1Q 2020

Quarterly Report

MEPT Fund

BentallGreenOak

ALAMEDA STATION
Multifamily, Denver

First Quarter

(Gross of Fees)			(Net of Fees)		
Quarter	Trailing 1-Year	Gross Asset Value	Quarter	Trailing 1-Year	Net Asset Value
1.64%	4.95%	$8.7B	1.42%	4.04%	$6.5B

In the first quarter, the MEPT Fund ("MEPT" or the "Fund") generated a total gross return of 1.64% (1.42%, net of fees) and outperformed the NCREIF-ODCE Index ("ODCE") by 66 bps. MEPT's 1-year total return of 4.95% (4.04%, net of fees) now leads the ODCE's total return of 4.88% by 7 bps. MEPT's 3-year return of 6.43% (5.51%, net of fees) and the 5-year return of 7.88% (6.95%, net of fees) are competitive with the benchmark.

The Fund significantly outperformed in the first quarter; however, our primary focus is on the health and economic crisis caused by the COVID-19 pandemic and the health and safety of the Fund's tenants, employees, and partners. As mentioned in our biweekly COVID-19 updates, MEPT is weathering the crisis relatively well. We had been actively positioning the Fund for late-cycle economic conditions by increasing industrial and multifamily allocations, reducing office and retail allocations, and increasing exposure to structured debt investments. The Fund has no investments in senior housing, regional malls, or hotels, which contributes to our strong positioning. These portfolio adjustments de-risked the portfolio and strengthened the Fund's revenue stream. As a result, the Fund's April rent collections are expected to be approximately 92%, which compares favorably to an April 15th peer group survey suggesting average ODCE rent collections at 80%.

The Fund's balance sheet is in a relatively strong position with approximately $400.0 million of cash, which is largely reserved for the Fund's 2020 and 2021 development commitments of approximately $322.0 million, and a leverage level of 25.9%, which is nominally above target but low by industry standards. Additionally, MEPT has no debt maturities in 2020 and only one property-level loan maturity in 2021 totaling $35.0 million.

To date, MEPT has received various forms and levels of rent relief requests from over 250 commercial tenants (excluding multifamily) and we expect to receive more in the coming weeks. Our asset management team is working diligently to address these requests on a case-by-case basis with the ultimate goal of preserving long-term asset values. In the near term, we anticipate rent levels and growth across all property types to be negatively impacted and general leasing velocity to slow. Considering the difficulty to tour, build out, and move into new space at present, our asset management teams are also aggressively pursuing renewals of existing tenants. Proactive asset management will be central in driving performance.

As always, we greatly appreciate your continued confidence in our stewardship of your capital and we remain committed to keeping you apprised of pertinent Fund and market developments. Stay safe and healthy. ■

David Antonelli,
Managing Partner
Senior Portfolio Manager

Mike Keating,
Managing Director
Portfolio Manager

On the Cover: **THE FIVE**, *Multifamily*, Atlanta

MEPT Fund Overview[1]

