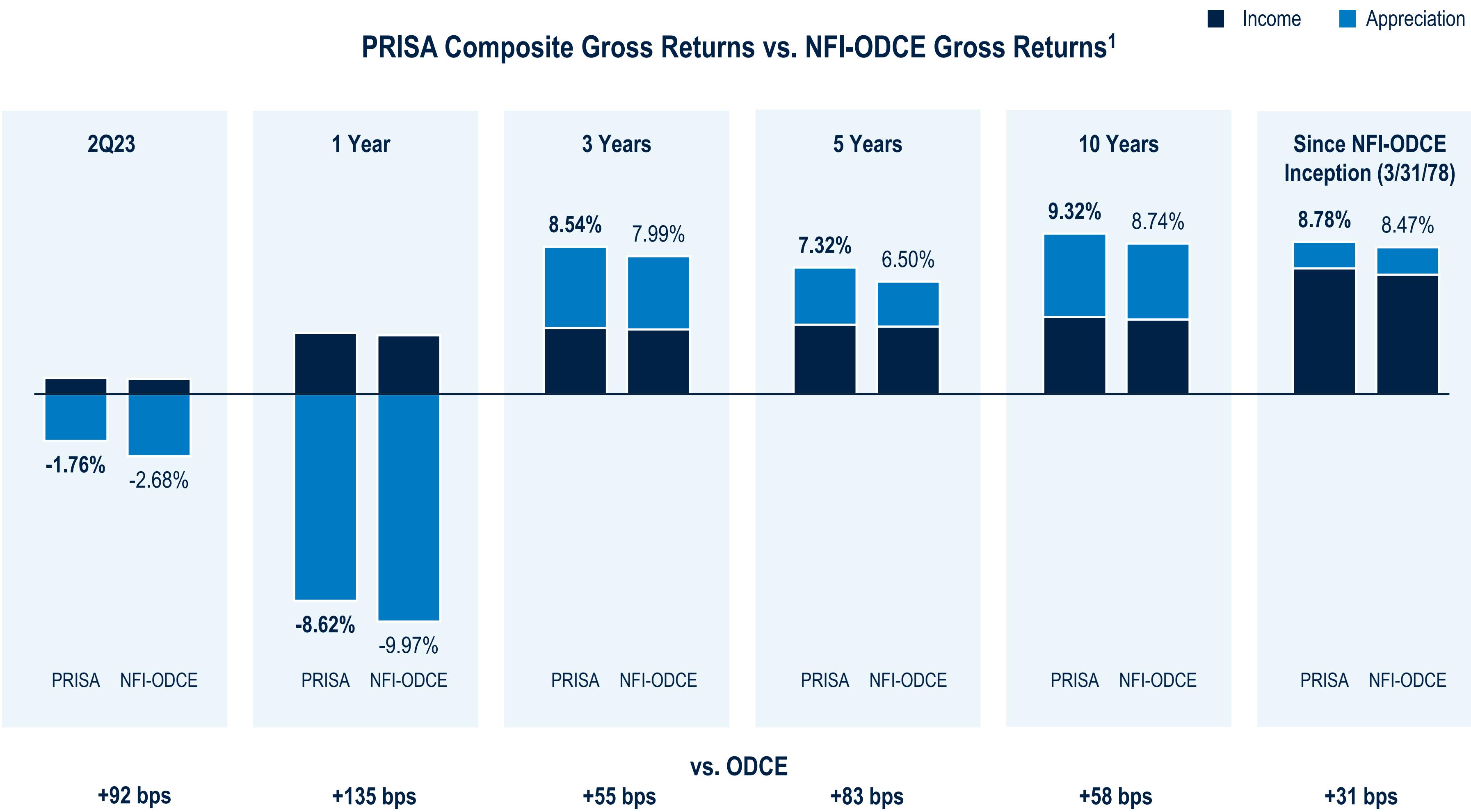
**Additional Resources:** Portfolio Analytics, Risk & Compliance, Investment Committee, Advisory Councils, Client Services, Fund Operations

[1] Investment Professionals headcount as of June 30, 2023. [2] These figures represent U.S. Real Estate Equity.

REF: 009593

# Outperforming in All Key Time Periods

## Defensive Positioning and Favorable Relative Property Performance




**Past performance is not a guarantee or a reliable indicator of future results.** Note: Returns shown are time-weighted rates of return calculated in conformity with performance reporting standards and are before the deduction of Manager Compensation/Fees. Returns for NFI-ODCE are based on the final report published by NCREIF on July 31, 2023. As of June 30, 2023. [1] Performance information regarding PRISA SA or PRISA LP, as applicable, along with performance net of manager compensation/fees, appears in the Appendix. Returns for periods prior to January 1, 2013 are based upon PRISA SA only.

# PRISA Management Fee Terms

PGIM REAL ESTATE

| PRISA MANAGEMENT FEE SCHEDULE | |
|---|---|
| INVESTOR NAV[1] | FEE RATE |
| First $25 million | **100 bps** |
| Over $25 million up to $50 million | **95 bps** |
| Over $50 million up to $100 million | **85 bps** |
| Over $100 million up to $200 million | **75 bps** |
| Over $200 million up to $300 million | **70 bps** |
| Over $300 million up to $750 million | **65 bps** |
| Over $750M[2] | **60 bps** |

| EFFECTIVE FEES FOR DIFFERENT SIZED ACCOUNTS | |
|---|---|
| INVESTOR NAV[1] | FEE RATE |
| $25M | **100 bps** |
| $50M | **98 bps** |
| $100M | **91 bps** |
| $150M | **86 bps** |
| $250M | **81 bps** |
| $500M | **73 bps** |
| $1B | **68 bps** |

[1] Cash balances greater than 5% of the Fund's NAV will not incur a fee.
[2] Fee rate only applicable to investors with NAV >$1B.

REF: 009593

# Key Market Exposure

## Overweight to Strategic Markets: Approximately 73% of PRISA Exposure

**5 Major**
**Strategic Markets** (60%)

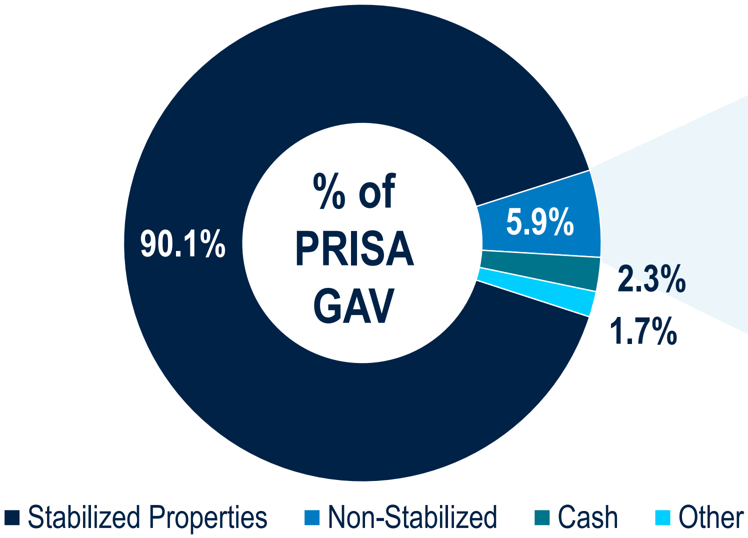
**7 Next Tier**
**Strategic Markets** (12%)

**4 Key**
**Diversifier Markets** (15%)


Focus on **Sunbelt** Lifestyle Markets for **Demographic-Driven Housing Strategies**

Note: Exposure is calculated using PRISA GMV. Markets noted on this page and throughout this presentation refer to the broader CSA. Market information is based on CSA definitions and calculated by extracting NFI-ODCE property data from the NCREIF Research Database. Data as of June 30, 2023.

# Portfolio Composition



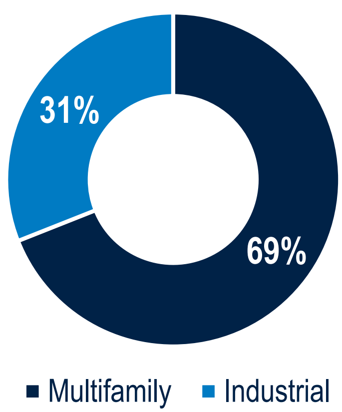

## Non-Stabilized Properties[1]

**3.2%** Development[2]

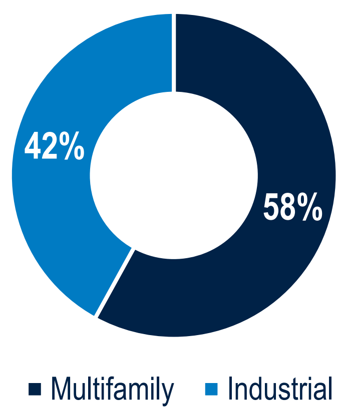
**0.7%** Initial Leasing[3]

**2.0%** Under-Leased Core (<75% occupancy)[4]

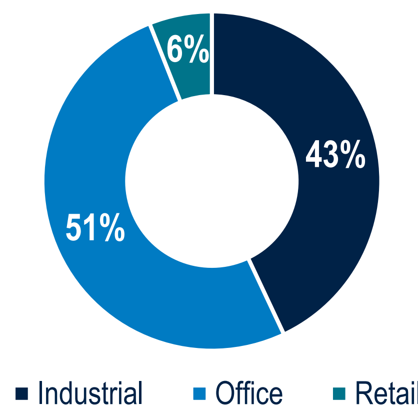
### Development




### Initial Leasing




### Under-Leased Core




Note: As of June 30, 2023. [1] Based on PRISA Gross Asset Value (GAV). [2] Includes Land, pre-development and developments underway; excludes assets which have been preleased and are therefore considered stabilized. These assets are considered stabilized. [3] Lease-up properties (originally acquired as non-stabilized) that generally have a CofO. [4] Stabilized properties that are under 75% occupancy on June 30, 2023.

# Favorable Risk Positioning

PGIM REAL ESTATE

**Strong Balance Sheet**

**Healthy Risk Metrics**

**Modest Pipeline**

| | Current Positioning[1] | | Pre-Global Financial Crisis |
|---|---|---|---|
| | PRISA | NFI-ODCE | 1Q-08[2] |
| **BALANCE SHEET / LIQUIDITY** | | | |
| LTV (vs ODCE) | **22.3% (-220 bps)** | 24.5% | 24.7% (+300 bps) |
| Line of Credit Size (% drawn) | **$900M (0%)** | N/A | $350M (65%) |
| Cash Position (% NAV) | **$0.8B (3.0%)** | $5.1B (2.1%) | $42M (0.3%) |
| Gross Deal Pipeline Funding (% GAV) | **$572M (2%)** | N/A | $2.6B (17%) |
| Redemption Requests (as % NAV) | **$3.5B[3] (13%)** | $36.9B[4] (15%) | 2009 Peak[5]: $1.4B (19%) |
| **OTHER RISK METRICS** | | | |
| Non-Stabilized | **5.8%[6]** | 11.1%[6] | 20%[7] |
| Total Leased % | **93.4%** | 93.1% | 90.8% |
| Beta | **0.93** | 1.00 | 1.21 |

**Pipeline is not guaranteed and is subject to change. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.** [1] As of June 30, 2023, unless otherwise noted. [2] Starting period for Global Financial Crisis. [3] 3Q23 Redemption Requests: $3.8B (14% of NAV). [4] As of March 31, 2023. [5] During the course of the noted crisis period. [6] Source MSCI ACOE Report. Non-Stabilized category includes properties with <75% occupancy for more than 50% of the measured time period. MSCI's calculation is based on current invested capital. As of March 31, 2023. [7] Includes properties with <80% occupancy as of Q1-08 plus unfunded commitments.

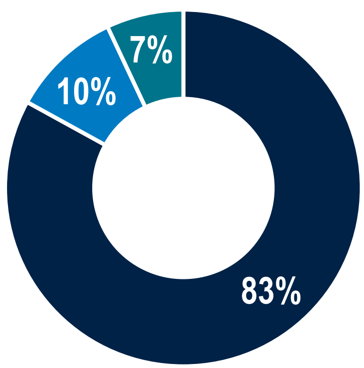
REF: 009593

# Current Redemption Levels

## QUEUE COMPOSITION

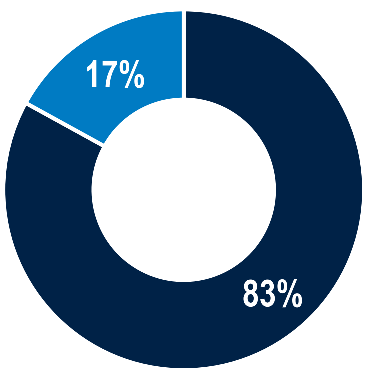
- $3.5B of unmet redemption requests as of 2Q23, representing 13% of PRISA's NAV, in line with ODCE
- $3.8B[1] total redemption requests eligible for payment on September 30th
  - 37% of Investors
  - $26.4M Average Redemption Request
- Majority of requests are due to rebalancing needs
- Requests are largely partial in nature, with only 24 investors (17%) requesting full redemptions

### Reason for Request[2]



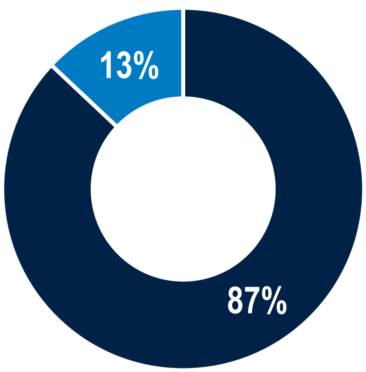

- Rebalancing (72% by $)
- Strategy Shifts (25% by $)
- Benefit Payments (3% by $)

### Type of Request[2]




- Partial (64% by $)
- Full (36% by $)

### Investor Domicile[2]




- U.S. (91% by $)
- Non-U.S. (9% by $)

[1] Includes $3.5B in unmet redemption requests as of 2Q23, $237M in additional requests first eligible for payment on September 30th and $80M in deferrals. [2] Percentages shown in pie chart are based upon the number of investors in each category relative to the total number of redeeming investors whose requests are eligible for payment on September 30, 2023.

# 2023 Sources and Uses

| $ IN MILLION | PESSIMISTIC | BASE CASE | OPTIMISTIC |
|---|---|---|---|
| **Sources** | | | |
| Beginning Cash Balance | $480 | $480 | $480 |
| Client Contributions & Net Sales Proceeds | 430 | 700 | 1,200 |
| Portfolio Cash Flow (Net of Fees & Capex) | 670 | 670 | 670 |
| Stabilized Property Debt (Net of Payoffs) | 150 | 50 | (75) |
| Development Debt | 310 | 310 | 310 |
| **TOTAL SOURCES** | **$2,040** | **$2,210** | **$2,585** |
| **Capital Requirements** | | | |
| Gross Investment Fundings | $800 | $800 | $800 |
| Cashflow Distributions | 640 | 640 | 640 |
| Client Withdrawals | 325 | 495 | 870 |
| **TOTAL CAPITAL REQUIREMENTS** | **$1, 765** | **$1,935** | **$2,310** |
| **Ending Cash Balance** | **$275** | **$275** | **$275** |

| SENSITIVITY | VALUE DECLINE | TOTAL RETURN | LTV | | |
|---|---|---|---|---|---|
| | 10% | -8% to -9% | 24.0% | 23.7% | 23.3% |
| | 15% | -13% to -14% | 25.4% | 25.1% | 24.7% |
| | 20% | -19% to -20% | 27.0% | 26.6% | 26.1% |

## Assumptions – Sources

- Client contributions likely paused until values bottom
- Dispositions market still challenged
- Bid-ask spreads between buyers and sellers are starting to narrow
- But debt remains scarce and expensive
- Line of credit ($900M) will not be used to satisfy redemptions

## Assumptions – Requirements

- Investment Funding obligations are modest in 2023; largely comprised of current Build-to-Core pipeline
- Dividends will be satisfied by Net Portfolio Cash Flow

Note: **Results are not guaranteed. Past performance is not a guarantee or reliable indicator of future results. Projections are not guaranteed and are subject to risk.**

REF: 009593

# Valuation Metrics

PGIM REAL ESTATE

## Total Portfolio

| GOING-IN CAPITALIZATION RATE | | | | | |
|---|---|---|---|---|---|
| PROPERTY TYPE | 2Q23 | 1Q23 | 2Q22 | QoQ CHANGE | YoY CHANGE |
| Industrial | 3.56% | 3.45% | 2.76% | 11 bps | 80 bps |
| Multifamily | 4.13% | 3.97% | 3.32% | 16 bps | 81 bps |
| Office | 5.35% | 5.10% | 4.58% | 25 bps | 77 bps |
| Alternatives | 4.45% | 4.36% | 3.96% | 9 bps | 49 bps |
| Retail | 5.28% | 5.32% | 5.06% | -4 bps | 22 bps |
| **TOTAL PRISA[1]** | **4.40%** | **4.28%** | **3.74%** | **12 bps** | **66 bps** |

| DISCOUNT RATE | | | | | |
|---|---|---|---|---|---|
| PROPERTY TYPE | 2Q23 | 1Q23 | 2Q22 | QoQ CHANGE | YoY CHANGE |
| Industrial | 6.57% | 6.39% | 5.32% | 18 bps | 125 bps |
| Multifamily | 6.27% | 6.14% | 5.53% | 13 bps | 74 bps |
| Office | 6.79% | 6.54% | 6.03% | 25 bps | 76 bps |
| Alternatives | 6.77% | 6.71% | 6.30% | 6 bps | 47 bps |
| Retail | 7.24% | 7.21% | 7.01% | 3 bps | 23 bps |
| **TOTAL PRISA[1]** | **6.64%** | **6.48%** | **5.83%** | **16 bps** | **81 bps** |

| TERMINAL CAP RATE | | | | | |
|---|---|---|---|---|---|
| PROPERTY TYPE | 2Q23 | 1Q23 | 2Q22 | QoQ CHANGE | YoY CHANGE |
| Industrial | 5.12% | 5.01% | 4.31% | 11 bps | 81 bps |
| Multifamily | 4.92% | 4.81% | 4.28% | 11 bps | 64 bps |
| Office | 5.65% | 5.43% | 5.10% | 22 bps | 55 bps |
| Alternatives | 5.46% | 5.39% | 5.09% | 7 bps | 37 bps |
| Retail | 6.19% | 6.15% | 6.00% | 4 bps | 19 bps |
| **TOTAL PRISA[1]** | **5.35%** | **5.22%** | **4.76%** | **13 bps** | **59 bps** |

