

Commonwealth of Pennsylvania State Employees' Retirement System

LaSalle SMA

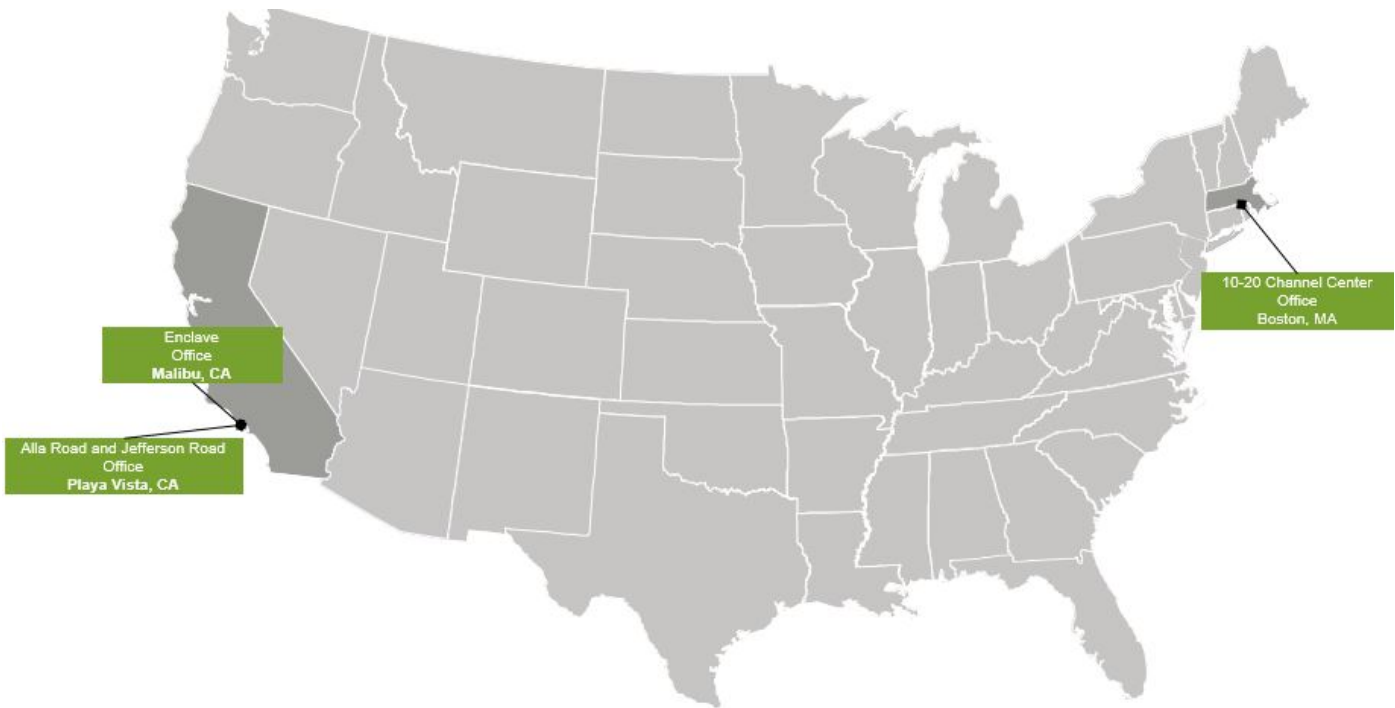
Q3 2021



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I. Property Map



KEY:

Operating Properties

II. Executive Summary

2.1 Market Overview

Market Outlook

The US rebound from the pandemic decelerated in the third quarter. Headwinds from the Delta variant of COVID-19, labor shortages, and ongoing supply chain pressures worked to constrain, but not reverse, the economic recovery. Inflation remained elevated and many employers are finding it difficult to fill open positions. Despite a declining unemployment rate and record job postings, US net hiring slowed in September, leaving payrolls 3.3% below their pre-pandemic level. Yet mobility indicators and COVID case incidence improved in late September and early October and this would not have been captured in the most recent job and GDP data.

In the third quarter, tenant space demand remained strong or improved across property types, with leasing decisions, office excepted, reflecting tenant conviction in the long-term recovery. Residential, industrial, and self-storage fundamentals continue to set new records and open-air retail showed a notable improvement. Office continued to lag, though the pace of vacancy increases slowed.

Apartment vacancy in major markets declined to just 3.0% last quarter, 140 basis points lower than a year ago. Major market rent growth has accelerated to 11.9% year-over-year in September. Single family rental (SFR) rent growth has been similar. Industrial net absorption surged to a near-record quarter in Q3 2021, reducing vacancy to just 3.6%. Over the last four quarters, industrial leased square footage has grown by 2.8% against 1.9% supply growth.

Open-air retail vacancy declined slightly to 7.0% in Q3, similar to the vacancy rate a year ago. National net absorption, while still modest, registered its best quarter since 2017 and there is very little new supply. Conventional office vacancy, however, rose again in the third quarter to 16.8%, a 270 basis point increase over the last year. The national medical office vacancy rate is significantly lower at 9.1% and was stable over the past quarter.

Real Estate Capital Markets

Capital markets continue to show improved transaction volumes, strong downward pressure on cap rates for most property types, and abundant available debt financing. The average life insurer fixed lending rate was equal to 3.04% in the most recent quarter, slightly up from early 2021 but still near a record low. Even CMBS issuance has picked up, concurrent with a decline in CMBS delinquency rates. Average US monthly transaction volume in July and August was 9% higher than the pre-pandemic (2017-19) monthly average, with a meaningful shift in property type mix toward residential.

2.2 Quarter Highlights

Year-to-date Portfolio NOI is 3% behind budget due a one-time accrual for the prior year's expense reconciliation at Alla Road.

The Portfolio remained 53% leased during the quarter.

The Portfolio was externally appraised at \$299.7 million which represents no meaningful appreciation adjustment from the prior quarter.

The Portfolio total return underperformed the ODCE index for the quarter.

2.3 Portfolio Performance

The Portfolio is underperforming the ODCE index for all periods except 10 year and since inception.

The Portfolio has been 100% office for ten consecutive quarters due to client restrictions on new investments. During this period, the office sector has underperformed the ODCE index.

Portfolio Time-Weighted Returns ⁽¹⁾

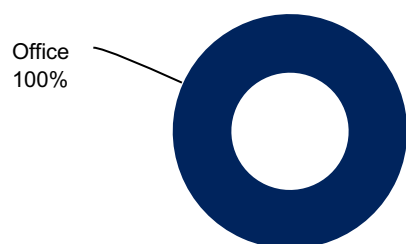
Before Fee-Leveraged	Current Quarter	1 Year	3 Year	5 Year	10 Year	Since Inception
Income	0.1%	-0.3%	0.7%	2.5%	4.4%	6.8%
Appreciation	1.1%	-0.3%	-0.8%	1.2%	5.6%	3.5%
Total	1.2%	-0.6%	-0.1%	3.7%	10.2%	10.5%
NFI - ODCE	6.6%	14.6%	7.1%	7.5%	9.9%	8.9%
Difference	-5.4%	-15.2%	-7.2%	-3.8%	0.3%	1.6%

Before Fee-Unleveraged	Current Quarter	1 Year	3 Year	5 Year	10 Year	Since Inception
Income	0.5%	2.2%	2.7%	3.6%	4.1%	6.5%
Appreciation	0.6%	-0.1%	-0.2%	0.2%	2.8%	2.6%
Total	1.1%	2.2%	2.5%	3.8%	7.0%	9.2%
NFI	5.2%	12.2%	6.7%	6.8%	9.0%	9.1%
Difference	-4.1%	-10.0%	-4.2%	-3.0%	-2.0%	0.1%

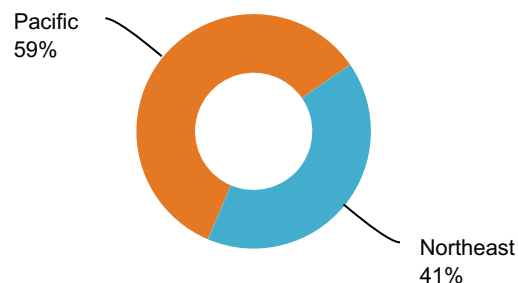
(1) Please refer to section 2.9 for additional information on the returns presented above.