As of March 31, 2020

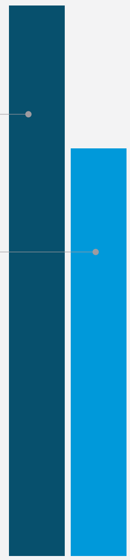
Fund Snapshot

Gross Asset Value

$8.7B

Net Asset Value

$6.5B



109 Assets

27 Markets

334 Investors

92.5% Leased

34.0M Operating Square Feet

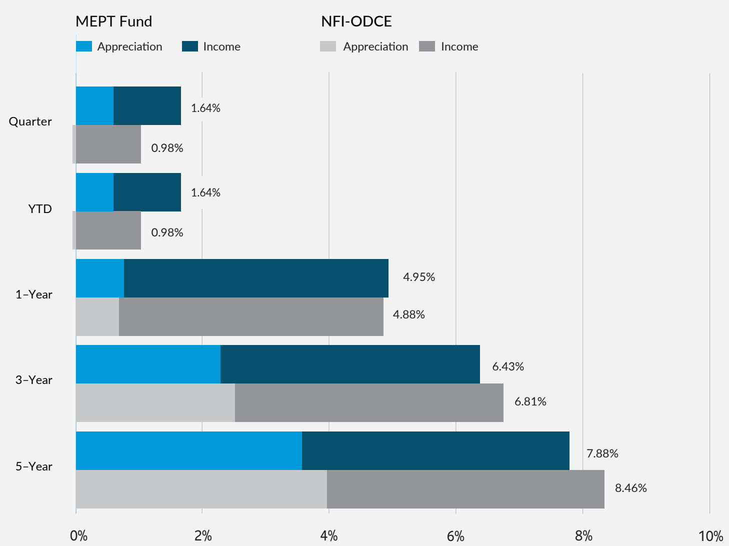
25.9% Leverage as a % of GAV

5.2% Cash as a % of NAV

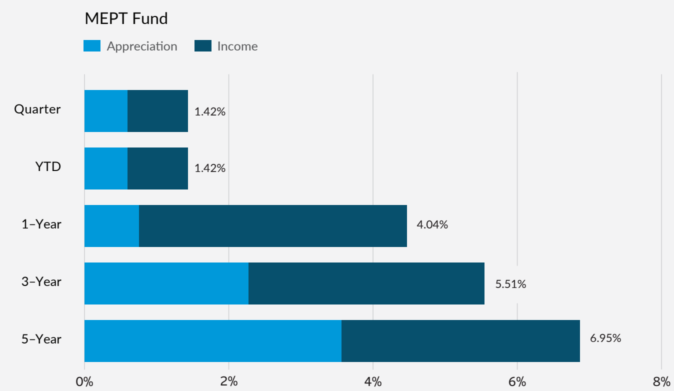
14.7YRS Average Property Age

Fund Returns 1Q 2020[2]

Gross of Fees



Net of Fees



[1] Asset values and performance returns set forth in this report are based upon and consistent with the methodologies used for calculating such information described in the current applicable fund document for MEPT. Schedules of investment performance for MEPT are prepared by NewTower Trust in accordance with the guidance provided within the National Council of Real Estate Investment Fiduciaries (NCREIF) Pension Real Estate Association (PREA) Reporting Standards, as sponsored by NCREIF and PREA (the Reporting Standards). Real estate revenue is reported when contractually earned and billable to be consistent with the valuation methodology used to determine unrealized gains and losses.

[2] Please note: Past performance is not indicative of future results. Performance objectives (whether based on market conditions that affect MEPT Fund or on MEPT Fund itself) reflect a variety of assumptions, which may not be realized and are subject to significant uncertainties and contingencies. Performance goals, including investment returns (e.g., Unit Value), acquisition and disposition activity, leverage, portfolio diversification (including cash position), and leasing rates could be adversely affected and actual results could differ materially from the Management Team's expectations.

[3] NCREIF, the National Council of Real Estate Investment Fiduciaries, is a trade association of institutional real estate professionals that includes investment managers, plan sponsors, academics, consultants, appraisers, CPA's and other services providers with significant involvement in institutional real estate investments. NCREIF collects and disseminates real estate performance information, most notably the NCREIF Property Index (NPI) but also the NFI-ODCE. NCREIF Fund Index – Open End Diversified Core Equity (NFI-ODCE) is an index of investment returns reported on both a historical and current basis for open-end U.S. commingled funds with a core investment strategy. The NFI-ODCE index is capitalization-weighted and is reported gross of fees and measurement is time-weighted. Further information about this index is available at www.ncreif.org.

MEPT Property Sector Metrics and Performance

As mentioned in the Portfolio Manager's letter, MEPT's first quarter total gross return was 1.64% (1.42%, net of fees), consisting of 1.06% income and 0.59% appreciation and the breakdown of property-level performance is detailed below.