## Same Property

| GOING-IN CAPITALIZATION RATE | | | | | |
|---|---|---|---|---|---|
| PROPERTY TYPE | 2Q23 | 1Q23 | 2Q22 | QoQ CHANGE | YoY CHANGE |
| Industrial | 3.48% | 3.35% | 2.76% | 13 bps | 72 bps |
| Multifamily | 4.13% | 3.97% | 3.31% | 16 bps | 82 bps |
| Office | 5.34% | 5.09% | 4.57% | 25 bps | 77 bps |
| Alternatives | 4.45% | 4.36% | 3.96% | 9 bps | 49 bps |
| Retail | 5.28% | 5.32% | 5.05% | -4 bps | 23 bps |
| **TOTAL PRISA[1]** | **4.40%** | **4.27%** | **3.73%** | **13 bps** | **67 bps** |

| DISCOUNT RATE | | | | | |
|---|---|---|---|---|---|
| PROPERTY TYPE | 2Q23 | 1Q23 | 2Q22 | QoQ CHANGE | YoY CHANGE |
| Industrial | 6.60% | 6.41% | 5.32% | 19 bps | 128 bps |
| Multifamily | 6.26% | 6.12% | 5.53% | 14 bps | 73 bps |
| Office | 6.79% | 6.53% | 6.01% | 26 bps | 78 bps |
| Alternatives | 6.77% | 6.71% | 6.30% | 6 bps | 47 bps |
| Retail | 7.24% | 7.21% | 7.01% | 3 bps | 23 bps |
| **TOTAL PRISA[1]** | **6.65%** | **6.49%** | **5.82%** | **16 bps** | **83 bps** |

| TERMINAL CAP RATE | | | | | |
|---|---|---|---|---|---|
| PROPERTY TYPE | 2Q23 | 1Q23 | 2Q22 | QoQ CHANGE | YoY CHANGE |
| Industrial | 5.13% | 5.02% | 4.31% | 11 bps | 82 bps |
| Multifamily | 4.92% | 4.80% | 4.28% | 12 bps | 64 bps |
| Office | 5.64% | 5.41% | 5.08% | 23 bps | 56 bps |
| Alternatives | 5.46% | 5.39% | 5.09% | 7 bps | 37 bps |
| Retail | 6.19% | 6.15% | 6.01% | 4 bps | 18 bps |
| **TOTAL PRISA[1]** | **5.36%** | **5.23%** | **4.76%** | **13 bps** | **60 bps** |

**Past performance is not a guarantee or reliable indicator of future results.**

Note: Rates weighted based on gross market value. [1] Total includes Harbor Garage.

REF: 009593

# PGIM Real Estate's Integration of ESG

## MISSION

- At PGIM Real Estate, we strive to embed ESG best practices throughout our business to benefit our investors, tenants, employees, and future generations


**PGIM Real Estate ESG Policy**

https://www.pgim.com/real-estate/article/esg-policy

This policy applies to the investments that we manage across regions, sectors and funds

- As a global firm, we embrace and seek to comply with all regulatory requirements, such as the recent European Union Sustainable Finance Disclosure Regulation. Our EU Alternative Investment Fund Managers (AIFMs) have decided to comply with the regulation.


| ENVIRONMENT | GOVERNANCE | SOCIAL |
| --- | --- | --- |
| • Resource Reduction | • Risk Management | • Inclusion and Diversity |
| • Striving for Sustainable and Resilient Development and Operations | • Responsible Investing | • Stakeholder Engagement |
| • Environmental Performance | • Measurement and Reporting | • Community Involvement |
| | • Regulatory compliance | • Health and Well-being |

For more information, please visit https://www.pgim.com/real-estate/esg

REF: 009593

2023 PRISA SNAPSHOT

# ESG in Action

PRISA strives to generate returns while having a positive environmental and social impact on our assets, communities, corporate culture and people. By working towards our net zero carbon emissions goal we expect to positively impact our tenants and residents as well as align the portfolio with continually evolving ESG regulations.[1]

## 70%

of Apartment and Office properties are green certified [2, 3]

## -8%

GHG emissions reduction, year-over-year [4]

## 4-Star

GRESB ratings and rated 1st amongst peers for Management and Development [5]

## Net Zero

audits underway as part of our firmwide goal [1]

## 8.9M sq ft

across 12 assets in health and wellness certifications (Fitwel and WELL) [2]

## DEI honor roll

Exelon, 2022, spotlighting investment firms that exemplify diversity [6]

**Past performance is not a guarantee or reliable indicator of future results. Information as of 12/31/22 unless otherwise stated. Please see important disclosures and additional information on following page.**

PGIM REAL ESTATE

# Additional Information and Disclosures

1. PGIM Real Estate is committed to the Urban Land Institute's (ULI) Greenprint Center for Building Performance Net Zero Carbon Goal to become Net Zero by 2050 for our global portfolio of managed properties.

2. PRISA green certifications correlate to data reported in the 2022 GRESB Assessment, reflecting holdings in the fund from 1/1/2021-12/31/2021, and reflects internationally recognized certifications including LEED, ENERGY STAR Label, Fitwel, CAL Green, GBAC, IREM, WIRED, NGBS, BOMA 360, TOBY, WELL, WiredScore, Florida Green Building Certification, and Golden Dumpster. A certificate is independently verified recognition that a property has received a green building rating. Participation in the green building rating is voluntary and each property pays prevailing market fees to participate in green building certification programs.

3. Earning LEED, NGBS, or Energy Star certification. Based on PRISA's share of gross market value in properties as of June 30, 2022.

4. Reduction in 2021 vs. 2020 based on data reported in the 2022 GRESB Assessment

5. These GRESB results published in October 2022 represents PRISA's AUM as of December 31, 2021 which was submitted for assessment in July 2022. The 4-star rankings represent PRISA's GRESB performance in the Management and Performance module and Management and Development, for this reporting period. Additionally, PRISA was the first-place fund (out of 7 funds or entities in the peer group) in terms of funds or entities classified by GRESB under the "United States of America, Diversified, Core, Tenant Controlled" peer group for Management and Development, and in the 82nd percentile for that same peer group for Management and Performance. GRESB is an independent rating agency that ranks 1,100 property companies and funds on behalf of its investor members across the globe. Participation in the ranking is voluntary. GRESB scores allow for comparison within a specific year against global GRESB universe as well as defined peer groups by rating the fund out of 5 stars. A volume-based, administration fee was paid for this submission to participate in the ranking. For more information, please visit https://www.gresb.com/nl-en/.

6. Exelon named PGIM as one of 10 investment firms to its 2022 Honor Roll in October 2022. The 2022 Honor Roll recognized 34 total firms across banking, insurance, legal, professional services, investments, and IT services for their efforts to include women and people of color in key rolls on account teams working with Exelon, of which PRISA is one. PGIM Real Estate submitted data as of December 31, 2021 for assessment. Participation is voluntary and there was no cost associated with the submission. For more information, please visit https://www.exeloncorp.com/newsroom/exelon%E2%80%99s-diversity-equity-inclusion-honor-roll-recognizes-business-partners-advancing-shared-dei-values

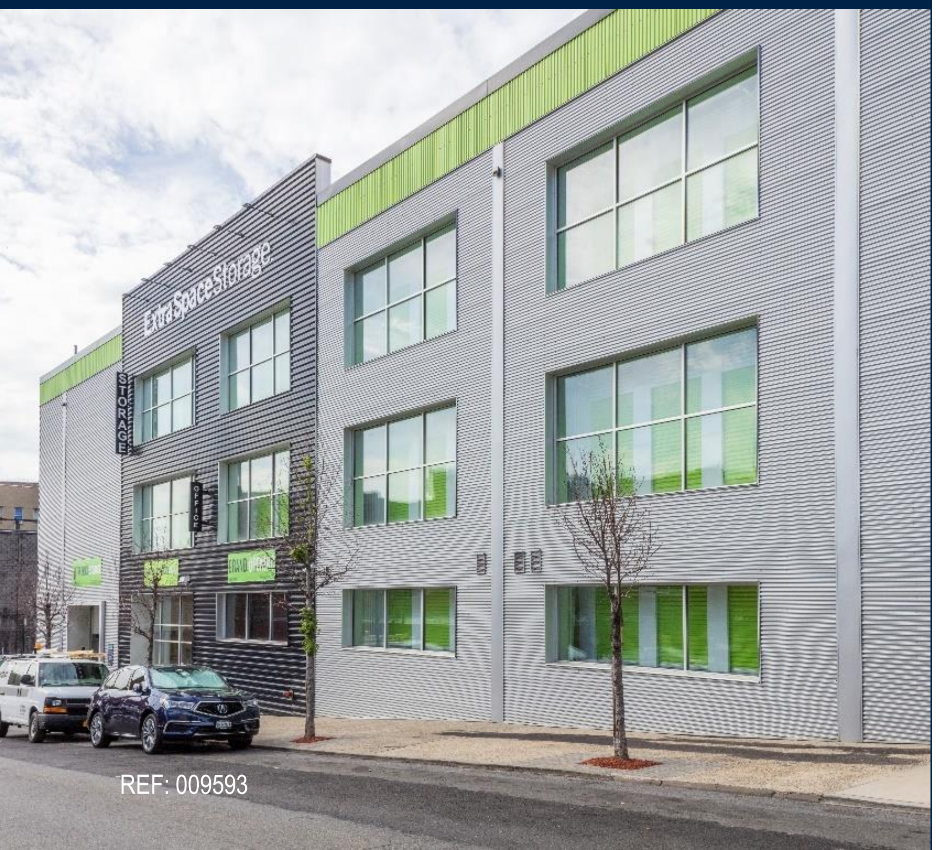
ESG PARTNER CASE STUDY

# Extra Space Storage

## Partnering with Sustainable Operators

**6.9M / 90**
**Total SF / Assets**

**6.7%**
**PRISA Weighting**




REF: 009593

PGIM REAL ESTATE

## ESG PLATFORM HIGHLIGHTS

- Investing in programs designed to generate renewable energy and reduce consumption
  - Installing roof mounted solar panels
  - Retrofitting facilities with high-efficiency HVAC systems
  - Installing low-flow plumbing fixtures
  - Upgrading lighting to LED
  - Implementing digital lease form
- Commitment to advancing socially conscious initiatives
  - Diverse employee base across gender, race, and ethnicity
- Extra Space Storage has won numerous ESG awards[1]

**Property image featured is for illustrative purposes only.**
Note: The ESG platform discussed here relates to Extra Space Storage and does not reflect PGIM Real Estate's ESG platform or processes.
[1] Source: Extra Space Storage 2022 Sustainability Report.
https://ir.extraspace.com/static-files/26358f6a-0a82-40b3-89bc-db1316c72c58

# Industrial Strategy

**$10.6B**
Gross Assets[1]

**31.7%**
PRISA Weighting[2]

**54.5M**
Total SF

**32.9%**
NFI-ODCE Weighting[3]

◀ ▶ Strategic Direction[4]

**Park 70- Amazon**
Denver

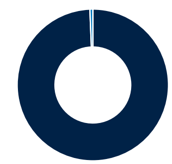

## STRATEGY

- Functional distribution and infill locations near population centers
  – Approximately half of the portfolio is last mile
- Increase exposure through acquisitions and build-to-core
- Target markets with positive demand trends
- Locations near transportation infrastructure

**MARKET EXPOSURE**

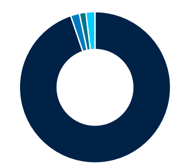
| MARKET (CSA) | % OF TOTAL | NFI-ODCE[5] |
|---|---|---|
| Los Angeles | 34% | 28% |
| New York | 16% | 12% |
| Washington, D.C. | 15% | 4% |
| Seattle | 8% | 5% |
| Chicago | 4% | 4% |
| Other Markets | 24% | 47% |

**PRISA[2]**



- 99% Warehouse
- 1% Flex Space

**NFI-ODCE[3]**



- 95% Warehouse
- 2% Flex Space
- 1% R&D
- 2% Other

**There is no guarantee that these targets will be achieved. Past performance is not a guarantee or reliable indicator of future results. Property image featured is for illustrative purposes only.** Note: Data as of June 30, 2023 unless otherwise noted. Returns for NFI-ODCE are based on the final report published by NCREIF on July 31, 2023. Percentages may not sum to 100% due to rounding. [1] NAV as of June 30, 2023 is $9.8B. [2] Based upon PRISA's share of GMV in properties and debt investments. [3] Based on NFI-ODCE gross market value in the NCREIF Performance Attribution Report. [4] Projected movement over the 2023-2026 time period. Projections are not guaranteed and are subject to change. [5] NFI-ODCE does not publish detailed market information. Market information is based on CSA definitions and calculated by extracting NFI-ODCE property data from the NCREIF Research Database.

PRISA PORTFOLIO

# Multifamily Strategy

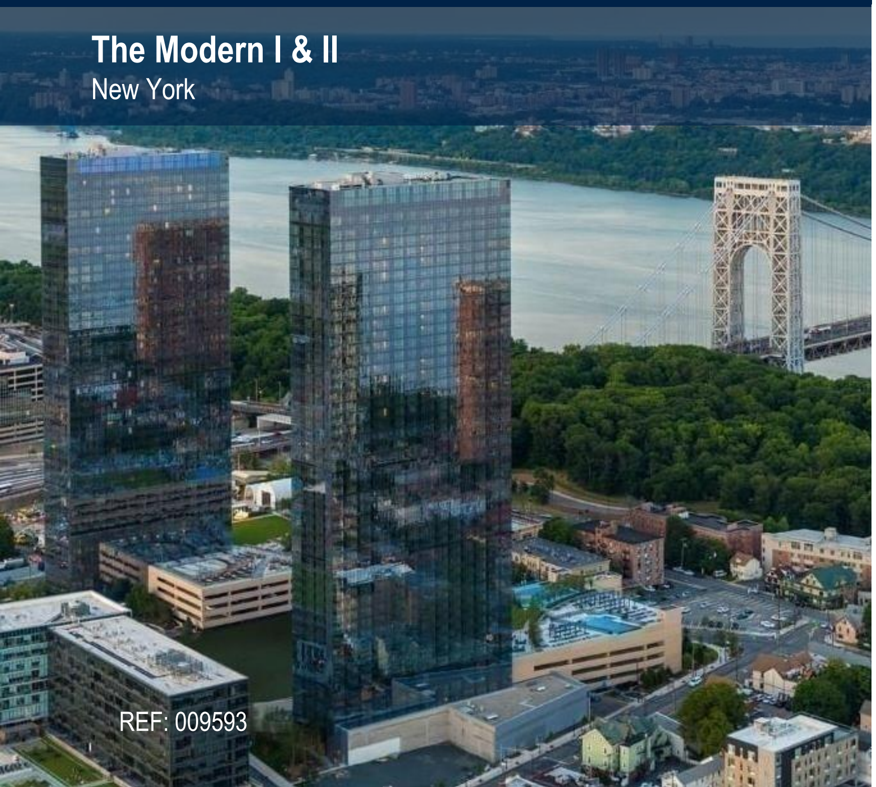
**$8.8B**
Gross Assets[1]

**26.4%**
PRISA Weighting[2]

**19,139**
Total Units

**28.3%**
NFI-ODCE Weighting[3]

◀ ▶ Strategic Direction[4]




**The Modern I & II**
New York

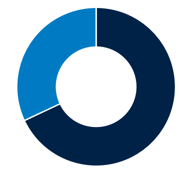
## STRATEGY

- High quality communities proximate to jobs, amenities and transportation
- Increase through build-to-core and select core assets
- Further diversify into Next-Tier Strategic markets
- Continue to target infill suburban locations
- Selectively diversify our tenant base

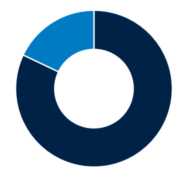
**MARKET EXPOSURE**

| MARKET (CSA) | % OF TOTAL | NFI-ODCE[5] |
|---|---|---|
| Los Angeles | 22% | 12% |
| San Francisco | 11% | 8% |
| New York | 9% | 7% |
| Atlanta | 6% | 6% |
| Orlando | 6% | 2% |
| Other Markets | 46% | 65% |

### PRISA[2,6]

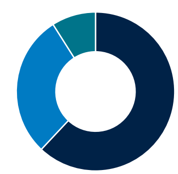


- 68% Suburban Infill
- 32% Urban Core



- 82% High Rise[7]
- 18% Garden / Low Rise

### NFI-ODCE[3]



- 62% High Rise[7]
- 29% Garden
- 9% Low Rise

**There is no guarantee that these targets will be achieved. Past performance is not a guarantee or reliable indicator of future results. Property image featured is for illustrative purposes only.** Note: Percentages may not sum to 100% due to rounding. Data as of June 30, 2023 unless otherwise noted. Returns for NFI-ODCE are based on the final report published by NCREIF on July 31, 2023. [1] NAV as of June 30, 2023 is $7.1B. [2] Based upon PRISA's share of GMV in properties and debt investments. [3] Based on NFI-ODCE gross market value in the NCREIF Performance Attribution Report. [4] Projected movement over the 2023-2026 time period. Projections are not guaranteed and are subject to change. [5] NFI-ODCE does not publish detailed market information. Market information is based on CSA definitions and calculated by extracting NFI-ODCE property data from the NCREIF Research Database. [6] Suburban infill and urban core are based on PGIM Real Estate classification. [7] Buildings that are four stories or more in height as defined by NCREIF.