2.4 Diversification

FMV by NCREIF Type

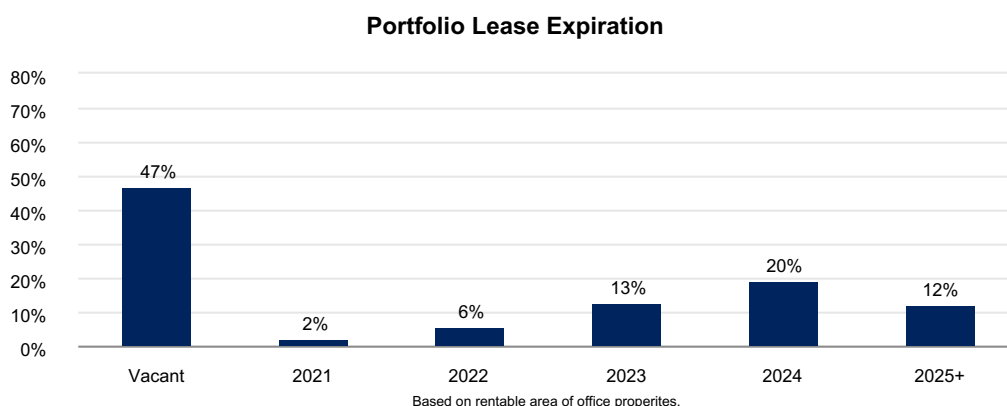
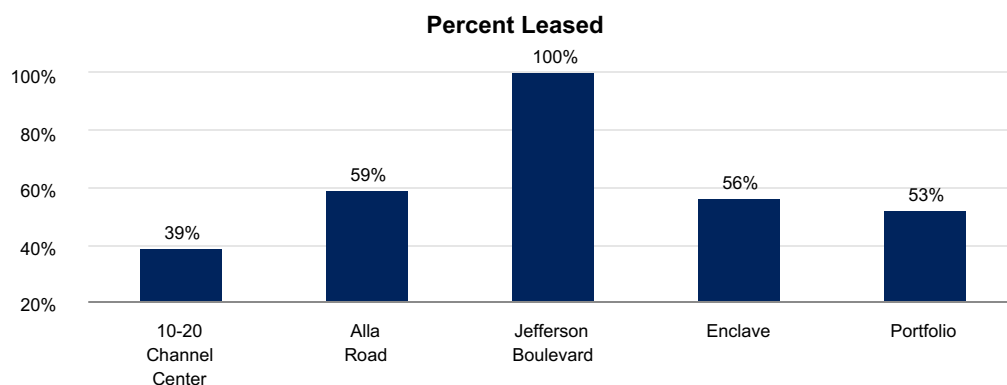


FMV by NCREIF Region



2.5 Occupancy and Lease Expiration

The overall Portfolio is 53% leased.



2.6 Leverage

The 10-year treasury rates have decreased to 1.34% since June 30 when they were 1.45%.

Current Portfolio leverage is 47% LTV with a 1.17x DSCR. The weighted average interest rate is 3.63%.

Pursuant to GAAP requirements, all property debt is marked to market at quarter-end. The quarterly adjustment “decreased” the overall mortgage balance on the Portfolio to a cumulative negative \$1.3 million adjustment.

Summary of Loans in place as of September 30, 2021

Total loans - fair value ⁽¹⁾	\$ 143.0 m
Total loans - cost basis ⁽¹⁾	\$ 141.7 m
Loan to Value	47 %
DSCR ⁽²⁾	1.17x
Weighted Average Interest Rate	3.63 %
Weighted Average Term to Maturity	1.24

(1) Amounts presented above are at 100%.

(2) DSCR = NOI/Debt Service

2.7 Investment Activity – Acquisitions and Dispositions

There were no acquisitions or dispositions during the quarter.

2.8 Financial Statements

Revenue: 2% behind budget due to lower than expected tenant recoveries at Alla Road and 10-20 Channel, which is offset by prior year tax recovery true up at Jefferson Boulevard.

Operating Expenses: In line with budget.

Net Operating Income: 3% behind budget due to the above.

Interest Expense: In line with budget.

Net Income: Behind budget due to the impacts of expenses related to assets sold in prior years.

Year-to-Date Income Statement (\$ million) ⁽¹⁾

	Actual	Budget	Diff %
Revenue	11.5	11.7	-2%
Operating Expenses	-6.9	-6.9	0%
Net Operating Income	4.6	4.8	-3%
Non-Operating Expenses	-1.7	—	0%
Interest Expense	-3.9	-3.9	1%
Net Income	-1.0	0.8	-227%

(1) Amounts presented above are at 100%.

2.9 Required Investment Advisor Notices

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If you wish to receive a copy of LaSalle Investment Management, Inc.'s most current Form ADV Part 2A, please email LasalleClientAccountServicing@lasalle.com or call (312) 897 - 4000. Our Form ADV Part 2 is also available on our website at www.lasalle.com, accessible through the link titled "Company Legal Information."

Portfolio Performance Disclosures (for Section 2.3)

Time-weighted returns presented are calculated as a composite of investment level, leveraged, and before fee and as a composite of property level, unleveraged, and before fee. All composites are calculated in accordance with the investment level returns methodology specified in the NCREIF PREA Reporting Standards Handbook Volume II.

The Portfolio accounts for investments on a fair value basis of accounting. Asset management fees and incentive fees which are paid or accrued by LaSalle Investment Management, Inc., are added to the after fee returns (both TWR's and IRR's when applicable) to arrive at the before fee returns.

Asset management fees are expensed and calculated as a component of the after fee income returns. Incentive fees are capitalized and written-off to unrealized appreciation and calculated as a component of the after fee appreciation returns.

The NCREIF Fund Index - Open End, Diversified, Core Equity (NFI-ODCE) is published by NCREIF and the since inception NFI-ODCE benchmark has been adjusted to match the hold-period of the LaSalle Investment Management, Inc. portfolio presented. The NFI-ODCE is a before-fee, leveraged, investment level index of open-ended, core, real estate funds owned by institutional real estate investors in the U.S. For more information on the NFI-ODCE, please refer to ncreif.org.

The NCREIF Property Index (NPI) is published by NCREIF, and the since inception NPI benchmark has been adjusted to match the hold-period of the LaSalle Investment Management, Inc. portfolio presented. The NPI is a before-fee, unleveraged, property level index of operating properties owned by institutional real estate investors in the U.S. For more information on the NPI, please refer to www.ncreif.org.

Additional Disclosures - COVID -19

The outbreak of the Novel Coronavirus (COVID-19) was declared by the World Health Organisation as a "global health emergency" on the 30th January 2020 and was then characterised as a pandemic in March 2020. COVID-19 has impacted global financial markets, severely restricted international trade and travel, disrupted business operations (in part or in their entirety) and negatively impacted most investment asset classes (including real estate (whether held directly or indirectly, or whether as a result of being a lender to owners of real estate)).

As a result of the above factors, conditions exist in the real estate markets that may result in value uncertainty and valuations are reported on the basis of significant valuation uncertainty or extraordinary assumptions related to the impact of COVID-19. Consequently, less certainty – and a higher degree of caution – should be attached to valuations than would normally be the case. Given the foregoing and the unknown extent of the impact of COVID-19, LaSalle accordingly highlights that the reliability of pricing/net asset value/securities/real estate values in this report may be significantly under- or over-stated and subject to material variance on a short term basis.

This communication may contain forward-looking statements with respect to LaSalle Investment Management. Forward-looking statements are statements that are not descriptions of historical facts and include statements regarding management's intentions, beliefs, expectations, research, market analysis, plans or predictions of the future. Because such statements include risks, uncertainties and contingencies, actual results may differ materially from those expressed or implied by such forward-looking statements.

3. Financial Schedules

Schedule 1: SUMMARY OF INVESTMENTS ⁽¹⁾

Property Name	Percent Owned	Interest Held	Location	Region	Strategy	Investment Date	Leaseable Area (RSF)	Percent Leased	Historical Cost (\$ million)	Market Value (\$ million)	Debt Outstanding (\$ million)	Net Market Value (\$ million)
Operating Portfolio												
10-20 Channel Center	100%	Leveraged Equity	Boston, MA	Northeast	Value Add	Dec-16	255,385	39%	120.9	123.0	55.0	68.0
Alla Road	99%	Leveraged Equity	Playa Vista, CA	Pacific	Value Add	Jan-17	131,942	59%	93.5	97.9	59.8	38.1
Jefferson Boulevard	99%	Leveraged Equity	Playa Vista, CA	Pacific	Value Add	Jan-17	48,412	100%	43.9	48.0	26.9	21.1
Enclave	99%	Leveraged Equity	Malibu, CA	Pacific	Value Add	Jan-17	39,286	56%	31.1	30.8	0.0	30.8
Total Office							475,025	52%	289.3	299.7	141.7	158.0
Total Portfolio ⁽²⁾							475,025	52%	289.3	299.7	141.7	158.0

(1) Commonwealth of Pennsylvania State Employees' Retirement System (SERS) is a single client account in an operating cycle.