Portfolio Metrics

As of March 31, 2020

	Assets[1]	% Of Allocation (GAV)[1]	Total Return[2]	Leased[3]	Average Stabilized Cap Rate
Industrial	29	19.9%	3.2%	96.7%	4.9%
Office	33	37.2%	0.7%	87.4%	5.3%
Multifamily	26	32.9%	1.2%	88.1%	4.3%
Retail	17	8.9%	0.6%	95.8%	5.7%

Industrial

MEPT has a 19.9% allocation to industrial, which represents a 1.0% overweight in comparison to the ODCE. The Fund's industrial holdings consist primarily of bulk distribution buildings, which we expect to continue to deliver strong relative performance, particularly in light of the increased reliance on e-commerce and home delivery of essential goods during the COVID-19 crisis.

The Fund's industrial portfolio delivered a total return of 3.22% in the first quarter, comprised of 1.16% income and 2.06% appreciation. The majority of the industrial portfolio appreciated during the quarter, driven by strong leasing and continued market rent growth in California and Portland.

Office

MEPT has a 37.2% allocation to office, which is a 3.2% overweight to the ODCE. The Fund's office portfolio is conservatively positioned with a weighted average lease term of 5.7 years and approximately 90% of office holdings in primary markets, which have historically performed better than non-primary market assets in a downturn and recovery.

The Fund's office portfolio realized a total return of 0.67% in the first quarter, comprised of 0.99% income and 0.32% depreciation. Denver was the Fund's top performing market as continued progress on the full building tenant improvements at Gates Plaza and a decrease in real estate taxes generated strong appreciation during the quarter. Additionally, the Fund continued to recognize appreciation from its San Francisco office holdings.

Retail

MEPT has an 8.9% allocation to retail, which is a 7.1% underweight to the ODCE. All the Fund's retail assets have substantial grocery components, a segment of the industry that is expected to fare better due to the necessity-based nature of its offerings. Most importantly, MEPT does not have any mall or high street retail holdings.

The Fund's retail portfolio delivered a total return of 0.63% in the first quarter, comprised of 1.36% income and 0.73% depreciation. The Fund's retail portfolio remains well-leased at 95.8% and has outperformed the ODCE retail return by 724 bps over the trailing 12 months.

Multifamily

MEPT has a 32.9% allocation to multifamily, which represents a 6.3% overweight in comparison to the benchmark. The Fund's significant overweight provides attractive risk mitigation as multifamily properties typically experience a greater share of housing demand during recessionary periods. Additionally, the portfolio consists almost entirely of primary market Class A properties, which generally have tenants less impacted financially by the stay-at-home and social distancing measures.

The Fund's multifamily assets delivered a total return of 1.16% during the quarter, comprised of 0.94% income and 0.22% appreciation. Through active asset management, the Fund has realized a 12.5% increase in same-store NOI over the trailing 12 months, resulting in strong appreciation for the Fund. Via6, a multifamily high-rise in Seattle, was the Fund's top performing asset in the first quarter following a legal settlement that resulted in over $8.0 million of appreciation.

[1] Excludes land and parking assets.

[2] Property sector returns are gross of fees and shown on an unlevered basis.

[3] Excludes non-operating assets.

Transactions Update

The U.S. commercial real estate transaction market has virtually shut down and we do not know when normal activity will resume. Assets are not trading for a variety of reasons, ranging from non-functioning real estate capital markets to the inability to perform basic physical due diligence due to travel and stay-at-home restrictions. As a result, MEPT has paused all acquisition activity, including a $172.7 million core industrial warehouse in New Jersey, which was under LOI.

Similarly, the Fund's in-process dispositions have also been paused. The Fund was expecting to receive approximately $270.0 million of disposition proceeds and $95.0 million in proceeds from a loan payoff for a total of $365.0 million of cash inflows in the second quarter.