PRISA PORTFOLIO

# Alternatives Strategy

**$3.7B**
Gross Assets[1]

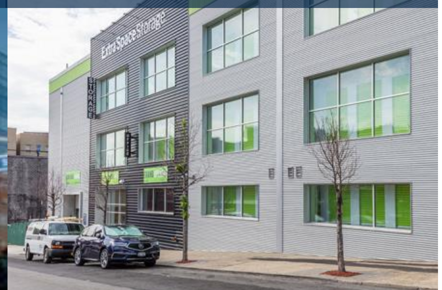
**11.2%**
PRISA Weighting[2]

**7.2%**
NFI-ODCE Weighting[3]

▲ Strategic Direction[4]

**LIFE SCIENCE**
EmeryStation East (San Francisco)

**STORAGE**
Extra Space Storage (Various)



**MANUFACTURED HOUSING**
Albuquerque Meadows (Albuquerque)


**SENIOR HOUSING**
Lakeside at Amelia Island (Jacksonville)

PGIM REAL ESTATE

## STORAGE

| $2.3B | 7.0M | 6.9% |
|---|---|---|
| Gross Assets | Total SF | PRISA Weighting |

- National portfolio with top operator in markets with strong demand
- Seeking opportunities to add exposure with best-in-class operators

## LIFE SCIENCES

| $0.9B | 1.1M | 2.6% |
|---|---|---|
| Gross Assets | Total SF | PRISA Weighting |

- Bay Area campus benefitting from proximity to research and venture capital
- Target new opportunities in the life science clusters / diversify portfolio

## SENIOR HOUSING

| $0.3B | 573 | 0.8% |
|---|---|---|
| Gross Assets | Total Units | PRISA Weighting |

- Newly constructed and well-stabilized assets with strong operators
- Increase exposure with best-in-class operators in markets with demographic tailwinds

## MANUFACTURED HOUSING

| $0.3B | 2,524 | 0.8% |
|---|---|---|
| Gross Assets | Total Sites | PRISA Weighting |

- National exposure with land sites providing affordable housing
- Grow existing program and diversify tenant base in desirable residential markets

**There is no guarantee that these targets will be achieved. Property images are for illustrative purposes only.** Note: Data as of June 30, 2023 unless otherwise noted. [1] NAV as of June 30, 2023 is $3.4B. [2] Based upon PRISA's share of GMV in properties and debt investments. [3] Latest data available as of September 30, 2022 based on NFI-ODCE gross market value in the NCREIF Performance Attribution Report (calculated at 100% share). [4] Projected movement over 2023-2026 time period. Projections are not guaranteed and are subject to change.

PGIM REAL ESTATE

# Retail Strategy

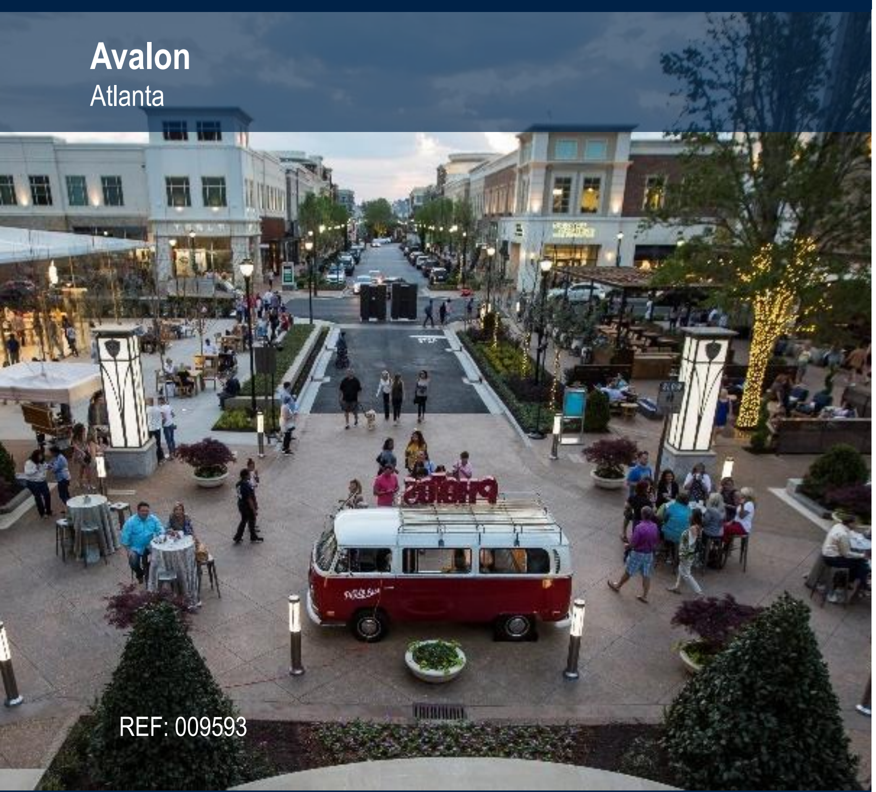
**$3.3B**
Gross Assets[1]

**10.0%**
PRISA Weighting[2]

**11.1M**
Total SF

**9.7%**
NFI-ODCE Weighting[3]

▼ Strategic Direction[4]




## STRATEGY

- Well-located necessity and mixed-use experiential centers
- Upgrade tenancy and improve occupancy
- Strategically invest capital to improve experiences/performance
- Seek to tactically upgrade

**UNLEVERED INCOME RETURN[5]**

| | PRISA | ODCE |
|---|---|---|
| 1-Year | 5.4% | 4.9% |

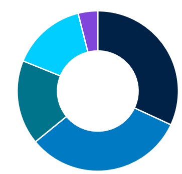
**PRISA RETAIL PORTFOLIO[2]**

| | |
|---|---|
| 81% | Grocer Present |
| 0% | Malls and Traditional Department Stores |

### PRISA[2]

- 45% Lifestyle / Mixed-Use
- 32% Power
- 23% Neighborhood / Community

### NFI-ODCE[3]



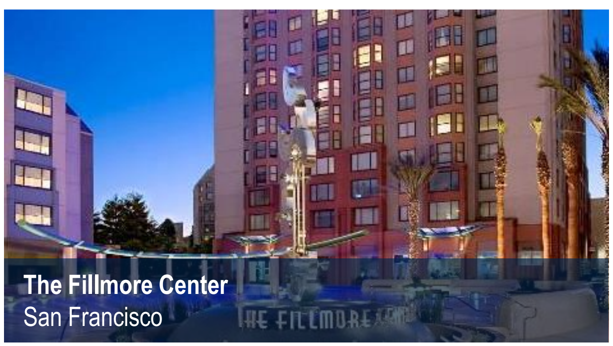
- 32% Neighborhood / Community
- 32% Regional Malls
- 17% Lifestyle / Mixed Use
- 15% Power
- 4% Other

**There is no guarantee that these targets will be achieved. Past performance is not a guarantee or reliable indicator of future results. Property image featured is for illustrative purposes only.** Note: Percentages may not sum to 100% due to rounding. Data as of June 20, 2023 unless otherwise noted. Returns for NFI-ODCE are based on the final report published by NCREIF on July 31, 2023. [1] NAV as of June 30, 2023 is $3.1B. [2] Based upon PRISA's share of GMV in properties and debt investments. [3] Based on NFI-ODCE gross market value in the NCREIF Performance Attribution Report. Life science / lab space is included in the office allocations for ODCE. [4] Projected movement over the 2023-2026 time period. Projections are not guaranteed and are subject to change.
[5] Returns for ODCE properties submitted to the NPI at 100% ownership.

# Top 10 Assets By GMV[1]

## Concentration of Irreplaceable Assets

| Property Name | Property Type | Market | Size SF / Units | PRISA's Share GMV ($M) | 100% GMV Per SF / Unit | % of PRISA's GMV | Leased % |
|---|---|---|---|---|---|---|---|
| International Place | Office | Boston | 1,839,744 | $1,198 | $726 | 3.6% | 84.5% |
| Emerystation Campus | Office / Life Science | San Francisco | 1,200,728 | $948 | $1,243 | 2.8% | 98.2% |
| 11 Madison | Office | New York | 2,293,233 | $890 | $993 | 2.7% | 96.4% |
| I-78 Logistics Center[4] | Industrial | New York Metro | 2,177,555 | $791 | $246 | 2.4% | 100.0% |
| The Fillmore Center[2] | Multifamily | San Francisco | 1,114 | $667 | $598,743 | 2.0% | 93.2% |
| Avalon[3] | Mixed-Use | Atlanta | 588,120 / 526 units | $642 | $685 (SF) / $454,373 (units) | 1.9% | R: 100%; M: 93%; O: 66% |
| Post Montgomery Tower[2] | Office | San Francisco | 722,375 | $592 | $820 | 1.8% | 89.2% |
| Eleven Times Square | Office / Retail | New York | 1,112,284 | $536 | $915 | 1.6% | 92.3% |
| Pacific Gateway | Industrial | Los Angeles | 1,046,350 | $522 | $499 | 1.6% | 94.0% |
| Dominguez Hills | Industrial | Los Angeles | 909,546 | $477 | $525 | 1.4% | 88.0% |
| **TOTAL** | | | | **$7,264** | | **21.8%** | |


**The Fillmore Center**
San Francisco


**Avalon**
Atlanta


**Eleven Times Square**
New York

**Property images featured are for illustrative purposes only.** Note: Please see page 2 for important information regarding PRISA Composite. Data as of June 30, 2023. [1] Based on PRISA's share of gross market value in properties and debt investments. [2] PRISA SA holds an interest in Post Montgomery Tower and The Fillmore Center outside of its investment alongside PRISA LP in PRISA REIT; the interest PRISA SA owns outside of PRISA REIT is 51.4% of Post Montgomery Tower and 50.0% of The Fillmore Center. [3] PSF and $/unit values are based on the allocated GMV of each components: Retail, Multifamily, Office. [4] Reflects combined Phase I (4 buildings) & Phase II (1 building). Occupancy reflects only Phase I, which is stabilized.

REF: 009593

# Top 10 Tenants

PGIM REAL ESTATE

## Well-Diversified Credit Tenant Exposure

| Tenant | Property | Industry | Credit Rating (S&P)[1] | % of Fund's Revenue | Square Feet |
|---|---|---|---|---|---|
| **Amazon & Subsidiaries** | | E-commerce / Retail | AA | 2.9% | 6,699,041 |
| Warehouse | 14 properties | | | 2.5% | 6,461,953 |
| Retail | Whole Foods (5 properties), Amazon Go (1 property) | | | 0.3% | 237,088 |
| **Credit Suisse Securities** | 11 Madison | Finance | A | 1.6% | 1,184,762 |
| **Proskauer Rose** | Eleven Times Square / International Place | Legal | NR | 1.5% | 513,421 |
| **Sony Corporation** | 11 Madison / Apopka Road I | Consumer Electronics | A | 1.0% | 608,849 |
| **Morgan Stanley** | 100 North Tampa / 301 Congress / International Place / Eleven Times Square | Finance | A- | 1.0% | 426,538 |
| **United Parcel Service** | 11 Madison / Danada Square West / 100 Park Avenue / Publix - Cape Haze / Publix - Steeplechase / Publix - Gulf Cove / Publix - Gateway Crossing / PK I - Del Norte Plaza / PK I - Pavilions Place / PK I - Jefferson Square / PK IV - Main Street Marketplace / PK IV - Fremont Hub Shopping Center / Publix - Summerlin Crossings / Publix - Kings Ridge / Bayonne Logistics Center | Transportation | A | 0.9% | 901,248 |
| **Flexport, Inc.** | I-78 Logistics Center Ph II | E-commerce | NR | 0.8% | 1,249,200 |
| **CEB, Inc.** | Central Place | Technology | NR | 0.7% | 348,847 |
| **DLA PIPER US LLP** | 100 North Tampa / 500 8th Street | Legal | NR | 0.7% | 239,149 |
| **Stitch Fix, Inc.** | Post Montgomery Tower | Retail | NR | 0.6% | 133,979 |
| **TOTAL** | | | | **11.6%** | **12,305,034** |

**Diversification does not assure a profit or protect against loss in declining markets.**
Note: Based on annual PRISA's share of revenue contribution. Data as of June 30, 2023, unless noted otherwise. [1] Standard & Poor's.

# OFFICE STRATEGY

PGIM REAL ESTATE

# Office Market Trends

## Uncertainty Persists as Employers Navigate Future Space Needs

**Hybrid Work** Is Causing Physical Occupancy to Lag

Tenants Seeking **Flexibility** and Shorter Terms

Increasing Bifurcation as Trophy Product Benefits from **Flight-to-Quality**

**Leasing Costs** at Record Highs with Focus on **Landlord Financials**

**Availability Rates Continue to Grow** from Vacancy and Sublease Space

Frozen Transactions Market as **Repricing Continues**

Source: PGIM Real Estate (May 2023)

REF: 009593

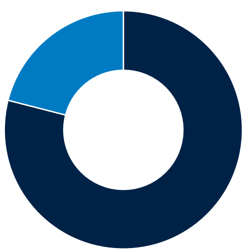
# Office Overview[1]

| 26 | $6.5B | 14.2M | 19.4% | -26.3% |
|---|---|---|---|---|
| Total Assets | Gross Assets[2] | Total SF | PRISA Weighting[3] | 4Q19 – 2Q23 Value Change[4] |

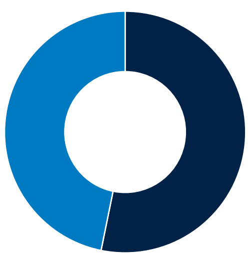
## PORTFOLIO COMPOSITION & STRATEGY

- High quality properties in key job centers near transportation & amenities
- Stable overall leased percentage due to credit tenancy and WALT (6 years)
- Modest near-term rollover and renovating select assets in preparation
- Focus on ensuring asset relevance and functionality
- Reduce exposure over time through non-strategic asset sales

**PRISA[3]**




**NFI-ODCE[6]**




**TOP MARKET EXPOSURE**

| MARKET (CSA) | % OF TOTAL | NFI-ODCE[5] |
|---|---|---|
| **New York** | 31% | 19% |
| **Boston** | 19% | 19% |
| **San Francisco** | 18% | 19% |
| **Washington, D.C.** | 8% | 6% |
| **Chicago** | 7% | 5% |
| **Austin** | 4% | 3% |
| **Other Markets** | 14% | 29% |

**There is no guarantee that these targets will be achieved. Past performance is not a guarantee or reliable indicator of future results.** Note: Data as of June 30, 2023 unless otherwise noted. Returns for NFI-ODCE are based on the final report published by NCREIF on July 31, 2023. [1] Excludes Life Science / Lab Space, which will be reclassified out of Office by NCREIF in 2023. PRISA's exposure to Life Science / Lab Space is 2.6%. [2] NAV as of June 30, 2023 is $4.8B. [3] Based upon PRISA's share of GMV. [4] Based upon PRISA's share of GMV and adjusted for CapEx. Includes all Office assets held by the Fund as of both 4Q19 & 2Q23. [5] NFI-ODCE does not publish detailed market information. Market information is based on CSA definitions and calculated by extracting NFI-ODCE property data from the NCREIF Research Database. [6] Based on NFI-ODCE gross market value in the NCREIF Performance Attribution Report. Life science / lab space is included in the office allocations for ODCE. Data is preliminary and subject to change.