(2) Total amounts presented are at 100% for presentation purposes only.

Schedule 2A: INVESTMENTS - PERFORMANCE RETURNS - LEVERAGED

	Current Quarter			1-Year ⁽¹⁾			Total Returns ⁽¹⁾			
	Income	Appreciation ⁽²⁾⁽³⁾	Total	Income	Appreciation ⁽²⁾⁽³⁾	Total	3-Year	5-Year	10-Year	Since Inception ⁽⁴⁾
Multi-Family										
Sold (6 properties)										14.5%
Total Multi-family	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Office										
10-20 Channel Center	-0.5%	-0.2%	-0.7%	-2.2%	-3.8%	-5.9%	-4.7%	N/A	N/A	1.8%
Alla Road	0.2%	1.7%	1.9%	1.8%	2.2%	4.0%	-1.1%	N/A	N/A	1.9%
Jefferson Boulevard	1.0%	0.5%	1.6%	6.7%	1.0%	7.7%	7.9%	N/A	N/A	5.2%
Enclave	0.7%	4.1%	4.8%	3.3%	3.9%	7.3%	7.0%	N/A	N/A	-2.4%
Sold (13 properties)										8.0%
Total Office	0.1%	1.2%	1.3%	0.9%	-0.3%	0.6%	-0.4%	1.2%	8.0%	7.8%
Retail										
Sold (2 properties: 01/94 - 10/04)										16.4%
Sold (2 properties: 03/13 - 02/19)										6.8%
Total Retail ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Industrial										
Sold (1 property: 06/97 - 02/07)										7.9%
Sold (6 properties: 08/13 - 02/19)										26.5%
Total Industrial ⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Development										
Sold (7 properties: 03/00 - 09/10) ⁽⁷⁾										N/A
Sold (5 properties: 11/07 - 09/20)										-14.0%
Total Development ⁽⁸⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Portfolio Investment Level (Before Fees) ⁽⁹⁾	0.1%	1.1%	1.2%	-0.3%	-0.3%	-0.6%	-0.1%	3.7%	10.2%	10.5%
NFI-ODCE ⁽¹⁰⁾	1.0%	5.6%	6.6%	4.0%	10.4%	14.6%	7.1%	7.5%	9.9%	8.9%
Difference	-0.9%	-4.5%	-5.4%	-4.3%	-10.7%	-15.2%	-7.2%	-3.8%	0.3%	1.6%
Total Portfolio Investment Level (After Fees) ⁽¹¹⁾	-0.1%	1.1%	1.0%	-1.1%	-0.3%	-1.4%	-1.2%	2.5%	8.9%	9.3%

Notes:

(1) Annual and since inception returns will be provided once four full quarters of data are available.

(2) Real estate assets are externally appraised annually. The Portfolio's real estate investments are valued in accordance with the REIS Property Valuation Standards.

(3) Mortgage liabilities are valued quarterly using internal valuations prepared by LaSalle Investment Management, Inc.

(4) The Portfolio's inception date of March 1994 is used to calculate the since inception returns.

(5) Total retail composite excludes B.M.O.C. and Cypress Point Shopping Center which was part of the portfolio from April 1994 through October 2004. There are multiple quarter gaps where no retail investments were owned until the next retail investment was acquired in March 2013. Including B.M.O.C. and Cypress Point Shopping Center would not provide meaningful results.

(6) Total industrial composite excludes Airport Business Park which was part of the portfolio from June 1997 through February 2007. There are multiple quarter gaps where no industrial investments were owned until the next industrial investment was acquired in August 2013. Including Airport Business Park will not provide meaningful results.

(7) Due to the inclusion of Belmont & Grove Land Holdings, Ballard Road Holdings and Kenosha Business Park, the returns will not provide meaningful results.

(8) Total development composite excludes Cornelius Pass which was part of the portfolio from March 2000 through September 2002. There are multiple quarter gaps where no development investments were owned until the next development investment was acquired in November 2005. Including Cornelius Pass will not provide meaningful results.

(9) Time-weighted returns presented above are before-fee, leveraged, and calculated in accordance with the investment level returns methodology specified in the NCREIF PREA Reporting Standards Handbook Volume II.

(10) The NCREIF Fund Index – Open End, Diversified, Core Equity (NFI-ODCE) is published by NCREIF and the since inception NFI-ODCE benchmark has been adjusted to match the hold-period of the LaSalle Investment Management, Inc. portfolio presented. The NFI-ODCE is a before-fee, leveraged, investment level index of open-ended, core, real estate funds owned by institutional real estate investors in the U.S. NFI-ODCE leverage and the Fund's leverage at September 30, 2021 was 22% and 47%, respectively. For more information on the NFI-ODCE, please refer to www.ncreif.org.

(11) Time-weighted returns presented are after-fee, leveraged, net of all investment level expenses and are calculated in accordance with the investment level returns methodology specified in the NCREIF PREA Reporting Standards Handbook Volume II.

Schedule 2B: INVESTMENTS - PERFORMANCE RETURNS - UNLEVERAGED

	Current Quarter			1-Year ⁽¹⁾			Total Returns ⁽¹⁾			
	Income	Appreciation ⁽²⁾	Total	Income	Appreciation ⁽²⁾	Total	3-Year	5-Year	10-Year	Since Inception ⁽³⁾
Multi-Family										
Sold (6 properties)										11.3%
Total Multi-family	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Office										
10-20 Channel Center	0.1%	-0.2%	0.0%	0.4%	-1.9%	-1.5%	-0.5%	N/A	N/A	2.8%
Alla Road	0.7%	0.6%	1.3%	3.0%	0.9%	4.0%	2.7%	N/A	N/A	4.4%
Jefferson Boulevard	1.0%	0.2%	1.2%	5.0%	0.2%	5.2%	6.7%	N/A	N/A	6.1%
Enclave	0.7%	4.1%	4.8%	3.3%	3.9%	7.3%	5.6%	N/A	N/A	1.6%
Sold (13 properties)										7.2%
Total Office	0.5%	0.6%	1.1%	2.2%	-0.1%	2.2%	2.2%	3.3%	5.7%	7.2%
Retail										
Sold (2 properties: 01/94 - 10/04)										16.4%
Sold (2 properties: 03/13 - 02/19)										5.2%
Total Retail ⁽⁴⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Industrial										
Sold (1 property: 06/97 - 02/07)										7.9%
Sold (6 properties: 08/13 - 02/19)										12.1%
Total Industrial ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Development										
Sold (7 properties: 03/00 - 09/10)										N/A
Sold (5 properties: 11/07 - 09/20)										-14.5%
Total Development ⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Portfolio Property Level (Before Fees) ⁽⁷⁾	0.5%	0.6%	1.1%	2.2%	-0.1%	2.2%	2.5%	3.8%	7.0%	9.2%
NCREIF Property Index ⁽⁸⁾	1.1%	4.2%	5.2%	4.2%	7.7%	12.2%	6.7%	6.8%	9.0%	9.1%
Difference	-0.6%	-3.6%	-4.1%	-2.0%	-7.8%	-10.0%	-4.2%	-3.0%	-2.0%	0.1%
Total Portfolio Investment Level (Before Fees) ⁽⁹⁾	0.5%	0.6%	1.0%	1.5%	-0.1%	1.4%	2.3%	3.9%	7.2%	9.5%
Total Portfolio Investment Level (After Fees) ⁽¹⁰⁾	0.4%	0.6%	0.9%	1.1%	-0.1%	1.0%	1.6%	3.2%	6.5%	8.6%

Notes:

(1) Annual and since inception returns will be provided once four full quarters of data are available.

(2) Real estate assets are externally appraised annually. The Portfolio's real estate investments are valued in accordance with the REIS Property Valuation Standards.

(3) The Portfolio's inception date of March 1994 is used to calculate the since inception returns.

(4) Total retail composite excludes B.M.O.C. and Cypress Point Shopping Center which was part of the portfolio from April 1994 through October 2004. There are multiple quarter gaps where no retail investments were owned until the next retail investment was acquired in March 2013. Including B.M.O.C. and Cypress Point Shopping Center would not provide meaningful results.

(5) Total industrial composite excludes Airport Business Park which was part of the portfolio from June 1997 through February 2007. There are multiple quarter gaps where no industrial investments were owned until the next industrial investment was acquired in August 2013. Including Airport Business Park will not provide meaningful results.

(6) Total development composite excludes Cornelius Pass which was part of the portfolio from March 2000 through September 2002. There are multiple quarter gaps where no development investments were owned until the next development investment was acquired in November 2005. Including Cornelius Pass will not provide meaningful results.

(7) Time-weighted returns presented above are before-fee, leveraged, and calculated in accordance with the property level returns methodology specified in the NCREIF PREA Reporting Standards Handbook Volume II.

(8) The NCREIF Property Index (NPI) is published by NCREIF, and the since inception NPI benchmark has been adjusted to match the hold-period of the LaSalle Investment Management, Inc. portfolio presented. The NPI is a before-fee, unleveraged, property level index of operating properties owned by institutional real estate investors in the U.S. For more information on the NPI, please refer to www.ncreif.org.

(9) Time-weighted returns presented above are before-fee, leveraged, and calculated in accordance with the investment level returns methodology specified in the NCREIF PREA Reporting Standards Handbook Volume II.

(10) Time-weighted returns presented are after-fee, leveraged, net of all investment level expenses and are calculated in accordance with the investment level returns methodology specified in the NCREIF PREA Reporting Standards Handbook Volume II.

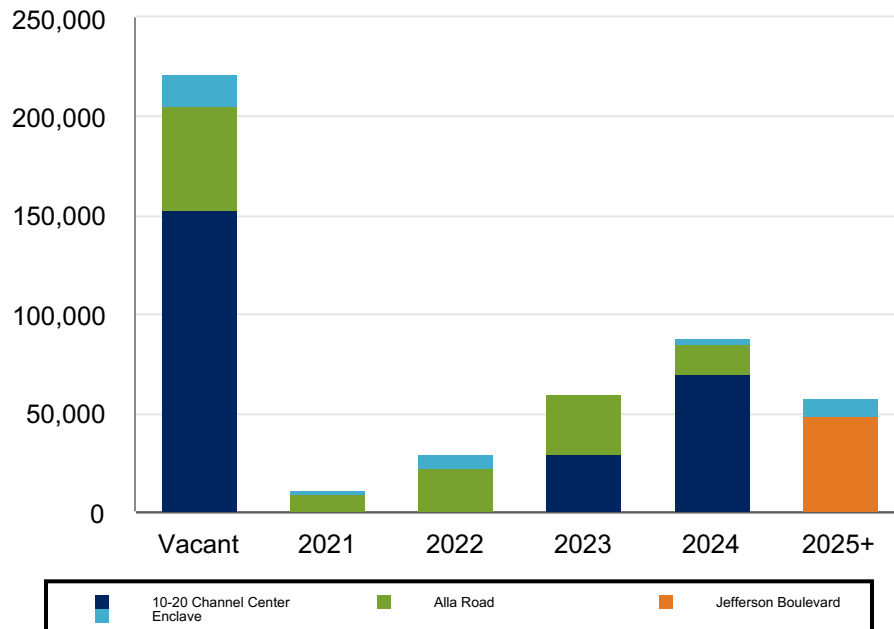
Schedule 3: PORTFOLIO REALIZED RETURNS BY PROPERTY

Project	Location	Acquisition Date	Disposition	Hold Period (Years)	Property Type	IRR Before Fees
Sharon Hills	Sharon, MA	11/12/2007	9/18/2020	12.86	Multi-family	(12.11)%
Queen Creek Marketplace and Oro Valley Marketplace	Tuscon, AZ	3/28/2013	2/28/2019	6.0	Retail	11.4%
Regents La Jolla	La Jolla, CA	10/31/2007	2/12/2019	11.3	Multi-family	6.2%
Chess Drive	Foster City, CA	2/17/2017	2/5/2019	3.0	Industrial	34.8%
215 West Lake	Chicago, IL	1/29/2016	12/21/2018	2.9	Multi-family	22.9%
Des Moines Industrial	Des Moines, WA	Multiple	12/7/2018	1.6	Industrial	56.4%
Henderson Freeways Industrial	Henderson, NV	11/17/2014	10/12/2018	3.4	Industrial	17.3%
925 L Street	Sacramento, CA	7/1/1997	11/21/2017	20.4	Office	13.2%
Corona Industrial	Corona, CA	2/9/2015	6/22/2017	2.4	Industrial	14.6%
Crossroads South	Hialeah Gardens, FL	7/27/2015	4/18/2017	1.7	Industrial	22.9%
Davie, Crossroads East, Crossroads West	Davie and Hialeah Gardens, FL	Multiple	3/14/2017 / 4/18/2017	2.5	Industrial	19.8%
Century Centre	San Mateo, CA	4/2/2014	9/9/2016	2.44	Office	18.8%
The Chelsea	New York, NY	5/15/2006	2/25/2016	9.79	Multi-family	14.1%
Marina Mile	Fort Lauderdale, FL	8/29/2013	7/17/2015	1.88	Industrial	15.6%
Lakeview at Port 95	Ft. Lauderdale, FL	8/2/2013	11/25/2014	1.32	Industrial	29.7%
Waterview at Coconut Creek	Coconut Creek, FL	12/21/2006	1/14/2014	7.07	Multi-family	(6.6)%
Arbors at Fair Lakes	Fairfax, VA	12/21/2006	11/25/2013	6.94	Multi-family	0.2%
Coronado Bay Club	Coronado, CA	10/27/1999	11/18/2013	14.07	Multi-family	18.7%
Kenosha Land Holdings	Kenosha, WI	4/9/2007	9/30/2010	3.48	Industrial	(100)%
Spectrum Corporate Plaza	San Diego, CA	2/6/2008	6/29/2010	2.40	Office	(10)%
Ballard Road Land Holdings	Middletown, NY	9/6/2006	11/23/2009	3.22	Industrial	(100)%
Belmont & Grove	Ontario, CA	11/8/2005	10/31/2009	3.98	Industrial	(100)%
Durango Land Holdings	Phoenix, AZ	3/3/2006	1/28/2008	1.91	Industrial	88.8%
Goodyear Land Holdings	Irvine, CA	12/15/2005	10/2/2007	1.80	Industrial	23.9%
Olive Branch Land Holdings	Olive Branch, MS	12/13/2005	2/23/2007	1.20	Industrial	7.6%
Airport Business Park	Memphis, TN	6/24/1997	2/21/2007	9.67	Industrial	9%
Lakecrest II	Memphis, TN	4/22/1999	1/11/2007	7.73	Office	4.1%
245 Winter Street	Waltham, MA	7/13/1998	4/19/2005	6.78	Office	(3.7)%
Centre 40 Executive	St. Louis, MO	12/14/1999	11/30/2004	4.97	Office	(3)%
Cypress Point	Clearwater, FL	1/1/1994	10/25/2004	10.82	Retail	15.7%
265 Winter Street	Waltham, MA	7/13/1998	9/3/2003	5.15	Office	12.5%
Lakecrest I	Memphis, TN	6/24/1997	7/29/2003	6.10	Office	12%
Cornelius Pass	Portland, OR	3/24/2000	9/30/2002	2.52	Industrial	72.2%
Woodfield Executive	Schaumburg, IL	11/25/1997	5/17/2001	3.48	Office	5.7%
850 Trafalgar	Maitland, FL	1/1/1996	2/1/2001	5.09	Office	8.9%
Heathrow One	Orlando, FL	8/6/1996	9/9/1998	2.10	Office	16.8%
Park Lake Center	Naperville, IL	4/1/1995	10/1/1997	2.51	Office	17.9%
BMOC	Burlington, NC	4/1/1995	4/22/1997	2.06	Retail	24.9%
Commerce Executive IV	Reston, VA	1/1/1995	12/19/1996	1.97	Office	28.3%
Commerce Executive V	Reston, VA	7/1/1994	12/19/1996	2.47	Office	25.4%