REF: 009593

# New York Office Overview

| 5 | $2.0B | 5.1M | 31% | -25.8% |
|---|---|---|---|---|
| Total Assets | Gross Assets[1] | Total SF | PRISA Weighting[1] | 4Q19 – 2Q23 Value Change[2] |

## PORTFOLIO COMPOSITION & STRATEGY

- Portfolio is newer vintage or has had recent renovations
- Strong credit tenancy and long-term leases
- Plan to reduce overweight through strategic dispositions

| ROLLOVER SCHEDULE[3] | |
|---|---|
| 2023 | 5.1% |
| 2024 | 2.5% |
| 2025 | 8.3% |
| 2026 | 2.9% |
| 2027 | 3.1% |

| LEASING METRICS | |
|---|---|
| Leased % | 92% |
| WALT[3] | 7.6 years |

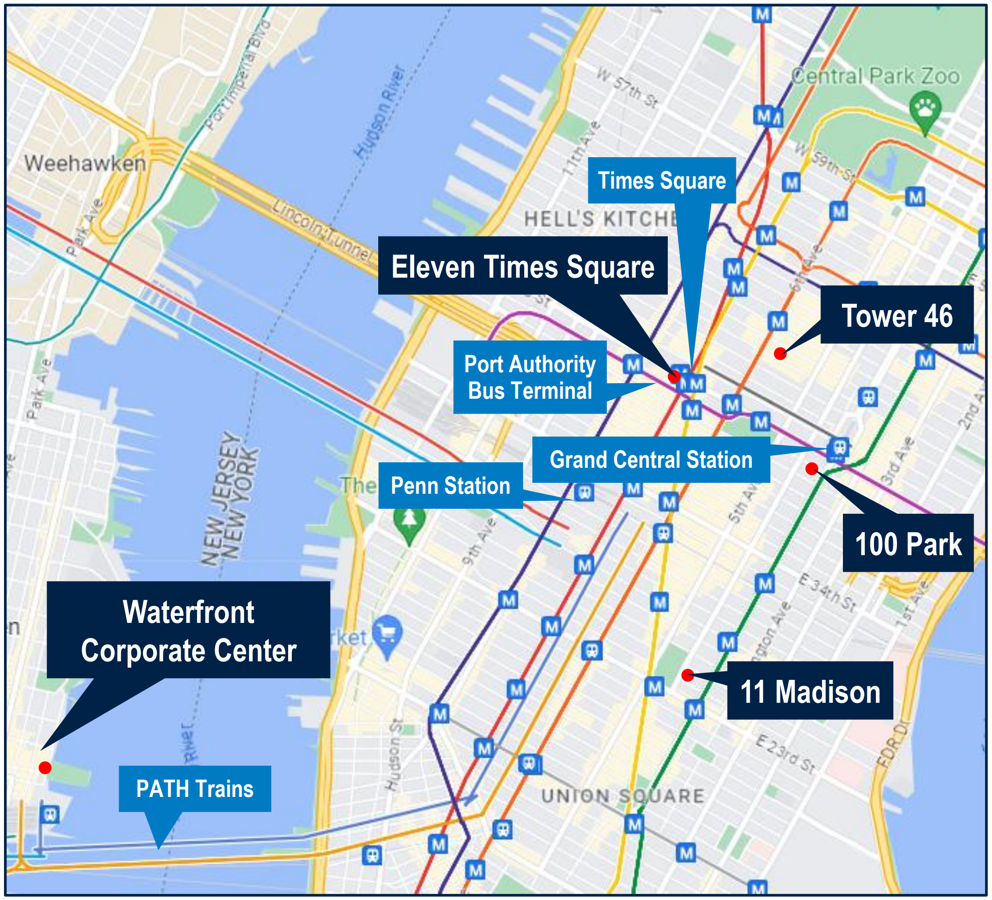
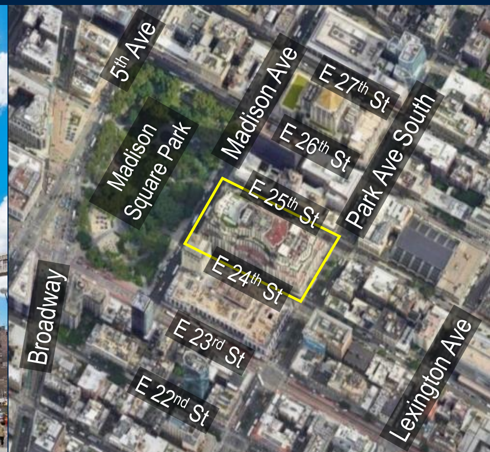



**Image is for illustrative purposes only. There is no guarantee that these targets will be achieved. Past performance is not a guarantee or reliable indicator of future results.** Note: Data as of June 30, 2023, unless otherwise noted.
[1] Based upon PRISA's share of GMV. [2] Based upon PRISA's share of GMV and adjusted for CapEx. Includes all Office assets in the market held by the Fund as of both 4Q19 & 2Q23. [3] WALT and Rollover based on net leasable area.

# 11 Madison

New York




**2.3M** Total SF | **$2.3B** 100% GMV | **39.1%** Effective Ownership | **1950 / 2016** Year Built / Renovated

**Overview**

- Trophy office tower adjacent to Madison Square Park
- Joint venture with NYC's largest landlord – SL Green

**Strengths**

- Irreplaceable location in desirable Midtown South submarket
- Iconic art deco design with modern interior finishes
- Long-term leased to credit tenants in finance and entertainment

**Risks**

- UBS acquisition of Credit Suisse (2037 LED)
- Large loan with 2025 maturity
- Yelp subleasing all of its space (2025 LED)

REF: 009593

## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 96.4% |
| WALT[1] | 10.5 Years |
| 3-Year Avg. Rollover[1] | 2.9% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate | 5.38% |
| Discount Rate | 6.25% |
| 4Q19 - 2Q23 Value Change[2] | -19.5% |

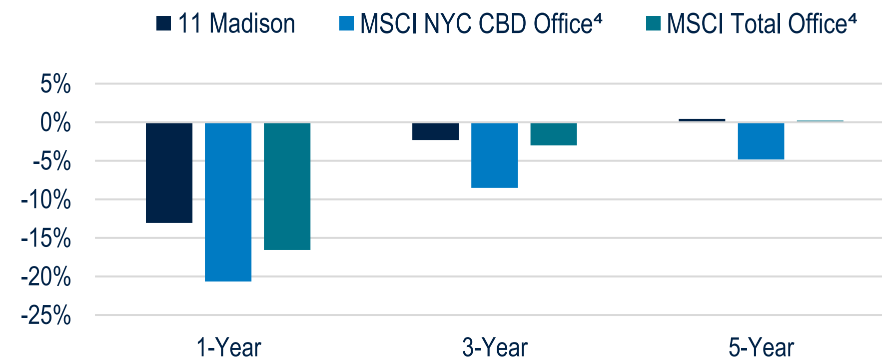
### Top 3 Tenants[3]

| | |
|---|---|
| Credit Suisse | 1,184,762 SF |
| Sony | 578,791 SF |
| Yelp | 191,797 SF |
| % of Total | 85.3% |

### Debt Profile

| | |
|---|---|
| Loan Balance | $1,400.0M |
| LTV | 61.0% |
| Current Maturity | 9/6/2025 |
| Terminal Maturity | 9/6/2025 |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

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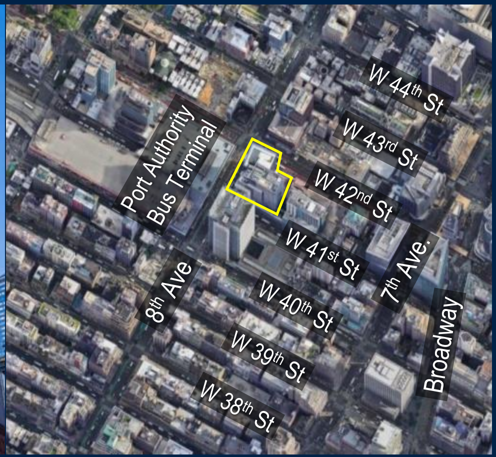
# Eleven Times Square

New York




| | | | |
|---|---|---|---|
| **1.1M** | **$1.0B** | **52.6%** | **2010** |
| Total SF | 100% GMV | Effective Ownership | Year Built / Renovated |

**Overview**
- Recently constructed Class A Office with modern features
- Owned in a joint venture with Norges and SJP Properties
- Located adjacent to major transportation hub

**Strengths**
- High quality new construction with flexible floor plates
- Long-term leased to credit tenants
- Diversified rent roll with exposure to law, finance, and tech

**Risks**
- Long-term attractiveness of micro-location
- Large loan with 2025 maturity
- Vacant ground-floor retail

REF: 009593

PGIM REAL ESTATE

## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 96.3% |
| WALT[1] | 5.7 Years |
| 3-Year Avg. Rollover[1] | 5.9% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate | 6.13% |
| Discount Rate | 6.25% |
| 4Q19 - 2Q23 Value Change[2] | -30.5% |

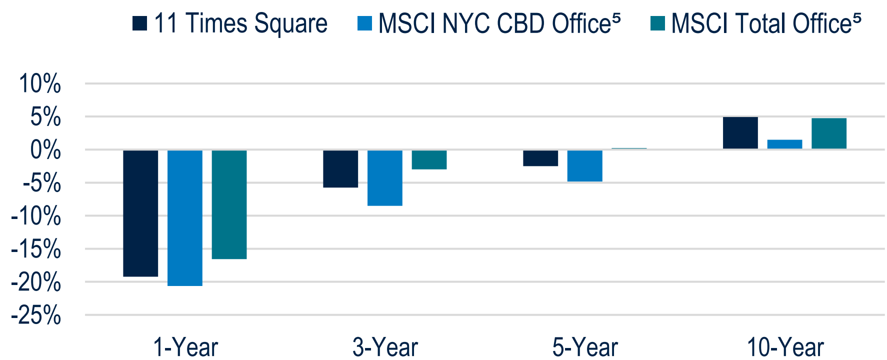
### Top 3 Tenants[3]

| | |
|---|---|
| Proskauer Rose | 416,464 SF |
| Microsoft Corp. | 205,462 SF |
| Hedge Fund[4] | 69,908 SF |
| % of Total | 65.0% |

### Debt Profile

| | |
|---|---|
| Loan Balance | $479.4M |
| LTV | 50.0% |
| Current Maturity | 9/10/2025 |
| Terminal Maturity | 9/10/2025 |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

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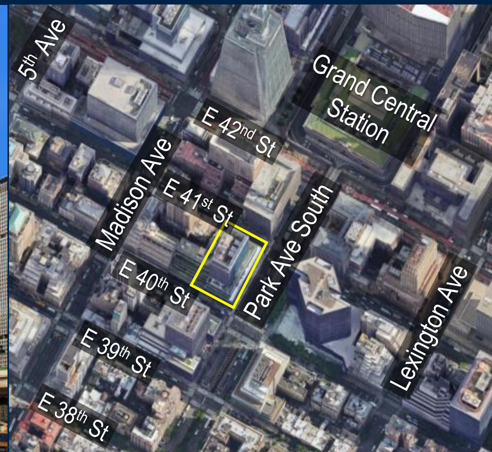
# 100 Park

Watchlist

## New York




| | | | |
|---|---|---|---|
| **900K** | **$517M** | **50.1%** | **1949 / 2008 / 2020** |
| Total SF | 100% GMV | Effective Ownership | Year Built / Renovated |

**Overview**

- Office tower located one block south of Grand Central
- Joint venture with NYC's largest landlord – SL Green

**Strengths**

- Proximity to Grand Central Terminal
- New amenity space delivered in 2020
- Tower floors are easily divisible to accommodate smaller tenants

**Risks**

- Large loan with near-term maturity and extension tests
- BDO vacancy and additional rollover
- Commodity product with inefficient base-level floor plates

REF: 009593

## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 76.3% |
| WALT[1] | 4.5 Years |
| 3-Year Avg. Rollover[1] | 10.4% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate | 3.54% |
| Discount Rate | 7.00% |
| 4Q19 - 2Q23 Value Change[2] | -39.5% |

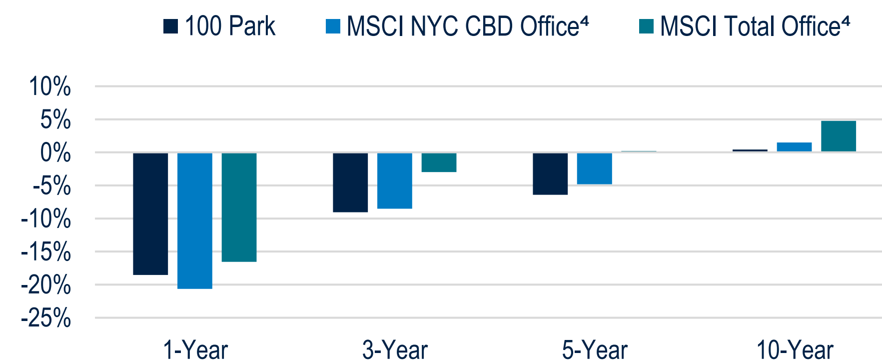
### Top 3 Tenants[3]

| | |
|---|---|
| BDO International | 121,858 SF |
| Wells Fargo | 103,803 SF |
| ABN Amro | 54,037 SF |
| % of Total | 31.0% |

### Debt Profile

| | |
|---|---|
| Loan Balance | $360.0M |
| LTV | 70.0% |
| Current Maturity | 12/23/2023 |
| Terminal Maturity | 12/23/2025 |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

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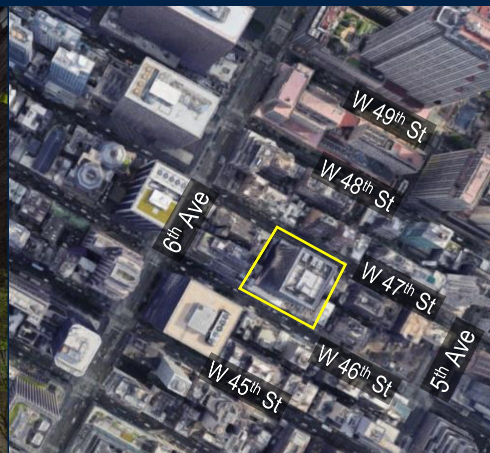
# Tower 46

## New York




| 320K | $255M | 75.0% | 2013 |
|---|---|---|---|
| Total SF | 100% GMV | Effective Ownership | Year Built / Renovated |

**Overview**

- Class A office tower located in Midtown Manhattan
- Ownership interest concentrated in top floors
- Owned in a joint venture with Brookfield

**Strengths**

- Diversified rent roll with limited near-term rollover
- Accessible by Grand Central Terminal and Port Authority
- Modern construction and design features

**Risks**

- Loan with near-term maturity and extension tests
- Long-term viability of mid-block location in Diamond District
- Challenged 2nd floor vacancy

REF: 009593

## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 87.2% |
| WALT[1] | 5.4 Years |
| 3-Year Avg. Rollover[1] | 4.5% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate | 6.01% |
| Discount Rate | 6.75% |
| 4Q19 - 2Q23 Value Change[2] | -26.1% |

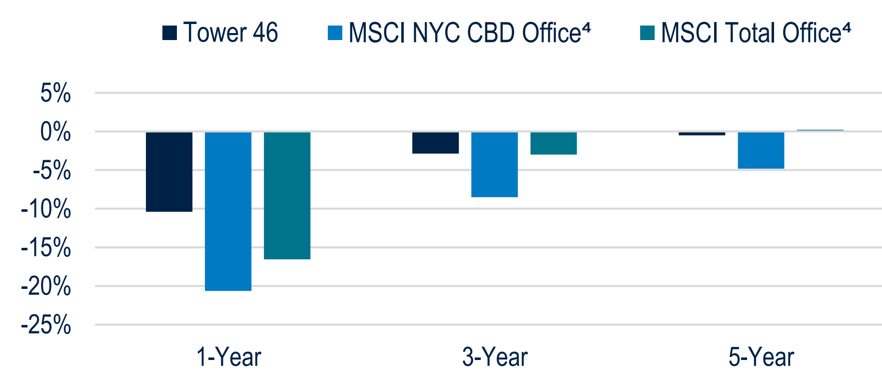
### Top 3 Tenants[3]

| | |
|---|---|
| Nixon Peabody | 66,297 SF |
| Comcast Cable | 45,045 SF |
| Soroban Capital | 22,522 SF |
| % of Total | 41.8% |

### Debt Profile

| | |
|---|---|
| Loan Balance | $187.5M |
| LTV | 74.0% |
| Current Maturity | 8/22/2023 |
| Terminal Maturity | 8/22/2024 |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

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# Boston Office Overview

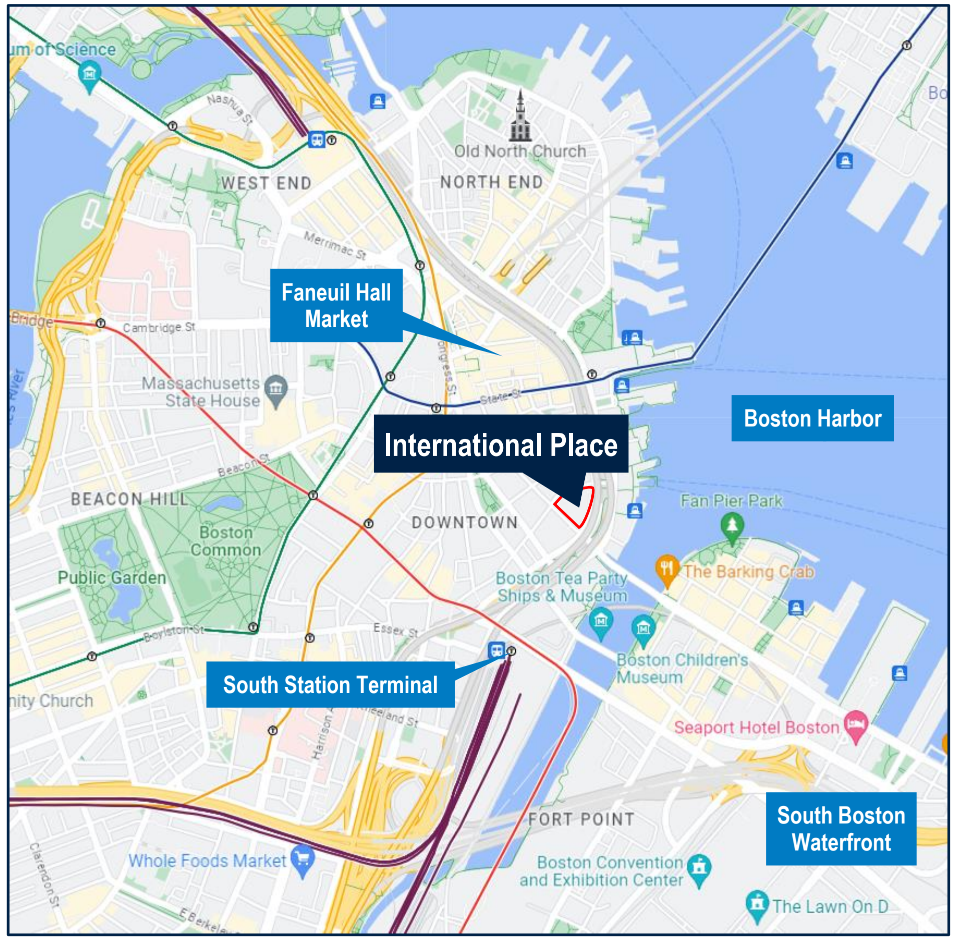
| 1 | $1.2B | 1.8M | 19% | -27.0% |
|---|---|---|---|---|
| Total Assets | Gross Assets[1] | Total SF | PRISA Weighting[1] | 4Q19 – 2Q23 Value Change[2] |

## PORTFOLIO COMPOSITION & STRATEGY

- Trophy asset in high barrier market
- Lobby and common area renovations underway
- Upgrades will reposition IP to compete with new product

| ROLLOVER SCHEDULE[3] | |
|---|---|
| 2023 | 2.9% |
| 2024 | 26.4% |
| 2025 | 8.9% |
| 2026 | 10.0% |
| 2027 | 6.9% |

| LEASING METRICS | |
|---|---|
| Leased % | 85% |
| WALT[3] | 3.6 Years |

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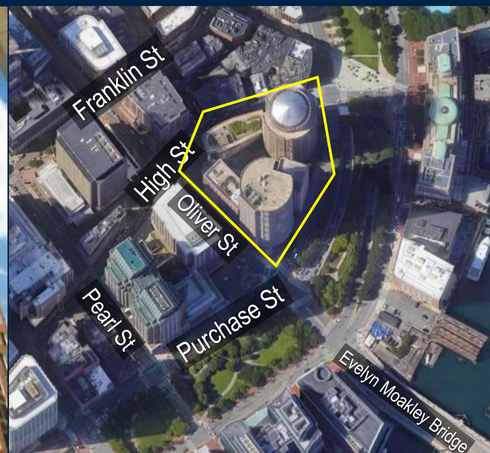
[1] Based upon PRISA's share of GMV. [2] Based upon PRISA's share of GMV and adjusted for CapEx. Includes all Office assets in the market held by the Fund as of both 4Q19 & 2Q23. [3] WALT and Rollover based on net leasable area.