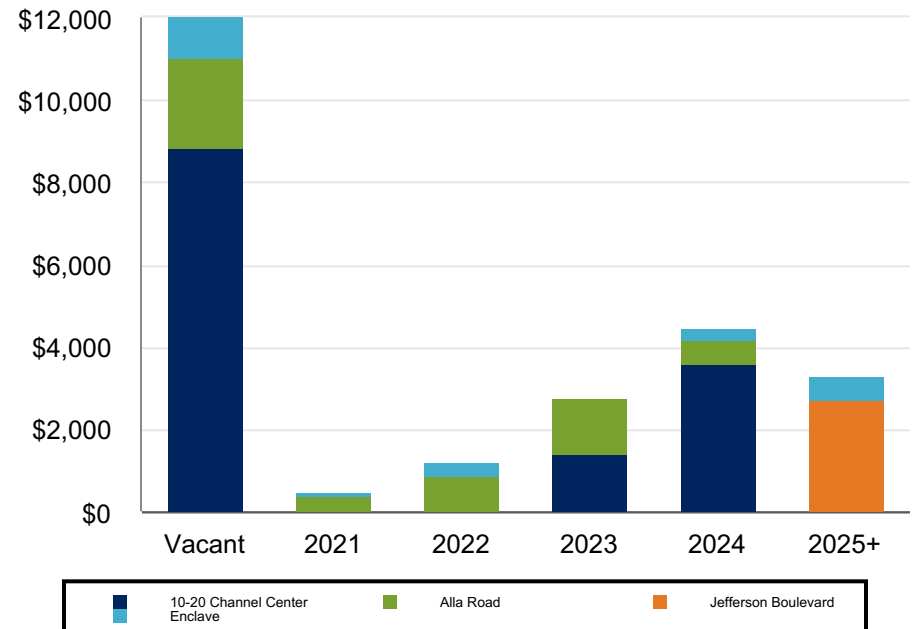
Schedule 4: INVESTMENTS - OCCUPANCY

Property Name	Leaseable Area (RSF)	% Leased		Area Expiring by Year (%)						Annual Rent Expiring by Year (%)					
		6/30/21	9/30/21	Vacant	2021	2022	2023	2024	2025+	Vacant	2021	2022	2023	2024	2025+
10-20 Channel Center	255,385	39%	39%	61%	—%	—%	12%	28%	—%	64%	—%	—%	10%	26%	—%
Alla Road	131,942	59%	59%	41%	7%	17%	23%	12%	—%	40%	7%	16%	25%	11%	—%
Jefferson Boulevard	48,412	100%	100%	—%	—%	—%	—%	—%	100%	—%	—%	—%	—%	—%	100%
Enclave	39,286	62%	56%	44%	5%	17%	—%	9%	24%	44%	5%	13%	—%	11%	26%
Total	475,025	53%	53%	47%	2%	6%	13%	20%	12%	49%	2%	6%	13%	18%	12%

Area Expiring by Year (RSF)



Annual Rent Expiring by Year (\$'000)



Schedule 5: SUMMARY OF DEBT

Property Name/Lender	Balance (\$'000)	Loan to Value	Interest Rate	Fixed / Variable	Maturity	Payment	Prepayment Penalties	Other
Operating Properties								
Alla Road / Barings	59,823	61%	3.65%	Variable	February 2023	Interest Only	Open at par.	Alla Road and Jefferson Boulevard are cross collateralized.
			(LIBOR floor 150 bps + 215 bps)					
Jefferson Boulevard / Barings	26,877	56%	3.65%	Variable	February 2023	Interest Only	Open at par.	Alla Road and Jefferson Boulevard are cross collateralized.
			(LIBOR floor 150 bps + 215 bps)					
10-20 Channel Center/ Hartford Life Insurance Company	55,000	45%	3.60%	Fixed	November 2022	Interest Only	Prepayable subject to yield maintenance	N/A
Total / Average ⁽¹⁾	141,700	47%	3.63%		1.24 yrs			

(1) Total amounts presented above are at 100%.

Fund T1 Leverage Disclosures ⁽¹⁾	
Fund's economic share of property level debt at cost	86,509,260
Wholly owned property level debt	55,000,000
Total T1 Leverage	141,509,260
Total assets per Statement of Net Asset - Equity	316,290,973
Less: Joint Venture Partner's economic share of total assets	(407,348)
Add: Fund's economic share of Joint Venture liabilities	—
Total Gross Assets	315,883,625
Fund T1 Leverage Percentage:	
Total T1 Leverage ÷ Total Gross Assets	44.8 %

(1) The T1 (Tier 1) Leverage Percentage is calculated in accordance with the leverage risk measures specified in the NCREIF PREA Reporting Standards Handbook Volume II. The debt outstanding is SERS share of the principal balance remaining on each loan. Debt valuation adjustments are not reflected in this schedule, however, they are included on the Statement of Net Assets - Equity.

4. Property Profiles

10-20 Channel Center

Property Summary

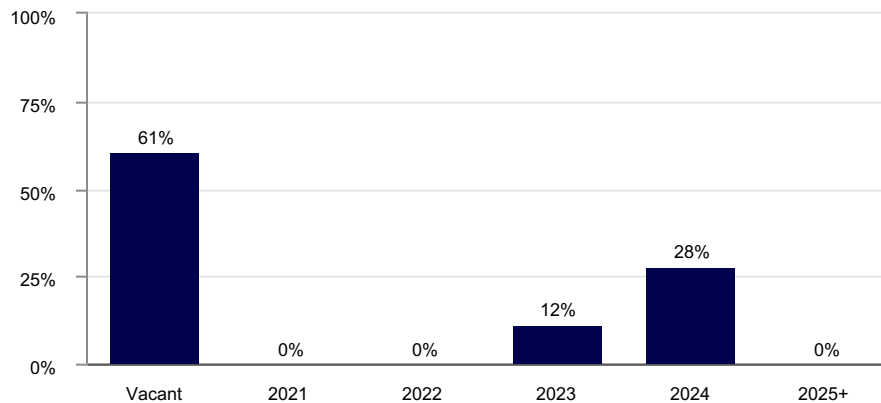
Location	Boston, MA
Property Type	Office
Year Built	1919 - 1922
Net Rentable Area	255,385 rsf
Leased	39 %
Acquisition Date	December 2016
Initial Investment	\$116,342,755
Historical Cost	\$120,910,115
Market Value	\$123,000,000
Debt Outstanding	\$55,000,000

Investment Performance⁽¹⁾

	Current Quarter	1-Year	3-Year	5-Year	10-Year	Since Inception
Income	-0.5%	-2.2%	0.1%	N/A	N/A	1.0%
Appreciation	-0.2%	-3.8%	-4.8%	N/A	N/A	0.8%
Total	-0.7%	-5.9%	-4.7%	N/A	N/A	1.8%

(1) Time-weighted returns presented above are before-fee, leveraged, and calculated in accordance with the property level returns methodology specified in the REIS Performance Measurement Resource Manual that is sponsored jointly by NCREIF and PREA.

Lease Maturation Schedule (RSF)



Major Tenants

Tenant	Lease Expiration	Area (RSF)	Monthly Rent	Annual Rent (PSF)	% of Total Income
Rue La La (Office)	6/30/2024	69,534	\$278,136	\$48.00	72%
Gilbane	12/31/2023	20,625	\$68,750	\$40.00	18%
Covidien	11/30/2023	8,338	\$39,606	\$57.00	10%



Property Highlights

Financial

Financial results for the period ended September 30, 2021 reflect NOI that is significantly ahead of budget. This is primarily due to expense savings given only 19.05% physical occupancy as a result of work-from-home orders for Rue La La and Gilbane.

During the quarter, the asset was externally appraised at \$123.0 million (\$482 PSF), which reflects a (0.2)% valuation change from the prior quarter.

The property is no longer under contract for disposition. The buyer, Phase I, determined the life science conversion was not foreseeable with Rue La La's lease.

Leasing

The property is currently 39% leased. Currently, the focus is on leasing up the building after it was put on hold pending the conversion with Phase 3; the leasing brokers have developed a business marketing plan to present to potential tenants. This includes lobby renovations, prebuilt suites and brokerage events.

Operations

Budgeted 2021 capital totals \$2.5 million; however, most capital projects were put on hold pending the proposed R&D conversion. The only capital spent in 2021 was a \$72K security camera upgrade that was previously budgeted for 2020. Now that the conversion has been cancelled, we are currently in discussions to build out spec suites on the 3rd and 4th floors to increase leasing appeal.

The indoor mask policy returned in Boston in August; Rue La La has postponed their employees returning to the building until January 2022. As a result, physical building occupancy remains low.