PGIM REAL ESTATE

# International Place

Watchlist

## Boston




| 1.8M | $1.3B | 89.7% | 1989 / 2025 est. |
|---|---|---|---|
| Total SF | 100% GMV | Effective Ownership | Year Built / Renovated |

**Overview**

- Iconic office towers in Boston's Financial District
- Owned in a joint venture with the Chiofaro Company

**Strengths**

- Convenient location with proximity to transportation
- Strong finance and legal services tenant base
- Imminent lobby and amenity renovations

**Risks**

- Large loan with late-2024 maturity
- Leasing Eaton Vance vacancy (2024 LED)
- Aging asset relative to competition

REF: 009593

## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 84.5% |
| WALT[1] | 3.6 Years |
| 3-Year Avg. Rollover[1] | 12.7% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate | 4.23% |
| Discount Rate | 6.50% |
| 4Q19 - 2Q23 Value Change[2] | -27.0% |

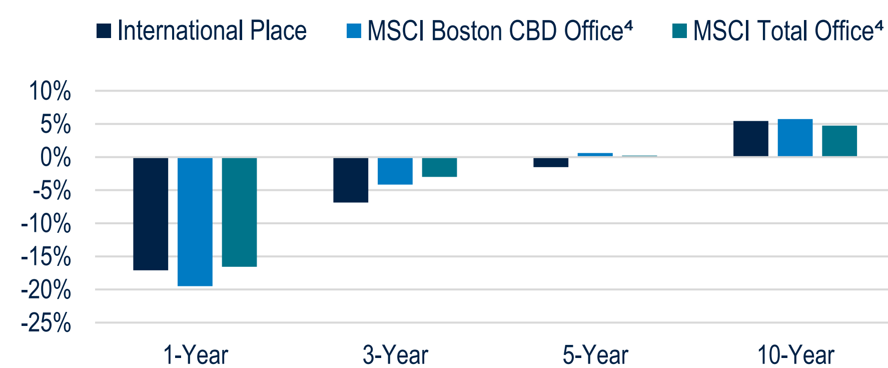
### Top 3 Tenants[3]

| | |
|---|---|
| Morgan Stanley | 316,898 SF |
| Choate | 136,631 SF |
| Proskauer Rose | 96,957 SF |
| % of Total | 29.9% |

### Debt Profile

| | |
|---|---|
| Loan Balance | $500.0M |
| LTV | 37.0% |
| Current Maturity | 10/10/2024 |
| Terminal Maturity | 10/10/2024 |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

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# San Francisco Office Overview

| 5 | $1.1B | 1.8M | 18% | -23.3% |
|---|---|---|---|---|
| Total Assets | Gross Assets[1] | Total SF | PRISA Weighting[1] | 4Q19 – 2Q23 Value Change[2] |

## PORTFOLIO COMPOSITION & STRATEGY

- Diversified locations throughout the CBD and Silicon Valley
- Predominantly modern or renovated Class A product
- Tenant exposure concentrated in the tech sector

| ROLLOVER SCHEDULE[3] | |
|---|---|
| **2023** | 11.7% |
| **2024** | 5.8% |
| **2025** | 11.3% |
| **2026** | 20.5% |
| **2027** | 11.2% |

| LEASING METRICS | |
|---|---|
| **Leased %** | 86.0% |
| **WALT[3]** | 3.5 Years |


Not pictured: Emerystation Greenway (5850-5864 Hollis St., Emeryville, CA) and 2600 10th St. (2600 10th St., Berkeley, CA)

**There is no guarantee that these targets will be achieved. Past performance is not a guarantee or reliable indicator of future results. Image is for illustrative purposes only.** Note: Data as of June 30, 2023, unless otherwise noted.
[1] Based upon PRISA's share of GMV. [2] Based upon PRISA's share of GMV and adjusted for CapEx. Includes all Office assets in the market held by the Fund as of both 4Q19 & 2Q23. [3] WALT and Rollover based on net leasable area.

# Post Montgomery

## San Francisco


| 722K | $592M | 100.0% | 1982 / 2012 |
|---|---|---|---|
| Total SF | 100% GMV | Effective Ownership | Year Built / Renovated |

**Overview**

- Class A office tower in San Francisco's Financial District

**Strengths**

- Convenient transportation access throughout Bay Area
- Limited near-term rollover
- Diversified rent roll with FIRE and tech tenants

**Risks**

- Exposure to Mid-Cap technology tenants
- Increasing tenant sublease space
- Static retail vacancy (Crocker Galleria)

REF: 009593



## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 89.2% |
| WALT[1] | 3.8 Years |
| 3-Year Avg. Rollover[1] | 9.9% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate | 5.42% |
| Discount Rate | 7.25% |
| 4Q19 - 2Q23 Value Change[2] | -26.4% |

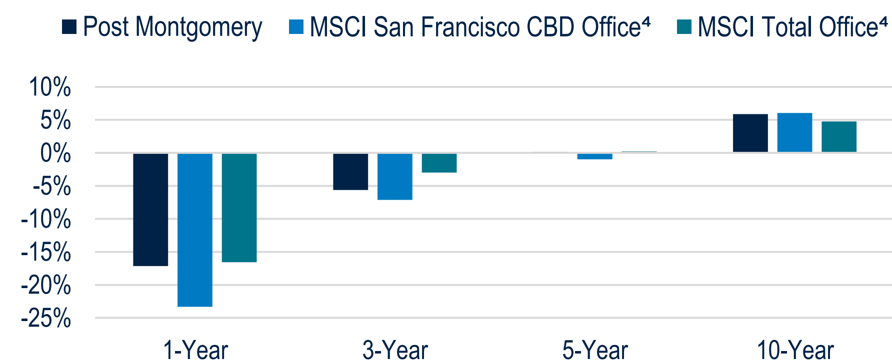
### Top 3 Tenants[3]

| | |
|---|---|
| Stitch Fix | 133,979 SF |
| Checkr | 68,541 SF |
| Open Table | 59,521 SF |
| % of Total | 36.2% |

### Debt Profile

| | |
|---|---|
| Loan Balance | N/A |
| LTV | N/A |
| Current Maturity | N/A |
| Terminal Maturity | N/A |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

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# Washington, D.C. Office Overview

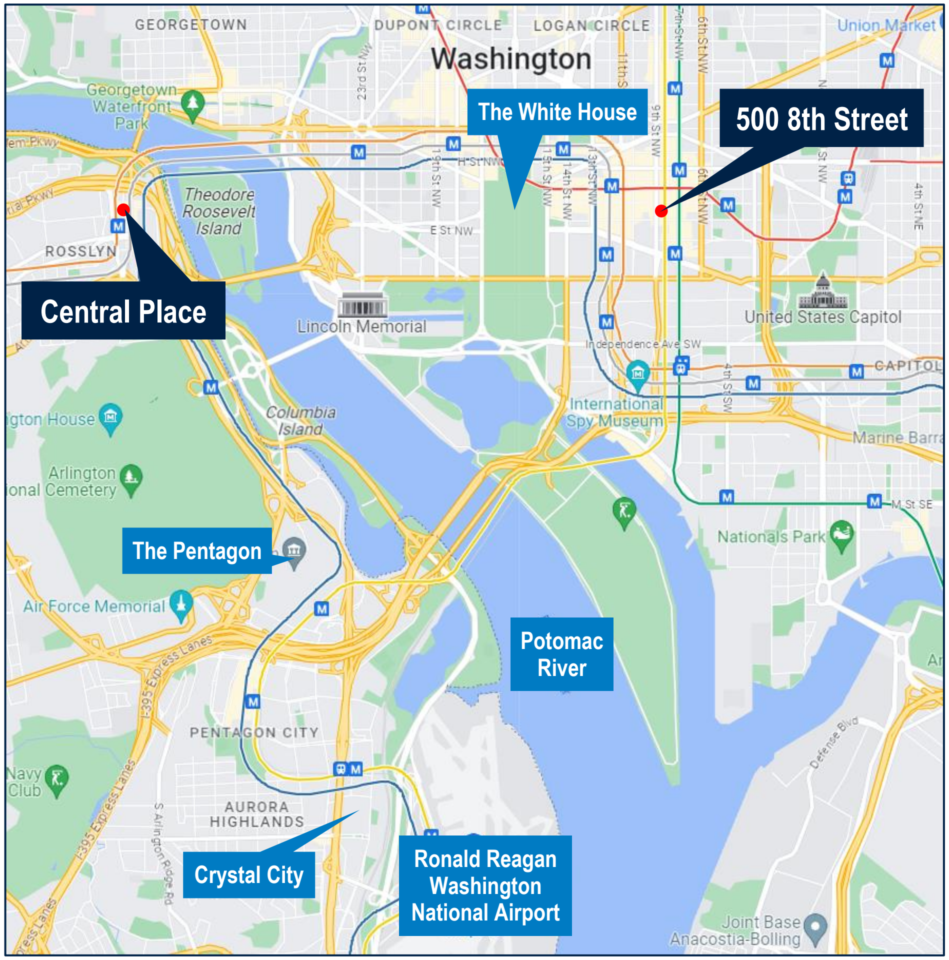
| 3 | $0.5B | 0.9M | 8% | -19.4% |
|---|---|---|---|---|
| Total Assets | Gross Assets[1] | Total SF | PRISA Weighting[1] | 4Q19 – 2Q23 Value Change[2] |

## PORTFOLIO COMPOSITION & STRATEGY

- Portfolio is newer vintage with modern design features
- Strong credit tenancy and extended WALT
- Diversified exposure in CBD and infill-suburban locations

| ROLLOVER SCHEDULE[3] | |
|---|---|
| 2023 | 2.1% |
| 2024 | 8.1% |
| 2025 | 0.6% |
| 2026 | 1.4% |
| 2027 | 5.5% |

| LEASING METRICS | |
|---|---|
| Leased % | 94% |
| WALT[3] | 8.0 Years |

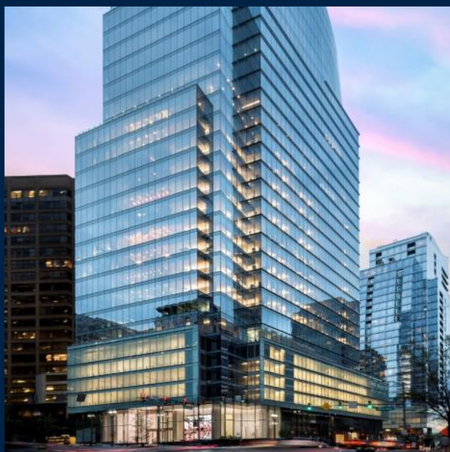



Not Pictured: Saint Agnes Medical Office Building (3407 Wilkens Ave., Baltimore, MD)

**There is no guarantee that these targets will be achieved. Past performance is not a guarantee or reliable indicator of future results. Image is for illustrative purposes only.** Note: Data as of June 30, 2023, unless otherwise noted.
[1] Based upon PRISA's share of GMV. [2] Based upon PRISA's share of GMV and adjusted for CapEx. Includes all Office assets in the market held by the Fund as of both 4Q19 & 2Q23. [3] WALT and Rollover based on net leasable area.

# Central Place

## Washington, D.C. Metro




| 536K | $407M | 50.0% | 2017 |
|---|---|---|---|
| Total SF | 100% GMV | Effective Ownership | Year Built / Renovated |

**Overview**

- Trophy office tower located in the Rosslyn submarket
- Joint venture with strong regional operator – JBG SMITH

**Strengths**

- Trophy-quality design features and new construction
- Immediate access to the Rosslyn Metro Station
- Limited vacancy and extended WALT

**Risks**

- Gartner space on the sublease market (2027 termination option)
- WeWork corporate viability

REF: 009593

## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 99.3% |
| WALT[2] | 7.8 Years |
| 3-Year Avg. Rollover[2] | 5.8% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate[1] | 7.26% |
| Discount Rate | 6.50% |
| 4Q19 - 2Q23 Value Change[3] | -11.4% |

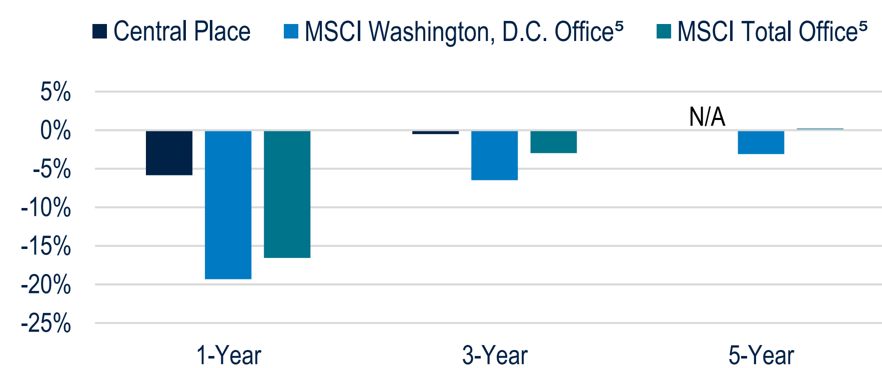
### Top 3 Tenants[4]

| | |
|---|---|
| CEB (Gartner Inc.) | 348,847 SF |
| WeWork | 83,294 SF |
| Accenture | 28,068 SF |
| % of Total | 85.7% |

### Debt Profile

| | |
|---|---|
| Loan Balance | N/A |
| LTV | N/A |
| Current Maturity | N/A |
| Terminal Maturity | N/A |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

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# Chicago Office Overview[1]

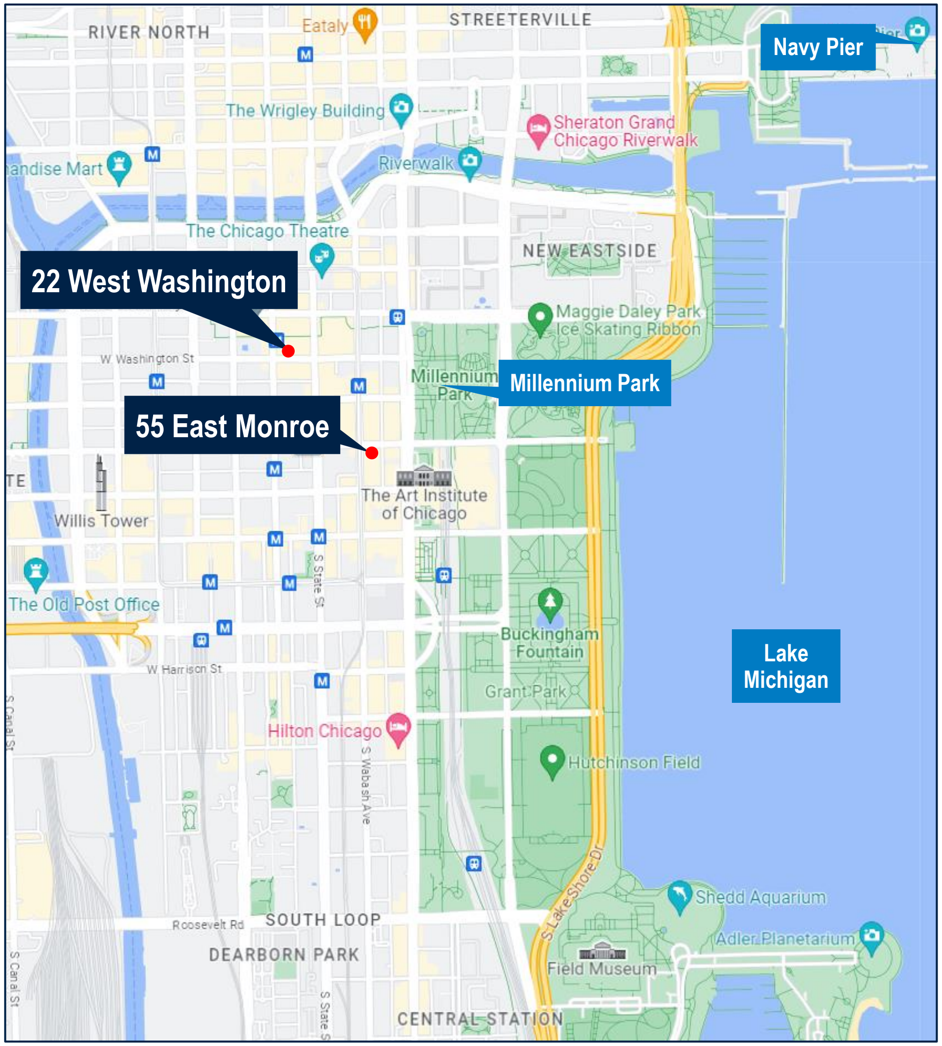
| 3 | $0.4B | 1.8M | 7% | -41.1% |
|---|---|---|---|---|
| Total Assets | Gross Assets[1] | Total SF | PRISA Weighting[1] | 4Q19 – 2Q23 Value Change[2] |

## PORTFOLIO COMPOSITION & STRATEGY

- Exposure concentrated in CBD
- Assets are newer vintage or highly amenitized
- Plan to exit pending capital market conditions

| ROLLOVER SCHEDULE[3] | |
|---|---|
| **2023** | 2.3% |
| **2024** | 2.1% |
| **2025** | 1.2% |
| **2026** | 13.4% |
| **2027** | 17.2% |

| LEASING METRICS | |
|---|---|
| **Leased %** | 81% |
| **WALT[3]** | 5.7 Years |




Not pictured: Silver Cross Hospital Medical Services Building (1890 Silver Cross Blvd., New Lenox, IL)

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# 22 West Washington

## Chicago


| | | | |
|---|---|---|---|
| **439K** Total SF | **$136M** 100% GMV | **100.0%** Effective Ownership | **2008** Year Built |

**Overview**

- Recently constructed Class A Office building
- Located in Central Loop with convenient transit access

**Strengths**

- Proximity to shopping and entertainment center (Block 37)
- Modern high-quality construction
- Long-term leased to credit tenants in finance and media

**Risks**

- Morningstar rollover (2028 LED)
- Limited amenities

REF: 009593

PGIM REAL ESTATE

## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 91.3% |
| WALT[1] | 6.4 Years |
| 3-Year Avg. Rollover[1] | 1.6% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate | 4.55% |
| Discount Rate | 8.00% |
| 4Q19 - 2Q23 Value Change[2] | -43.7% |

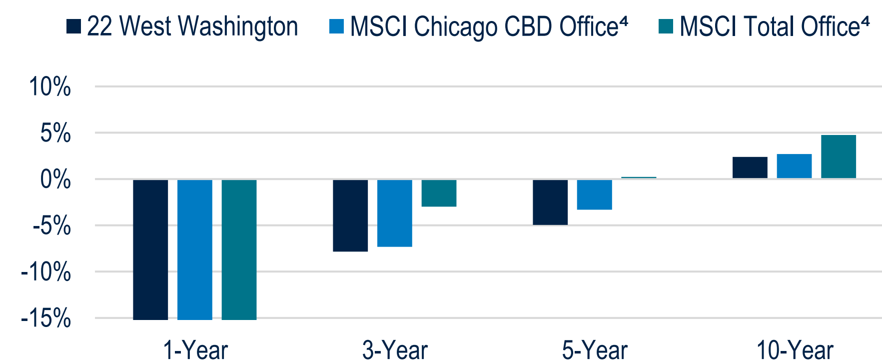
### Top 3 Tenants[3]

| | |
|---|---|
| Morningstar | 285,236 SF |
| CBS Broadcasting | 115,869 SF |
| N/A | N/A |
| % of Total | 91.3% |

### Debt Profile

| | |
|---|---|
| Loan Balance | N/A |
| LTV | N/A |
| Current Maturity | N/A |
| Terminal Maturity | N/A |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

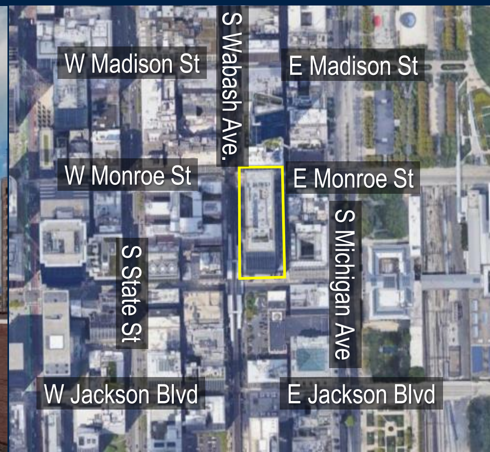



**Past performance is not a guarantee or reliable indicator of future results. Property images are for illustrative purposes only. There is no guarantee that returns for these or similar investments in the future will be achieved.** Note: As of June 30, 2023, unless otherwise noted. [1] Based on NLA. [2] Based upon PRISA's share of GMV and adjusted for CapEx. [3] Based on square footage. [4] Source: MSCI report.

# 55 East Monroe

Watchlist

Chicago




| | | | |
|---|---|---|---|
| **1.3M**<br>Total SF | **$211M**<br>100% GMV | **100.0%**<br>Effective Ownership | **1972 / 2018**<br>Year Built / Renovated |

**Overview**

- Office tower located in East Loop near Millennium Park

**Strengths**

- Convenient transit access
- Upper floor views of Lake Michigan
- Highly profitable parking garage

**Risks**

- Less desirable East Loop office location
- Aging commodity office product

REF: 009593



## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 75.0% |
| WALT[1] | 5.9 Years |
| 3-Year Avg. Rollover[1] | 1.3% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate | 7.47% |
| Discount Rate | 8.50% |
| 4Q19 - 2Q23 Value Change[2] | -47.1% |

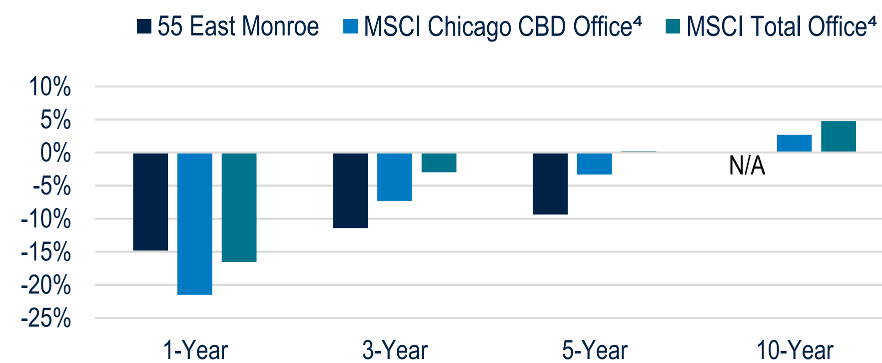
### Top 3 Tenants[3]

| | |
|---|---|
| Sargent & Lundy | 291,960 SF |
| NORC | 143,541 SF |
| USA | 63,666 SF |
| % of Total | 39.7% |

### Debt Profile

| | |
|---|---|
| Loan Balance | N/A |
| LTV | N/A |
| Current Maturity | N/A |
| Terminal Maturity | N/A |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

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# Next Tier Strategic Markets Office Overview

PGIM REAL ESTATE

| 4 | $0.7B | 1.3M | 11% | -26.0% |
|---|---|---|---|---|
| Total Assets | Gross Assets[1] | Total SF | PRISA Weighting[1] | 4Q19 – 2Q23 Value Change[2] |

## PORTFOLIO COMPOSITION & STRATEGY

- High growth dynamic markets
- Well-leased assets with generally favorable market positioning

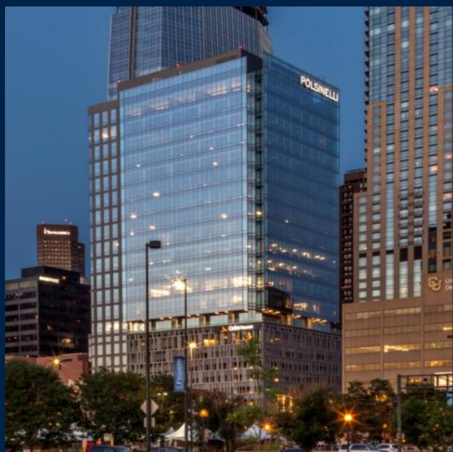
| ROLLOVER SCHEDULE[3] | |
|---|---|
| **2023** | 9.9% |
| **2024** | 4.6% |
| **2025** | 14.1% |
| **2026** | 10.9% |
| **2027** | 5.1% |

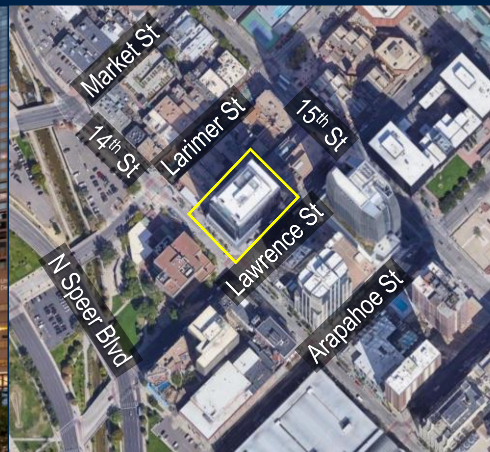
| LEASING METRICS | |
|---|---|
| **Leased %** | 92% |
| **WALT[3]** | 4.4 Years |


**There is no guarantee that these targets will be achieved. Past performance is not a guarantee or reliable indicator of future results. Image is for illustrative purposes only.** Note: Data as of June 30, 2023, unless otherwise noted.
[1] Based upon PRISA's share of GMV. [2] Based upon PRISA's share of GMV and adjusted for CapEx. Includes all Office assets in the market held by the Fund as of both 4Q19 & 2Q23. [3] WALT and Rollover based on net leasable area.

# 1401 Lawrence

## Denver






| 310K | $208M | 100.0% | 2016 |
|---|---|---|---|
| Total SF | 100% GMV | Effective Ownership | Year Built / Renovated |

**Overview**

- Newly constructed best-in-class office tower
- Premier location in Denver's LoDo submarket

**Strengths**

- Fully leased with limited near-term rollover
- Modern building with trophy-quality finishes
- Proximate to major transportation hubs and amenities

**Risks**

- Increasing sublease space
- Supply in LoDo submarket

REF: 009593

## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 99.2% |
| WALT[1] | 5.7 Years |
| 3-Year Avg. Rollover[1] | 3.0% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate | 5.65% |
| Discount Rate | 7.00% |
| 2Q22 - 2Q23 Value Change[2] | -10.8% |

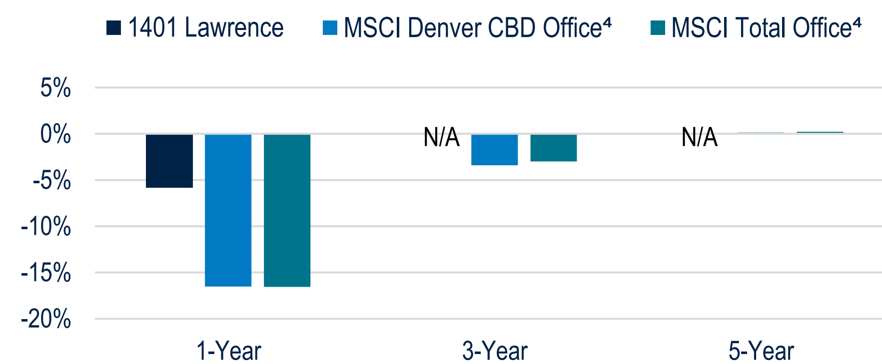
### Top 3 Tenants[3]

| | |
|---|---|
| Polsinelli PC | 85,507 SF |
| Parsley Energy | 54,272 SF |
| BOK Financial | 48,337 SF |
| % of Total | 60.7% |

### Debt Profile

| | |
|---|---|
| Loan Balance | N/A |
| LTV | N/A |
| Current Maturity | N/A |
| Terminal Maturity | N/A |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

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# 301 Congress

Austin


| 441K | $262M | 100.0% | 1985 |
|---|---|---|---|
| Total SF | 100% GMV | Effective Ownership | Year Built / Renovated |

**Overview**
- Class A office tower in CBD Austin

**Strengths**
- Central location on Congress Street
- Renovation underway to modernize lobby and common area
- Successful spec suite program

**Risks**
- Near-term rollover
- Competition from new construction
- Increasing sublease space

REF: 009593

PGIM REAL ESTATE

## ASSET OVERVIEW

### Leasing Metrics

| | |
|---|---|
| Leased % | 84.2% |
| WALT[1] | 2.5 Years |
| 3-Year Avg. Rollover[1] | 13.2% |

### Valuation Stats

| | |
|---|---|
| Going-In Cap Rate | 4.41% |
| Discount Rate | 8.00% |
| 4Q19 - 2Q23 Value Change[2] | -18.7% |

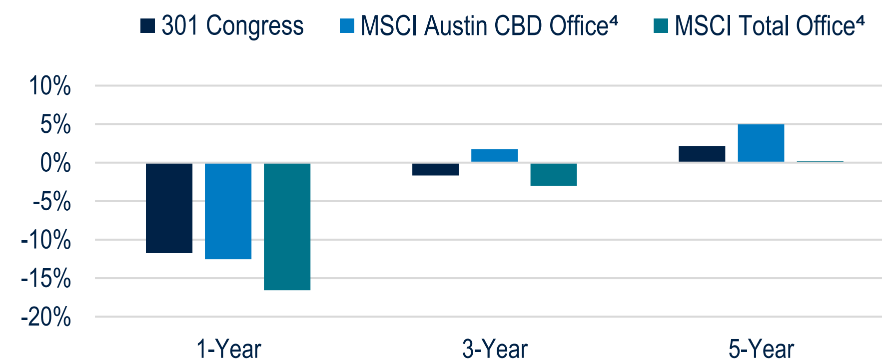
### Top 3 Tenants[3]

| | |
|---|---|
| Gerson Lehrman | 101,799 SF |
| RetailMeNot | 100,055 SF |
| ODNS | 20,578 SF |
| % of Total | 50.5% |

### Debt Profile

| | |
|---|---|
| Loan Balance | N/A |
| LTV | N/A |
| Current Maturity | N/A |
| Terminal Maturity | N/A |

## RELATIVE ANNUAL PROPERTY PERFORMANCE

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# PRISA SA, PRISA LP, AND NET RETURNS ADDENDUM

# PRISA SA Key Information

PGIM REAL ESTATE

| THE BASICS[1] | |
|---|---|
| **Gross Asset Value** | $33.6B |
| **Net Asset Value** | $26.7B |
| **Cash Balance** | $801.5M |

| THE DEBT PICTURE | |
|---|---|
| **Fixed/Floating[2]%** | 62% / 38% |
| **Recourse Leverage Ratio** | 8.8% |
| **Weighted Average Cost of Debt (Fixed/Floating)** | 4.6% |
| **Weighted Average Maturity** | 4.34 Yrs. |

**STRATEGIC MARKET EXPOSURE**

| MAJOR MARKETS | EXPOSURE[3] | (UNDER)/OVERWEIGHT TO ODCE[4] |
|---|---|---|
| **Los Angeles** | 19.8% | +290 bps |
| **New York** | 15.9% | +450 bps |
| **San Francisco** | 9.7% | --30 bps |
| **Washington, D.C.** | 9.2% | +430 bps |
| **Boston** | 6.0% | --230 bps |
| **TOTAL** | **60.5%** | **+910 bps** |

**RETURNS VS. NFI-ODCE[5]**

| | INCOME | | APPRECIATION | | TOTAL RETURN | |
|---|---|---|---|---|---|---|
| **TIME PERIOD** | **PRISA SA** | **NFI-ODCE** | **PRISA SA** | **NFI-ODCE** | **PRISA SA** | **NFI-ODCE** |
| Current Quarter | 0.93% | 0.87% | -2.75% | -3.55% | -1.82% | -2.68% |
| 1-Year | 3.52% | 3.36% | -11.91% | -12.99% | -8.70% | -9.97% |
| 3-Year | 3.79% | 3.69% | 4.50% | 4.18% | 8.41% | 7.99% |
| 5-Year | 3.97% | 3.86% | 3.21% | 2.56% | 7.27% | 6.50% |
| 10-Year | 4.40% | 4.27% | 4.75% | 4.33% | 9.30% | 8.74% |
| Since NFI-ODCE Inception (3/31/78) | 7.18% | 6.82% | 1.51% | 1.57% | 8.78% | 8.47% |
| Since PRISA Inception (7/31/70) | 7.28% | N/A | 1.48% | N/A | 8.85% | N/A |

**Past performance is not a guarantee or a reliable indicator of future results.** Unless otherwise noted, data as of June 30, 2023. [1] "Gross Asset Value", "Net Asset Value" and "Cash Balance" represent the combined value of the assets held by PRISA SA, PRISA LP and PRISA PF LP without netting out PRISA LP and PRISA PF LP's respective interest therein. PRISA SA's net asset value is $14.4B as of June 30, 2023. [2] Floating includes floating rate loans with caps. [3] Based on PRISA SA's share of gross market value in properties and debt investments. [4] NFI-ODCE does not publish detailed market information. Market information is based on CSA definitions and calculated by extracting NFI-ODCE property data from the NCREIF Research Database. [5] Returns shown are time-weighted rates of return calculated in conformity with performance reporting standards and are before the deduction of Manager Compensation/Fees. Returns for NFI-ODCE are based on the final report published by NCREIF on July 31, 2023.