Alla Road

Property Summary

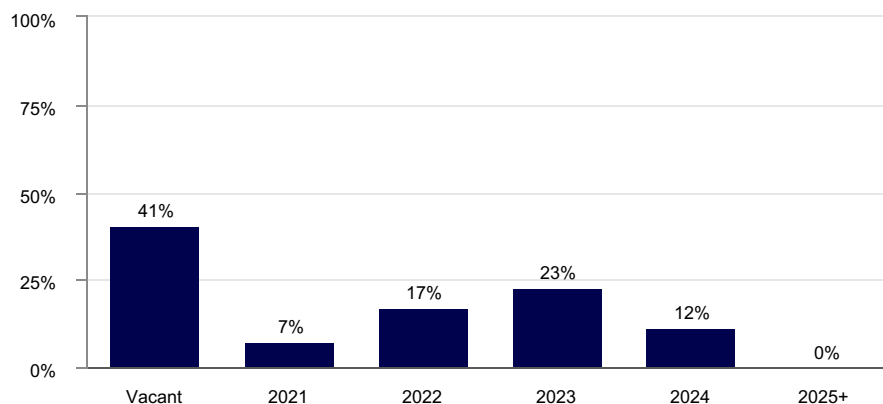
Location	Playa Vista, CA
Property Type	Office
Year Built	1973 / 2012 (Renovated)
Net Rentable Area	131,942 rsf
Leased	59 %
Interest Held	Joint Venture (99%)
Acquisition Date	January 2017
Equity Partner	PacShore
Initial Investment	\$85,985,042
Historical Cost	\$93,451,480
Market Value	\$97,900,000
Debt Outstanding	\$59,823,000

Investment Performance⁽¹⁾

	Current Quarter	1-Year	3-Year	5-Year	10-Year	Since Inception
Income	0.2%	1.8%	0.2%	N/A	N/A	0.0%
Appreciation	1.7%	2.2%	-1.3%	N/A	N/A	1.9%
Total	1.9%	4.0%	-1.1%	N/A	N/A	1.9%

(1) Time-weighted returns presented above are before-fee, leveraged, and calculated in accordance with the property level returns methodology specified in the REIS Performance Measurement Resource Manual that is sponsored jointly by NCREIF and PREA.

Lease Maturation Schedule (RSF)



Major Tenants

Tenant	Lease Expiration	Area (RSF)	Monthly Rent	Annual Rent (PSF)	% of Total Income
TVG	8/31/2022	22,727	\$72,272	\$38.16	28%
Winc, Inc.	1/31/2023	18,920	\$62,436	\$39.60	24%
VEVO	6/30/2023	12,101	\$47,557	\$47.16	18%
Kastner & Partners, Inc.	8/31/2024	15,251	\$44,990	\$35.40	17%



Property Highlights

Financial

Financial results for the period ended September 30, 2021 reflect NOI that is 10% behind budget primarily due a one-time accrual for the prior year's expense reconciliation.

During the quarter, the asset was externally appraised at \$97.9 million (\$742 PSF), which reflects a 0.6% valuation change from the prior quarter.

Leasing

The property is currently 59% leased. We continue to actively market the current vacancies both individually (18,700 SF & 34,777 SF) and combined at the larger 53,477 square footage.

Two leasing proposals for Suite 109 (9,466 SF) are in negotiations with GSW Esports LLC, a subsidiary of the NBA's Golden State Warriors, and Deutsch (current tenant at Jefferson).

Operations

Budgeted 2021 building capital totals \$54K to install new security cameras. RFPs received by vendors and the contract will be awarded in October. Completion of installation is expected in 4Q21.

Jefferson Boulevard

Property Summary

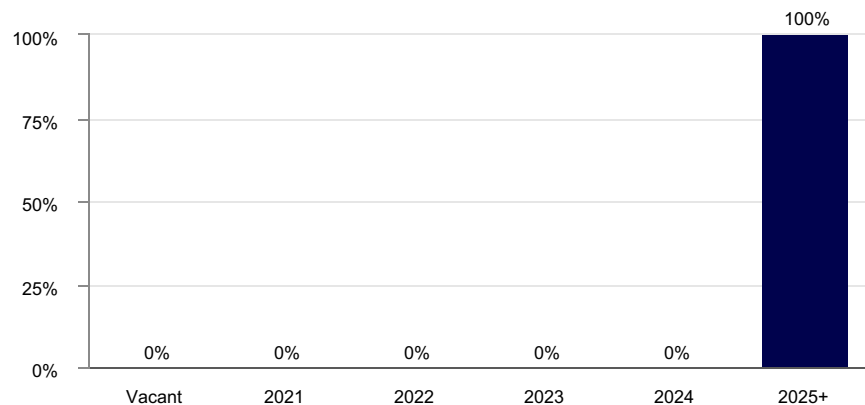
Location	Playa Vista, CA
Property Type	Office
Year Built	1969 - 1973
Net Rentable Area	48,412 rsf
Leased	100 %
Interest Held	Joint Venture (99%)
Acquisition Date	January 2017
Equity Partner	PacShore
Initial Investment	\$38,006,598
Historical Cost	\$43,851,555
Market Value	\$48,000,000
Debt Outstanding	\$26,877,000

Investment Performance⁽¹⁾

	Current Quarter	1-Year	3-Year	5-Year	10-Year	Since Inception
Income	1.0%	6.7%	4.6%	N/A	N/A	1.4%
Appreciation	0.5%	1.0%	3.2%	N/A	N/A	3.8%
Total	1.6%	7.7%	7.9%	N/A	N/A	5.2%

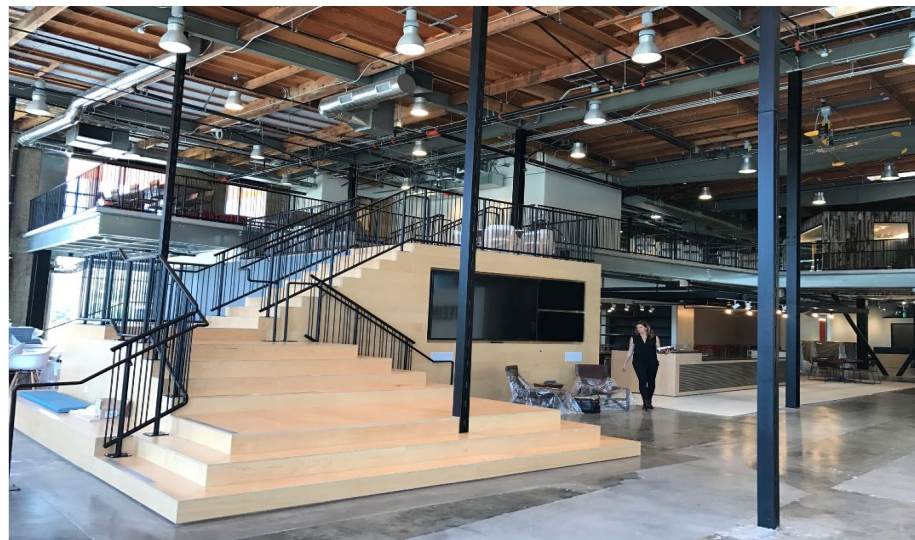
(1) Time-weighted returns presented above are before-fee, leveraged, and calculated in accordance with the property level returns methodology specified in the REIS Performance Measurement Resource Manual that is sponsored jointly by NCREIF and PREA.

Lease Maturation Schedule (RSF)



Major Tenants

Tenant	Lease Expiration	Area (RSF)	Monthly Rent	Annual Rent (PSF)	% of Total Income
Deutsch	7/31/2028	48,412	\$184,046	\$45.62	100%



Property Highlights

Financial

Financial results for the period ended September 30, 2021 reflect NOI that is in line with budget.

During the quarter, the asset was externally appraised at \$48.0 million (\$992 PSF), which reflects a 0.2% valuation change from the prior quarter.

Leasing

The property is 100% leased by Deutsch through July 2028.

Operations

There are no budgeted or actual capital items for 2021.