REF: 009593

# PRISA LP Key Information

PGIM REAL ESTATE

| THE BASICS[1] | |
|---|---|
| **Gross Asset Value** | $32.7B |
| **Net Asset Value** | $25.8B |
| **Cash Balance** | $799.6M |

| THE DEBT PICTURE | |
|---|---|
| **Fixed/Floating[2]%** | 61% / 39% |
| **Recourse Leverage Ratio** | 9.1% |
| **Weighted Average Cost of Debt (Fixed/Floating)** | 4.7% |
| **Weighted Average Maturity** | 4.31 Yrs. |

**STRATEGIC MARKET EXPOSURE**

| MAJOR MARKETS | EXPOSURE[3] | (UNDER)/OVERWEIGHT TO ODCE[4] |
|---|---|---|
| **Los Angeles** | 20.3% | +340 bps |
| **New York** | 16.4% | +500 bps |
| **Washington, D.C.** | 9.5% | +460 bps |
| **San Francisco** | 7.0% | --310 bps |
| **Boston** | 6.2% | --200 bps |
| **TOTAL** | **59.4%** | **+800 bps** |

**RETURNS VS. NFI-ODCE[5]**

| | INCOME | | APPRECIATION | | TOTAL RETURN | |
|---|---|---|---|---|---|---|
| **TIME PERIOD** | **PRISA LP** | **NFI-ODCE** | **PRISA LP** | **NFI-ODCE** | **PRISA LP** | **NFI-ODCE** |
| Current Quarter | 0.91% | 0.87% | -2.59% | -3.55% | -1.68% | -2.68% |
| 1-Year | 3.47% | 3.36% | -11.68% | -12.99% | -8.52% | -9.97% |
| 3-Year | 3.76% | 3.69% | 4.85% | 4.18% | 8.75% | 7.99% |
| 5-Year | 3.95% | 3.86% | 3.33% | 2.56% | 7.37% | 6.50% |
| 10-Year | 4.41% | 4.27% | 4.77% | 4.33% | 9.34% | 8.74% |
| Since NFI-ODCE Inception (3/31/78) | 7.18% | 6.82% | 1.52% | 1.57% | 8.78% | 8.47% |
| Since PRISA Inception (7/31/70) | 7.29% | N/A | 1.49% | N/A | 8.86% | N/A |

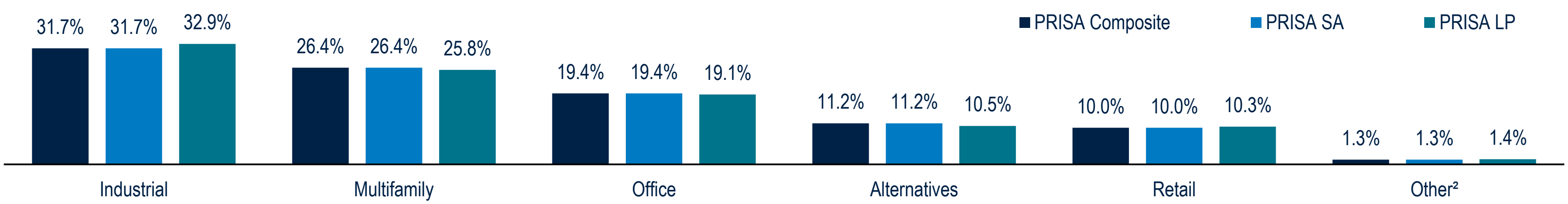
**Past performance is not a guarantee or a reliable indicator of future results**. Unless otherwise noted, data as of June 30, 2023. [1] "Gross Asset Value" and "Net Asset Value" represent the combined value of the assets held by PRISA SA, PRISA LP and PRISA PF LP without netting out PRISA SA's respective interest therein. PRISA LP and PRISA PF LP's combined net asset value is $12.3B. [2] Floating includes floating rate loans with caps. [3] Based on PRISA LP's share of gross market value in properties and debt investments. [4] NFI-ODCE does not publish detailed market information. Market information is based on CSA definitions and calculated by extracting NFI-ODCE property data from the NCREIF Research Database. [5] Returns shown are time-weighted rates of return calculated in conformity with performance reporting standards and are before the deduction of Manager Compensation/Fees. Returns for NFI-ODCE are based on the final report published by NCREIF on July 31, 2023.

REF: 009593

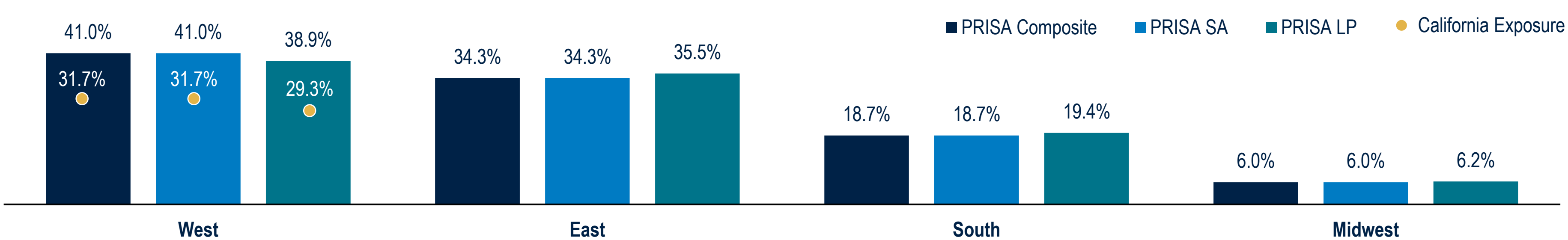
# PRISA Risk Metrics & Diversification

| KEY RISK METRICS | GUIDELINE | PRISA COMPOSITE | PRISA SA | PRISA LP |
|---|---|---|---|---|
| Stabilized Properties | > 75% | 90.1% | 90.1% | 89.9% |
| Major Property Types | > 75% | 87.5% | 87.5% | 88.1% |
| Leverage Ratio | < 35% | 22.3% | 22.3% | 22.3% |

## Property Type Diversification[1]




## Geographic Diversification[1]

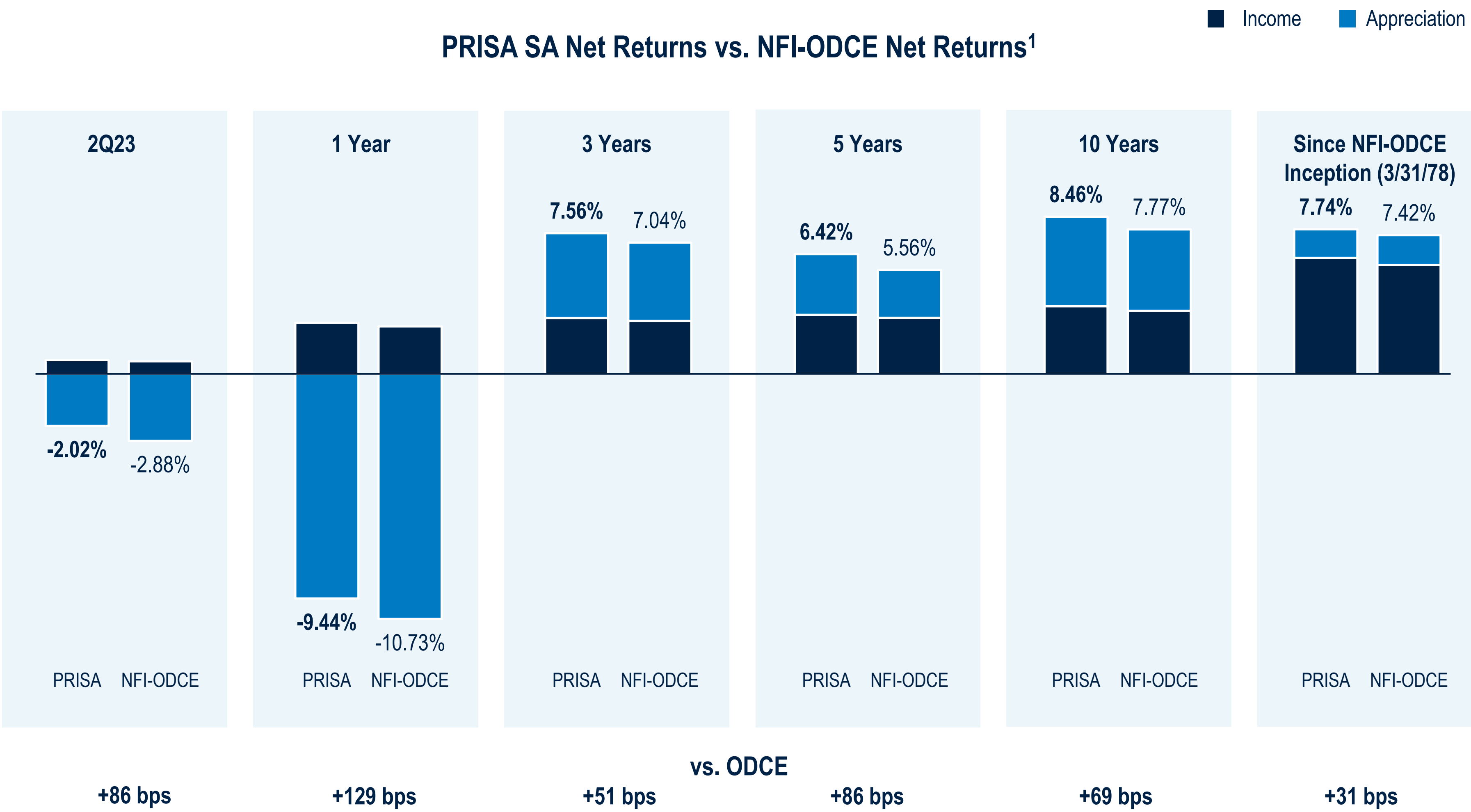



**Diversification does not assure a profit or protect against loss in declining markets.**

Note: Please see page 2 for important information regarding PRISA Composite. Data as of June 30, 2023. [1] Based on PRISA's share of gross market value in properties and debt investments. [2] Other includes Harbor Garage, Land, and tax incentive notes connected to real estate investments.

# PRISA SA Total Returns After Management Fees

PGIM REAL ESTATE

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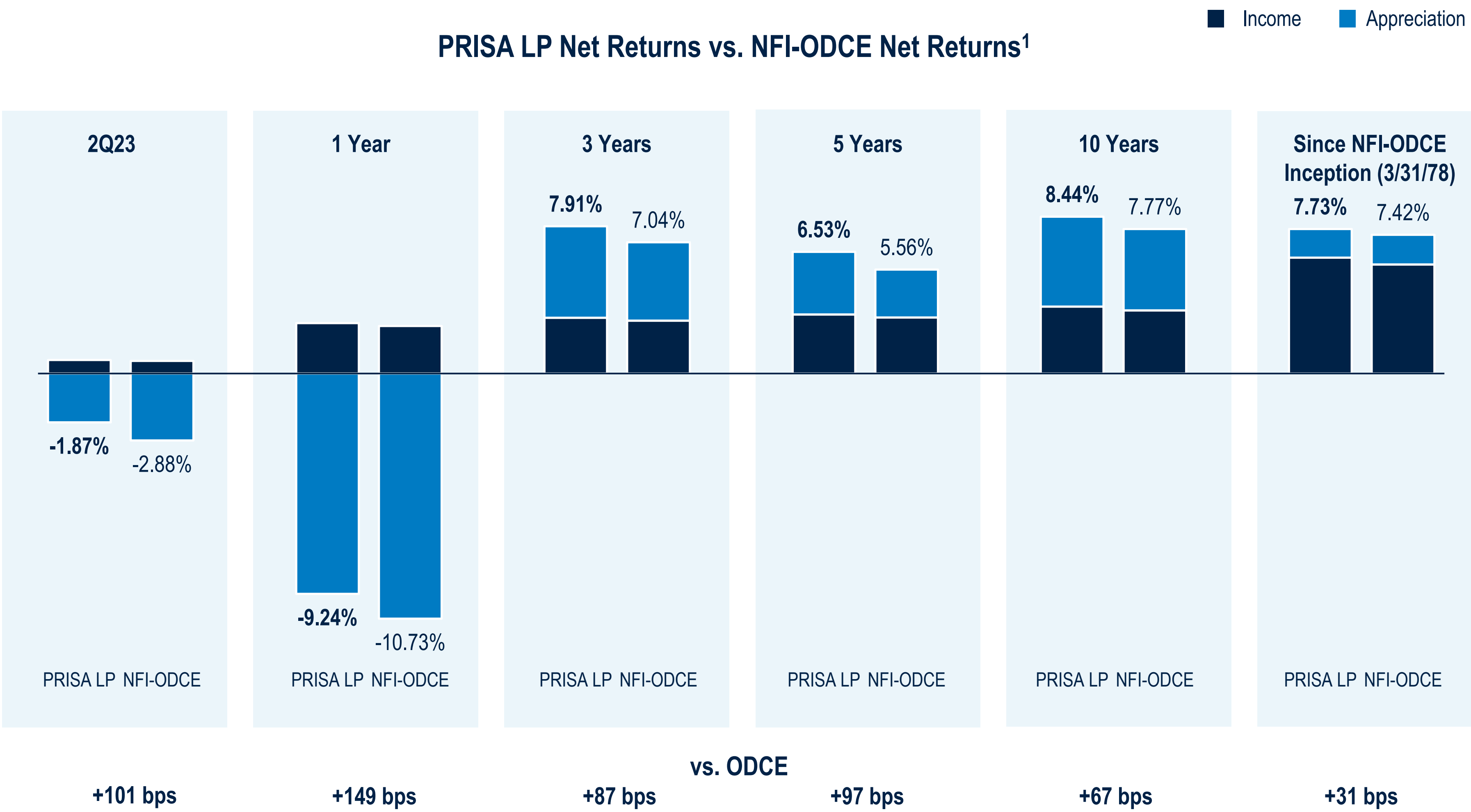
REF: 009593

PGIM REAL ESTATE

# PRISA LP Total Returns After Management Fees

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REF: 009593

# JOANNA MULFORD

## PRISA Senior Portfolio Manager


## CONTACT

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Phone: +1 (973) 683-1743


Years with PGIM: 33
Real Estate Experience: 26

Joanna Mulford is a managing director at PGIM Real Estate and senior portfolio manager for PRISA, PGIM Real Estate's flagship U.S. core equity real estate fund. Based in Newark, New Jersey, Joanna is responsible for managing all aspects of the fund including portfolio strategy, investment decisions and management of the PRISA team. Joanna is a member of the U.S. Executive Council and U.S. Equity Investment Committee.

Prior to joining the PRISA team in 2008, Joanna was responsible for U.S. real estate investment sales on behalf of PGIM Real Estate's clients.

During her tenure with PGIM Real Estate, Joanna has served as the portfolio manager of several closed-end funds, including a value-add strategy with a private REIT structure. Joanna also helped launch PGIM Real Estate's debt investment platform, raising investor capital for and managing its first mezzanine fund. Prior to this, she was responsible for the asset management of a portfolio of commercial real estate investments including office, apartment, retail, storage and industrial property types and mezzanine loans.

Before joining PGIM Real Estate in 1997, Joanna was a member of Prudential Financial, Inc.'s Private Equity group, working on behalf of the company's domestic and international subsidiaries investing in private equity transactions. Previously, she was a member of the Comptrollers unit of the Prudential Asset Management Company since joining the firm in January of 1990. Joanna provided support to several of Prudential's money management subsidiaries investing in both public and private equities.

Joanna has a bachelor's degree in finance and management and a master of business administration from Rutgers University.

# JAMES GLEN

## PRISA Portfolio Manager

James Glen is a managing director of PGIM Real Estate and portfolio manager for PRISA, PGIM Real Estate's flagship core open-end real estate fund. Based in Newark, New Jersey, James is involved in all aspects of managing the fund, including portfolio strategy, investments and asset management oversight.

Prior to joining PGIM Real Estate, James served in various capacities within BlackRock's real estate group. He was a member of the Portfolio Management team working on both core and opportunistic real estate funds in the United States and internationally. He also served as global head of research and strategy with responsibility for monitoring real estate markets and formulating investment strategy for the platform, and was a member of the investment committee.

James' service with BlackRock and its predecessor, SSR Realty Advisors, dates back to 2004. Prior, James was a senior economist at Moody's Analytics, where he provided regional economic and real estate market analysis. He began his career as an analyst at JPMorgan Chase.

James earned a bachelor's degree in economics from the University of North Carolina at Greensboro and a master's degree in economics from the University of Delaware.

James currently serves on the NCREIF ODCE Index Policy Committee and is a member of the Pension Real Estate Association (PREA). He is a CFA charter holder.

## CONTACT

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Years with PGIM: 9
Real Estate Experience: 23

# KAYA MURRAY

## PRISA Portfolio Manager

Kaya Murray is an executive director and portfolio manager for PRISA, PGIM's flagship U.S. core equity real estate fund. Based in San Francisco, Kaya will assist in the day-to-day management of the PRISA portfolio with a focus on West Coast investments, as well as client relationship management and engagement with PGIM Real Estate's West Coast Asset Management and Transactions teams.

Most recently, Kaya served as a regional head of Acquisitions and Joint Ventures at MetLife Investment Management where she led a team covering Northern California, the Pacific Northwest and Denver across all sectors. Earlier at MetLife, Kaya was a senior asset manager with oversight of the value-add and development deals for the region.

Previously, Kaya worked for the U.S. value-add fund series at CBRE Global Investors in a range of roles, beginning as a generalist covering acquisitions, asset management and dispositions for the West Coast office and industrial team, and later becoming the senior asset manager responsible for West Coast office repositions and industrial developments. Kaya started her career in investment banking at Credit Suisse and Rothschild.

Kaya has a bachelor's degree in communications and environmental studies from the University of Pennsylvania and a master of business administration from Northwestern University (Kellogg School of Management).

## CONTACT

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Years with PGIM: 2
Real Estate Experience: 18

# LEXI WOOLF

## PRISA Assistant Portfolio Manager

Lexi Woolf is an executive director and an assistant portfolio manager for PRISA, PGIM's flagship U.S. core equity real estate fund. Based in Newark, New Jersey, Lexi works on all aspects of managing the fund including portfolio strategy, investment selection, financial operations, and portfolio reporting.

Prior to joining PRISA, Lexi spent five years in Transactions where she had a lead role in the underwriting, due diligence, and closing of nearly $5 billion of new acquisitions for a variety of commercial product types and investment strategies across the Northeast and Midwest United States. Most recently, Lexi focused primarily on the New York City region.

In addition, Lexi spent two years as a member of the Customized Investment Strategies team, where she split her time between responsibilities in asset management and several of PGIM's new product initiatives.

Lexi graduated from the Wharton School of the University of Pennsylvania with concentrations in finance and real estate.