Enclave

Property Summary

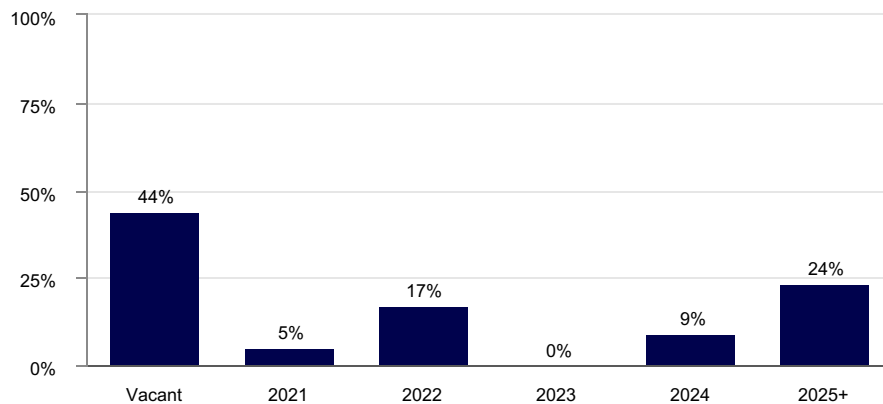
Location	Malibu, CA
Property Type	Office
Year Built	2000
Net Rentable Area	39,286 rsf
Leased	56 %
Interest Held	Joint Venture (99%)
Acquisition Date	January 2017
Equity Partner	PacShore
Initial Investment	\$27,806,755
Historical Cost	\$31,104,737
Market Value	\$30,800,000
Debt Outstanding	\$0

Investment Performance⁽¹⁾

	Current Quarter	1-Year	3-Year	5-Year	10-Year	Since Inception
Income	0.7%	3.3%	0.6%	N/A	N/A	-1.8%
Appreciation	4.1%	3.9%	6.3%	N/A	N/A	-0.6%
Total	4.8%	7.3%	7.0%	N/A	N/A	-2.4%

(1) Time-weighted returns presented above are before-fee, leveraged, and calculated in accordance with the property level returns methodology specified in the REIS Performance Measurement Resource Manual that is sponsored jointly by NCREIF and PREA.

Lease Maturation Schedule (RSF)



Major Tenants

Tenant	Lease Expiration	Area (RSF)	Monthly Rent	Annual Rent (PSF)	% of Total Income
Hexacorp	8/31/2026	7,653	\$37,380	\$58.61	31%
RWR Homes	7/31/2021	3,916	\$22,799	\$69.86	19%
EVM	6/26/2024	3,370	\$18,960	\$67.51	16%
Polk Read Enterprise Services	10/31/2021	1,782	\$9,878	\$66.52	8%



Property Highlights

Financial

Financial results for the period ended September 30, 2021 reflect NOI that is 2% ahead of budget primarily due to higher base rent and lower operating expenses.

During the quarter, the asset was externally appraised at \$30.8 million (\$784 PSF), which reflects a 4.1% valuation change from the prior quarter.

Leasing

The property increased to 56% leased, as Embedded Ventures signed a month-to-month lease for Suite B120 (2,497 SF) at a base rental rate of \$3.50 PSF. Tenant expressed longer term interest in Building C suites; however, we are currently reserving Building C vacancy for marketing to potential owner-users as a disposition strategy.

Tour activity slowed in latter half of 3Q21 as return to office has been delayed and requirements put on hold.

Operations

There are no budgeted or actual capital items for 2021.

The asset is currently being marketed for disposition. The strike price is approximately \$33.0 million. Although there has been approximately 250 signed CAs and four property tours, no offers have been received to date. Subsequent to quarters end, an offer was received at \$31.5 million.

5. Financial Statements

Statement of Operations

	(Dollars in 000s)				(Dollars in 000s)			
	Current Quarter				Year-To-Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Rental income	2,863	2,885	(21)	-1%	8,480	8,442	38	0%
Expense recoveries	791	992	(201)	-20%	2,548	2,744	(195)	-7%
Equity in income of unconsolidated joint ventures	(36)	—	(36)	0%	(204)	—	(204)	0%
Other	159	169	(10)	-6%	452	481	(29)	-6%
Total revenues	3,777	4,046	(268)	-7%	11,277	11,666	(389)	-3%
Property operating expenses	1,013	1,161	148	13%	2,861	3,403	543	16%
Real estate taxes	1,190	1,076	(114)	-11%	3,427	3,093	(334)	-11%
Insurance	138	161	23	14%	404	447	43	10%
Total property operating expenses	2,340	2,398	58	2%	6,692	6,944	252	4%
Net operating income (loss)	1,437	1,648	(211)	-13%	4,585	4,723	(137)	-3%
Non-operating expenses	1	—	(1)	0%	1,663	—	(1,663)	0%
Interest expense	1,304	1,313	9	1%	3,885	3,938	53	1%
Financing Fees	—	—	—	0%	—	—	—	0%
Advisor asset management fees	324	324	—	0%	971	971	—	0%
Net investment income (loss)	(192)	11	(203)	-1,766%	(1,933)	(186)	(1,747)	941%
Net unrealized gain (loss) on real estate and debt valuation								
Realized gain (loss) on disposition	—	—	—	0%	—	—	—	0%
Unrealized gain (loss) on real estate	1,699	—	1,699	0%	1,880	—	1,880	0%
Unrealized gain (loss) on mortgages payable	103	—	103	0%	(469)	—	(469)	0%
Unrealized gain (loss) on performance fee	—	—	—	0%	—	—	—	0%
Unrealized gain (loss) on JV partner promote	—	—	—	0%	—	—	—	0%
Realized gain (loss) on JV partner promote	8	—	8	0%	63	—	63	0%
Unrealized gain (loss) on unconsolidated joint ventures	—	—	—	0%	—	—	—	0%
Realized gain (loss) on unconsolidated joint ventures	—	—	—	0%	—	—	—	0%
Net realized/unrealized gain (loss)	1,810	—	1,810	0%	1,474	—	1,474	0%
Increase (decrease) in net assets resulting from operations	1,618	11	1,607	13,976%	(459)	(186)	(274)	147%
Less: Portion attributable to noncontrolling interests	(5)	—	5	0%	(8)	—	8	0%
Increase (decrease) in net assets resulting from operations of SERS	1,613	11	1,601	13,930%	(468)	(186)	(282)	152%
Net distributions to (contributions from) SERS	(324)	11	(335)	-2,915%	(970)	(186)	(785)	423%

Statement of Operations - Net Operating Income by Asset

Net Operating Income by Asset	(Dollars in 000s)				(Dollars in 000s)			
	Current Quarter				Year-To-Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
10-20 Channel Center	150	31	119	378%	450	208	241	116%
Alla Road	637	742	(105)	-14%	1,846	2,040	(194)	-10%
Jefferson Boulevard	464	596	(132)	-22%	1,774	1,772	2	—%
Enclave	221	278	(57)	-21%	720	703	17	2%
Sharon Hills	—	—	—	—%	—	—	—	—%
Prior year sold properties	(39)	—	(39)	—%	(223)	—	(223)	—%
Portfolio Level	—	—	—	—%	—	—	—	—%
Net Operating Income (1)	1,434	1,648	(214)	-13%	4,566	4,723	(157)	-3%

(1) Total amounts presented are at 100% for presentation purposes only.

Budget Variance Report

September 30, 2021 - Year-to-Date

U.S. FMV (Dollars in 000s)

	10-20 Channel Center				Alia Road				Jefferson Boulevard				Enclave			
	Year-to-Date	Budget	Variance	Variance %	Year-to-Date	Budget	Variance	Variance %	Year-to-Date	Budget	Variance	Variance %	Year-to-Date	Budget	Variance	Variance %
Rental revenue	3,493	3,493	—	0%	2,332	2,332	—	0%	1,671	1,671	—	0%	984	946	38	4%
Recoveries	131	391	(259)	-66%	1,153	1,336	(183)	-14%	953	672	281	42%	311	345	(33)	-10%
Other revenue	3	25	(22)	-89%	262	269	(7)	-3%	119	119	—	0%	68	67	—	1%
Interest Income	—	—	—	0%	—	—	—	0%	—	—	—	0%	—	—	—	0%
Total revenues	3,627	3,909	(282)	-7%	3,747	3,937	(190)	-5%	2,743	2,462	281	11%	1,364	1,358	5	0%
Property operating expenses	1,338	1,947	609	31%	651	604	(48)	-8%	105	101	(3)	-3%	245	271	26	10%
Real estate taxes	1,485	1,462	(23)	-2%	948	930	(18)	-2%	717	437	(280)	-64%	277	264	(14)	-5%
Insurance	110	115	5	5%	174	197	23	12%	68	77	9	11%	52	59	7	11%
Property management fees	45	45	—	0%	123	117	(5)	-4%	75	74	(1)	-1%	36	41	5	11%
Non-recoverable operating expenses	200	131	(69)	-52%	5	50	44	90%	5	1	(4)	-435%	33	21	(12)	-58%
Total operating expenses	3,177	3,700	523	14%	1,901	1,898	(4)	0%	969	690	(279)	-40%	644	656	12	2%
Net operating income	450	208	241	116%	1,846	2,040	(194)	-10%	1,774	1,772	2	0%	720	703	17	2%
	Sharon Hills				Prior Year Sold Properties				Portfolio Level				Total			
	Year-to-Date	Budget	Variance	Variance %	Year-to-Date	Budget	Variance	Variance %	Year-to-Date	Budget	Variance	Variance %	Year-to-Date	Budget	Variance	Variance %
Rental revenue	—	—	—	0%	—	—	—	0%	—	—	—	0%	8,480	8,442	38	0%
Recoveries	—	—	—	0%	—	—	—	0%	—	—	—	0%	2,548	2,744	(195)	-7%
Other revenue	—	—	—	0%	—	—	—	0%	—	—	—	0%	452	481	(29)	-6%
Interest Income	—	—	—	0%	—	—	—	0%	—	—	—	0%	—	—	—	0%
Total revenues	—	—	—	0%	—	—	—	0%	—	—	—	0%	11,481	11,666	(186)	-2%
Property operating expenses	—	—	—	0%	(72)	—	72	0%	—	—	—	0%	2,267	2,924	657	22%
Real estate taxes	—	—	—	0%	—	—	—	0%	—	—	—	0%	3,427	3,093	(334)	-11%
Insurance	—	—	—	0%	—	—	—	0%	—	—	—	0%	404	447	43	10%
Property management fees	—	—	—	0%	—	—	—	0%	—	—	—	0%	278	277	(1)	0%
Non-recoverable operating expenses	—	—	—	0%	295	—	(295)	0%	—	—	—	0%	538	202	(336)	-166%
Total operating expenses	—	—	—	0%	223	—	(223)	0%	—	—	—	0%	6,915	6,944	29	0%
Net operating income	—	—	—	0%	(223)	—	(223)	0%	—	—	—	0%	4,566	4,723	(157)	-3%

(1) Total amounts presented are at 100% for presentation purposes only.

Statement of Net Assets - Equity

	10-20 Channel Center	Alla Road	Jefferson Boulevard	Enclave	Sharon Hills	Prior Year Sold Properties	Portfolio Level	Total
Assets								
Real estate - at estimated fair value	123,000	97,900	48,000	30,800	—	—	—	299,700
Investments in unconsolidated joint ventures - at estimated fair value	—	—	—	—	—	—	—	—
Cash and cash equivalents	1,644	2,050	2,663	872	—	—	883	8,112
Accounts receivable	13	2,128	279	212	—	—	—	2,632
Restricted cash	5,471	—	—	—	—	—	—	5,471
Prepaid expenses and other assets	122	165	48	41	—	—	—	376
Total assets	130,250	102,243	50,990	31,925	—	—	883	316,291
Liabilities								
Mortgages payable - at estimated fair value	55,550	60,371	27,123	—	—	—	—	143,044
Accrued interest	165	183	81	—	—	—	—	429
Accounts payable and accrued expenses	174	124	41	2,107	—	—	—	2,446
Accrued capital expenditures	104	1	—	—	—	—	—	105
Accrued real estate taxes	—	313	253	89	—	—	—	656
Security deposits	—	—	—	294	—	—	—	294
Prepaid rent	125	193	—	58	—	—	—	375
Due to advisor	—	—	—	—	—	—	324	324
Total liabilities	56,118	61,186	27,498	2,548	—	—	324	147,673
SERS Net Assets	74,132	40,943	23,432	29,344	—	—	559	168,409
Noncontrolling interests	—	115	60	34	—	—	—	208
Total Net Assets	74,132	41,057	23,492	29,378	—	—	559	168,618

The cash balance indicated in this statement is based on account statements as of September 30, 2021 from the various bank accounts used to support our management of your assets. In accordance with SEC rules, you also receive duplicate account statements directly from the banks where cash is held. You should make certain that you review those for accuracy and we are happy to answer any questions or comments you might have.

SERS Net Asset Rollforward

SERS Net Asset Value, September 30, 2020	169,453
Contributions	323
Distributions	—
Realized gain (loss) on disposition	—
Unrealized gain (loss) on real estate	(2,057)
Unrealized gain (loss) on mortgages payable	169
Unrealized gain (loss) on JV partner promote	—
Realized loss on JV partner promote	(91)
Unrealized loss on performance fee	—
Net unrealized gain/(loss) on unconsolidated joint ventures	—
Net realized gain/(loss) on unconsolidated joint ventures	—
Net income (loss) after advisor asset management fees	187
Less: Net income attributed to noncontrolling interests	(2)
Less: Net unrealized gain attributed to noncontrolling interests	(1)
Less: Net realized gain attributed to noncontrolling interests	—
Equity in income (loss) of unconsolidated joint ventures ⁽¹⁾	(75)
SERS Net Asset Value, December 31, 2020	167,907
Contributions	323
Distributions	—
Realized gain (loss) on disposition	—
Unrealized gain (loss) on real estate	159
Unrealized gain (loss) on mortgages payable	(1,579)
Unrealized gain (loss) on JV partner promote	—
Realized loss on JV partner promote	30
Unrealized loss on performance fee	—
Net unrealized gain/(loss) on unconsolidated joint ventures	—
Net realized gain/(loss) on unconsolidated joint ventures	—
Net income (loss) after advisor asset management fees	(1,896)
Less: Net income attributed to noncontrolling interests	(1)
Less: Net unrealized gain attributed to noncontrolling interests	2
Less: Net realized gain attributed to noncontrolling interests	—
Equity in income (loss) of unconsolidated joint ventures ⁽¹⁾	(91)
SERS Net Asset Value, March 31, 2021	164,854

SERS Net Asset Rollforward

SERS Net Asset Value, March 31, 2021

	164,854
Contributions	323
Distributions	—
Realized gain (loss) on disposition	—
Unrealized gain (loss) on real estate	22
Unrealized gain (loss) on mortgages payable	1,006
Unrealized gain (loss) on JV partner promote	—
Realized loss on JV partner promote	25
Unrealized loss on performance fee	—
Net unrealized gain/(loss) on unconsolidated joint ventures	—
Net realized gain/(loss) on unconsolidated joint ventures	—
Net income (loss) after advisor asset management fees	322
Less: Net income attributed to noncontrolling interests	(2)
Less: Net unrealized gain attributed to noncontrolling interests	(2)
Less: Net realized gain attributed to noncontrolling interests	—
Equity in income (loss) of unconsolidated joint ventures (1)	(77)

SERS Net Asset Value, June 30, 2021

	166,473
Contributions	324
Distributions	—
Realized gain (loss) on disposition	—
Unrealized gain (loss) on real estate	1,699
Unrealized gain (loss) on mortgages payable	103
Unrealized gain (loss) on JV partner promote	—
Realized loss on JV partner promote	8
Unrealized loss on performance fee	—
Net unrealized gain/(loss) on unconsolidated joint ventures	—
Net realized gain/(loss) on unconsolidated joint ventures	—
Net income (loss) after advisor asset management fees	(156)
Less: Net income attributed to noncontrolling interests	(1)
Less: Net unrealized gain attributed to noncontrolling interests	(4)
Less: Net realized gain attributed to noncontrolling interests	—
Equity in income (loss) of unconsolidated joint ventures (1)	(36)

SERS Net Asset Value, September 30, 2021

	168,409
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(1) Equity in income (loss) of unconsolidated joint ventures is after advisor asset management fees.

Statement of Cash Flows

	For the Period Ended 9/30/2021
Operating Activities:	
Increase (decrease) in net assets from operations	(459)
Net realized (gain) loss on real estate and mortgages payable	(63)
Net unrealized (gain) loss on real estate and mortgages payable	(1,410)
Equity in (income) loss of unconsolidated joint ventures	204
Financing Fees	—
Changes in operating assets and liabilities:	
Accounts receivable	(194)
Prepaid expenses and other assets	485
Accrued interest	(9)
Accounts payable and accrued expenses	(168)
Security deposits	(48)
Due to advisor	—
Prepaid rent	133
Net cash provided by (used in) operating activities	(1,529)
Investing Activities:	
Real estate additions	(271)
Contributions to unconsolidated joint ventures	(176)
Distributions from unconsolidated joint ventures	49
Net cash provided by (used in) investing activities	(397)
Financing Activities:	
Contributions	970
Distributions to noncontrolling interests	(4)
Proceeds of mortgages payable	—
Payment of financing fees	—
Payoff of mortgages payable	—
Net cash provided by (used in) financing activities	966
Net increase (decrease) in cash	(961)
Beginning cash and restricted cash balance	14,544
Ending Cash and Restricted Cash Balance	13,583