## CONTACT

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Years with PGIM: 13
Real Estate Experience: 13

# HERNAN CARREIRA

## PRISA Portfolio Analytics


## CONTACT

Email: hernan.carreira@pgim.com
Phone: +1 (973) 683-1763


Years with PGIM: 8
Real Estate Experience: 19

Hernan Carreira is an executive director at PGIM Real Estate and a member of the portfolio management team for PRISA, PGIM Real Estate's flagship U.S. core equity real estate fund. Based in Newark, New Jersey, Hernan is the head of portfolio analytics for PRISA and supports all aspects of portfolio strategy, client activity and communication, marketing, financial operations and portfolio reporting.

Prior to joining PGIM Real Estate, Hernan held multiple roles in different countries for more than 18 years. Most recently, Hernan was head of asset management operations for Europe and emerging markets, at Alliance Bernstein CarVal in Minnesota, where he oversaw opportunistic real estate funds and loan portfolios investments in Europe, India and South America. Earlier, he also served as an assistant finance director for South America, based in Sao Paulo, Brazil.

In addition, Hernan has an extensive international career and completed multi-year assignments in multiple countries including Argentina, Brazil and the United States.

Hernan earned a bachelor's degree in business administration from the University of Buenos Aires and a master of business administration from Boston University (Questrom School of Business). He is a certified public accountant (inactive).

Hernan is involved in multiple NCREIF initiatives and is a member of the NCREIF Fund Index ODCE Investment Policy Committee and the NCREIF Performance Committee. Hernan is a German and Argentine citizen and is fluent in English, Spanish and Portuguese.

PGIM REAL ESTATE

# STEVE MOEN

## Executive Director
## Real Estate and Private Equity

Steve Moen is an executive director at PGIM Real Estate and a member of the U.S. Business Development group serving institutional investors and consultants primarily in the Western United States and Canada. Based in Denver, Steve is responsible for client relationship management and capital raising for PGIM Real Estate's global products across real estate, agriculture and impact, as well as the coordination of business development activities between PGIM and Montana Capital Partners – a PGIM-owned global private equity secondaries manager.

Before joining PGIM Real Estate, Steve was a senior vice president at Partners Group, responsible for client service and marketing of private market investment strategies across institutional investor channels.

Previously, Steve was a vice president with Buchanan Street Partners, where his responsibilities included deploying debt and equity capital for value-added real estate strategies through acquisitions in office, industrial, multifamily and retail assets across the Western United States.

Prior to his career in the investment management business, Steve worked in investment banking at Salomon Brothers/Citigroup, executing capital markets and M&A transactions for clients in the technology, media and energy sectors.

Steve has a bachelor's degree in economics from the University of California, Los Angeles, and a master of business administration from the UCLA Anderson School of Management.

## CONTACT

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Phone: +1 (415) 486-3832

Years with PGIM: 3
Industry Experience: 23

# Important Information

## ENDNOTES

- **PRISA Separate Account ("PRISA SA")** is the original PRISA fund structured as an insurance company separate account with an inception date of July 1970.
- **PRISA LP** is an investment vehicle that held its initial closing on January 1, 2013, and was formed to invest in substantially all of the existing portfolio of PRISA SA assets (as of December 31, 2012) as well as all assets that PICA, on behalf of PRISA SA, elects to invest in going forward. **PRISA PF LP** is an investment vehicle formed as a parallel fund to PRISA LP. PRISA PF LP held its initial closing on June 30, 2022, and invests alongside PRISA LP and PRISA SA.
- **PRISA or PRISA Composite** reflects the combined performance of all assets held by PRISA SA, PRISA LP and PRISA PF LP. Although this is not an actual fund in which any client is invested, it is indicative of the overall performance of the PRISA investment strategy and, therefore, the PRISA Composite returns and portfolio metrics will be provided to NCREIF for inclusion in the NFI-ODCE and other NCREIF Indices. PRISA may also refer to the PRISA portfolio and asset management teams. PRISA Composite information is provided for illustrative purposes and should not be relied upon by investors for any reason.
- **PRISA REIT** is the entity through which PRISA LP will make all of its investments. As of June 30, 2023, PRISA LP and PRISA SA own approximately 47.4% and 52.6% of PRISA REIT, respectively. Any reference to PRISA LP's dollar exposure throughout this document refers to that of PRISA REIT, unless otherwise noted.
- **Important Note on Historical Information:** Economic terms and other portfolio metrics reported for PRISA, PRISA SA, or PRISA LP that include periods to the formation of PRISA LP reflect information for PRISA SA for those periods prior to January 1, 2013. Prior to the formation of PRISA LP, PRISA and PRISA SA were one and the same.

## BENCHMARK DEFINITIONS

**NCREIF Fund Index-Open End Diversified Core Equity (NFI-ODCE):** The NFI-ODCE, short for NCREIF Fund Index — Open End Diversified Core Equity, is a capitalization-weighted, gross of fee, timeweighted return index with an inception date of December 31, 1977. Other supplemental data such as equal-weight and net of fee returns are also provided by NCREIF for informational proposes and additional analysis. To be eligible for NFI-ODCE membership, each member fund must be marketed as an open-end fund with a diversified core investment strategy primarily investing in private equity real estate. All members funds must adhere to the following index inclusion criteria:

At least 80% of the fund gross asset value must be invested in private direct real estate equity; (2) At least 95% of real estate gross market value assets must be located in U.S. markets; (3) At least 75% of fund gross market value must be invested in office, industrial, apartment and retail property types; (4) At least 75% of the fund gross asset value must be invest in "stabilized" properties (75% leased); (5) Fund loan-to-value ratio (LTV) must be less than 35%; (6) No more than 60% of real estate gross market value in one property type with greater than 5% of gross market value in 3 of the 4 major property types; and (7 ) No more than 65% of real estate gross market value in one NCREIF defined region.

Each member fund must also comply with the NCREIF PREA Reporting standards. Note: A benchmark Index is not professionally managed. Investors cannot invest directly in an index.

## GRESB DEFINITIONS

For 2020, GRESB introduced structural reporting changes with the introduction of the separate Management, Performance and Development Components.

The Management Component measures the entity's strategy and leadership management, policies and processes, risk management and stakeholder engagement approaches, comprising of information collected at the organizational level. Starting in 2020, the Management Component was restructure into five aspects: Leadership, Policies, Reporting, Risk management, Stakeholder engagement

The Performance Component measures the entity's asset portfolio performance, comprising of information collected at the asset and at the portfolio level. It is suitable for any real estate company or fund with operational assets. Starting in 2020, the Performance Component was restructured into 10 aspects:

- Portfolio-level aspects: Risks Assessment, Data Review, Targets, Tenants and Community
- Asset-level aspects: Energy, GHG Emissions, Water, Waste, Efficiency Measures, Building Certifications

The Development Component measures the entity's efforts to address ESG issues during the design, construction, and renovation of buildings. This component is suitable for entities involved in new construction (building design, site selection and/or construction) and/or major renovation projects, with on-going projects or completed projects during the reporting period. Starting in 2020, the Development Component was restructured into seven aspects:

ESG Requirements, Materials, Building Certifications, Energy, Water, Waste, and Stakeholder Engagement
Portfolios with both standing investments and development projects (such as PRISA) submit:

Management, Performance and Development Components to receive two Benchmark Reports:

Standing Investments Benchmark Report including a GRESB Score and a GRESB Rating (GRESB Score = 30% Management Component Score + 70% Performance Component Score)

Development Benchmark Report including a GRESB Score and a GRESB Rating (GRESB Score = 30% Management Component Score + 70% Development Component Score)

Additional information may be found at: www.gresb.com.

## VALUATION POLICY

Properties held by the Fund are accounted for at fair value in accordance with applicable contractual requirements and in compliance with authoritative accounting guidance ("U.S. GAAP"). Property level debt is also accounted for at fair value based on the amount at which the impact of the liability could be measured in a current transaction exclusive of direct transactions costs. The Fund's current valuation procedure is as follows:

PGIM Real Estate's Global Chief Real Estate Appraiser (the "Chief Appraiser"), who has an independent reporting line from the business (reporting to Investment Risk), is responsible for the valuation process of the Fund's investments and approves final gross real estate values. The Chief Appraiser retains an independent Appraisal Management Firm ("AMF") to run the day-to-day operation of the appraisal process. The AMF is responsible to assist with the selection, hiring, oversight, rotation and/or termination of third-party appraisal firms. Third-party appraisers are typically rotated on a three-year cycle and are selected from the Chief Appraiser's Approved Vendor's List through a competitive bid process. To be included in the list, individual experts are interviewed, referenced and a sampling of their work is reviewed to understand capabilities and competencies of the appraiser. In addition to the administrative services, the AMF collects asset manager comments and provides independent reviews of the appraisal reports and opines on the reasonableness of the value conclusions in order to maintain documentation and monitoring of the independence and accuracy of the valuations. The reported fair values are based on the external appraisal conclusions following the completion of the formal internal and external reviews and sign-offs. However, in the rare instance a material fact or error be identified and considered unresolved during the AMF review process, the AMF is responsible to provide the substantiation and compelling evidence to make an adjustment to the appraised value and it would be reported to the Fund investors.

Values as of June 30, 2023 have been determined by our third-party appraisers overseen by the independent AMF. No value adjustments have been required to the external appraisal conclusions as the appraisers have made valuation adjustments based on the specific sectors and competitive position of the properties. The cash flow adjustments continue to be focused on short-term (1 to 3 years) income collections for all assets as well as further adjustments for specific properties that are not stabilized, those that have near-term lease expirations, located in gateway cities, and large retail assets. Further, market rents, yield rates and operating expenses have been adjusted depending on the specific property performance and overall market conditions.

# Disclosures

PGIM Real Estate is the real estate investment management business of PGIM, the principal asset management business of Prudential Financial, Inc. ("PFI"), a company incorporated and with its principal place of business in the United States. PGIM is a trading name of PGIM, Inc. and its global subsidiaries. PGIM, Inc. is an investment adviser registered with the U.S. Securities and Exchange Commission (the "SEC"). Registration with the SEC does not imply a certain level of skill or training. PFI of the United States is not affiliated in any manner with Prudential plc, incorporated in the United Kingdom or with Prudential Assurance Company, a subsidiary of M&G plc, incorporated in the United Kingdom. Prudential, PGIM, their respective logos and the Rock symbol are service marks of PFI and its related entities, registered in many jurisdictions worldwide.

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These materials do not take into account individual client circumstances, objectives or needs. No determination has been made regarding the suitability of any securities, financial instruments or strategies for particular clients or prospects. The information contained herein is provided on the basis and subject to the explanations, caveats and warnings set out in this notice and elsewhere herein. Any discussion of risk management is intended to describe PGIM Real Estate efforts to monitor and manage risk but does not imply low risk.

**All performance and targets contained herein are subject to revision by PGIM Real Estate and are provided solely as a guide to current expectations. There can be no assurance that any product or strategy described herein will achieve any targets or that there will be any return of capital. Past performance is not a guarantee or a reliable indicator of future results. No representations are made by PGIM Real Estate as to the actual composition or performance of any account.**

## PRISA Target Returns

The Fund's target returns are purely aspirational in nature, should be regarded as mere objectives intended to illustrate the Fund's overall investment approach, style, and philosophy, and are not based on any specific assumptions that support the Fund's goal of achieving this outcome. The Fund and PGIM make no guarantee that the Fund will be able to achieve these targets in the short or long term. Targets should not be construed as providing any assurance as to the results that may be realized in the future from investments in the Fund. Actual Fund returns will vary, and may vary significantly from the targeted returns set forth above. See the Endnotes page for **NCREIF Fund Index-Open End Diversified Core Equity (NFI-ODCE)** Benchmark Definitions.

The financial indices referenced herein as benchmarks are provided for informational purposes only. The holdings and portfolio characteristics may differ from those of the benchmark(s), and such differences may be material. Factors affecting portfolio performance that do not affect benchmark performance may include portfolio rebalancing, the timing of cash flows, credit quality, diversification and differences in volatility. In addition, financial indices do not reflect the impact of fees, applicable taxes or trading costs which reduce returns. Unless otherwise noted, financial indices assume reinvestment of dividends. You cannot make a direct investment in an index. The statistical data regarding such indices has not been independently verified by PGIM Real Estate.

References to specific securities and their issuers are for illustrative purposes only and are not intended and should not be interpreted as recommendations to purchase or sell such securities. The securities referenced may or may not be held in portfolios managed by PGIM Real Estate and, if such securities are held, no representation is being made that such securities will continue to be held.

Net returns shown herein are time-weighted rates of return after deduction of manager compensation. Actual manager compensation schedules and other expenses are described in the individual PRISA SA contracts and the governing documents of PRISA LP and its subsidiaries. Please see Part 2 of the PGIM Inc. Form ADV, for more information concerning manager compensation.

These materials do not purport to provide any legal, tax or accounting advice. These materials are not intended for distribution to or use by any person in any jurisdiction where such distribution would be contrary to local law or regulation.

The information contained herein is provided by the PGIM Real Estate, a business unit of PGIM. PGIM, Inc. is the investment manager of PRISA SA and PRISA LP.

In addition to this document, PGIM Real Estate or its agent may distribute to you an offering memorandum (the "PPM") and the constitutional documents of PRISA LP (including a limited partnership agreement and/or other governing fund document and a subscription agreement for the PRISA LPs and constitutional documents of PRISA LP together with the PPM, the "Memorandum"). You should review and carefully consider these documents, especially the risk factors explained within them, and should seek advice from your legal, tax, and other relevant advisers before making any decision to subscribe for interests in the Fund. If there is any conflict between this document and the Memorandum and constitutional documents of the Fund, the Memorandum and constitutional documents shall prevail. You must rely solely on the information contained in the Fund's Memorandum and constitutional documents in making any decision to invest.

**There can be no assurance that the Fund will meet any performance targets referenced herein. An investor could lose some or all of its investment in the Fund. Investments are not guaranteed by the Fund, PGIM Real Estate, their respective affiliates, or any governmental agency.**

Certain securities products and services are distributed by Prudential Investment Management Services LLC, a Prudential Financial company and member of SIPC.

# Disclosures (continued)

## Risk Factors

Investments in commercial real estate and real estate-related entities are subject to various risks, including adverse changes in domestic or international economic conditions, local market conditions and the financial conditions of tenants; changes in the number of buyers and sellers of properties; increases in the availability of supply of property relative to demand; changes in availability of debt financing; increases in interest rates, exchange rate fluctuations, the incidence of taxation on real estate, energy prices and other operating expenses; changes in environmental laws and regulations, planning laws and other governmental rules and fiscal policies; changes in the relative popularity of properties risks due to the dependence on cash flow; risks and operating problems arising out of the presence of certain construction materials; and acts of God, uninsurable losses and other factors which are beyond the control of the Manager and the Fund. As compared with other asset classes, real estate is a relatively illiquid investment. Therefore, investors' withdrawal requests may not be satisfied for significant periods of time. Other than its general fiduciary duties with respect to investors, PGIM Real Estate has no specific obligation to take any particular action (such as liquidation of investments) to satisfy withdrawal requests. In addition, as recent experience has demonstrated, real estate is subject to long-term cyclical trends that give rise to significant volatility in real estate values.
Please refer to the Fund's Private Placement Memorandum ("PPM") or draft PPM for full description of identified risks. The PPM is available in the English language.

The Interests have not been and will not be registered under the U.S. Securities Act and are being offered and sold in compliance with Regulation D under the U.S. Securities Act. The Interests are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under Regulation D under the U.S. Securities Act and the applicable state, foreign and other securities laws, pursuant to registration or exemption therefrom. The transferability of Interests will be further restricted by the terms of the Partnership Agreement of the Fund. Prospective Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

**These materials are for informational or educational purposes. In providing these materials, PGIM (i) is not acting as your fiduciary and is not giving advice in a fiduciary capacity and (ii) is not undertaking to provide impartial investment advice as PGIM will receive compensation for its investment management services.**

## SFDR/Taxonomy Regulation

PGIM Real Estate is in the process of implementing the applicable requirements as per the EU's Sustainable Finance Disclosures Regulation (“SFDR”) and the EU Regulation on the establishment of a framework to facilitate sustainable investment (the “Taxonomy Regulation”) as specified by the commission delegated regulation, which supplements the SFDR with regard to regulatory technical standards (“RTS”) specifying the content, methodologies and presentation of information in relation to sustainability indicators and the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, websites and periodic reports.

On 30 September 2022, the European Supervisory Authorities published their Final Report (JC 2022 42) suggesting further amendments to the RTS. As a consequence PGIM Real Estate may need to adopt its implementation to meet the requirements. Further amendments due to additional guidance from the European Commission regarding the implementation of the SFDR and the Taxonomy Regulation are to be expected. PGIM Real Estate categorized this proposed Fund to meet a potential client’s sustainability preferences as a financial instrument that considers principal adverse impacts on sustainability factors.

PRISA LP does not have as its objective sustainable investment and does not promote environmental or social characteristics for the purposes of the SFDR. The Fund is therefore not subject to the additional disclosure requirements for financial products referred to in Article 8 or Article 9 SFDR. For the same reason, the Fund is not subject to the requirements of the Taxonomy Regulation. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

## Environmental, Social and Governance (“ESG”)

PGIM Real Estate’s overarching ESG mission is doing the right thing for our people, the environment, and our communities. While the Fund does not seek to implement a specific ESG, impact or sustainability strategy, ESG considerations are embedded through various stages of PGIM Real Estate’s investment processes that target efficiency and screen for risks and is applied to some degree across most of the Fund’s investments. PGIM Real Estate performs upfront asset-level due diligence which informs prudent capital and operational strategies that focus on efficiency measures that aim to reduce negative environmental impacts as well as operating expenses. Additionally, assets are screened for transitional and physical climate risks, and appropriate mitigation measures are included in the asset strategy to strengthen its resilience profile. PGIM Real Estate actively engages with surrounding communities through outreach, events, local philanthropy, work programs and charitable service. Finally, PGIM Real Estate considers its governance policies, which advocate for responsible investing, diversity and inclusion, and equitable economic growth.