Development

MEPT's non-operating portfolio comprises 6.0% of Fund GAV. The non-operating portfolio consists of equity interests in three active projects, Capitol Hill Station in Seattle (apartment development), The Smith in Boston (apartment development), and Strip District Portfolio in Pittsburgh (mixed-use redevelopment), all of which are in the late stage of construction. Additionally, the Fund has a debt position in three active projects, 399 Congress Street in Boston (mezzanine loan on apartment development), 145 South Wells in Chicago (construction loan on office development), and 1200 Stewart in Seattle (mezzanine loan on apartment development).

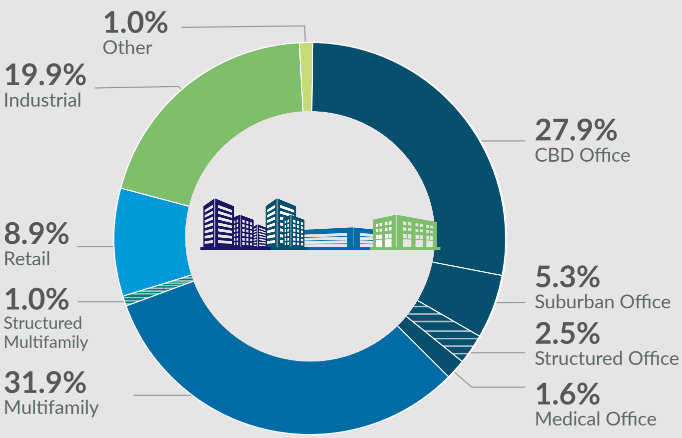
Work on all these projects has been paused in accordance with local directives. As such, we are taking measures to ensure the sites are secured and prepared for recommencement of work. ■

CAPITOL HILL STATION
Multifamily, Seattle

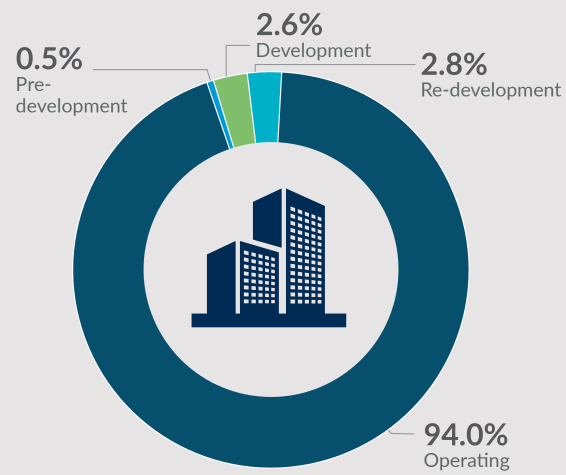
MEPT by the Numbers

Diversification and Portfolio Characteristics as of March 31, 2020

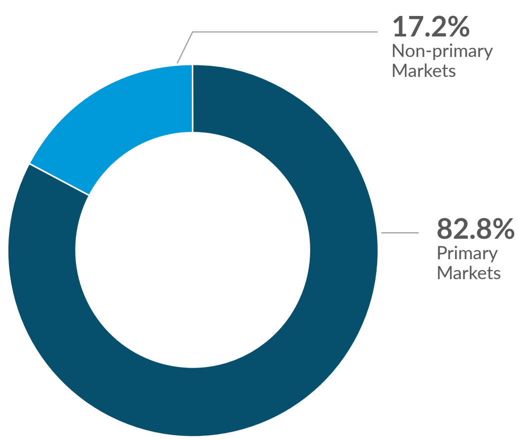
By Property Type (GAV)



By Life Cycle (GAV)



By Market (GAV)



Top Markets by Investment

As of March 31, 2020

MARKET	GAV (IN $M)	% OF GAV
New York, NY	$1,838.5	17.0%
Chicago, IL	1,122.6	10.4%
San Francisco, CA	1,112.3	10.3%
Washington, DC	960.7	8.9%
Los Angeles, CA	860.8	8.0%
Portland, OR	850.4	7.9%
Boston, MA	845.0	7.8%
Denver, CO	783.0	7.2%
Seattle, WA	553.3	5.1%
Other Markets	1,880.0	17.4%
Total	$10,806.5	100.0%

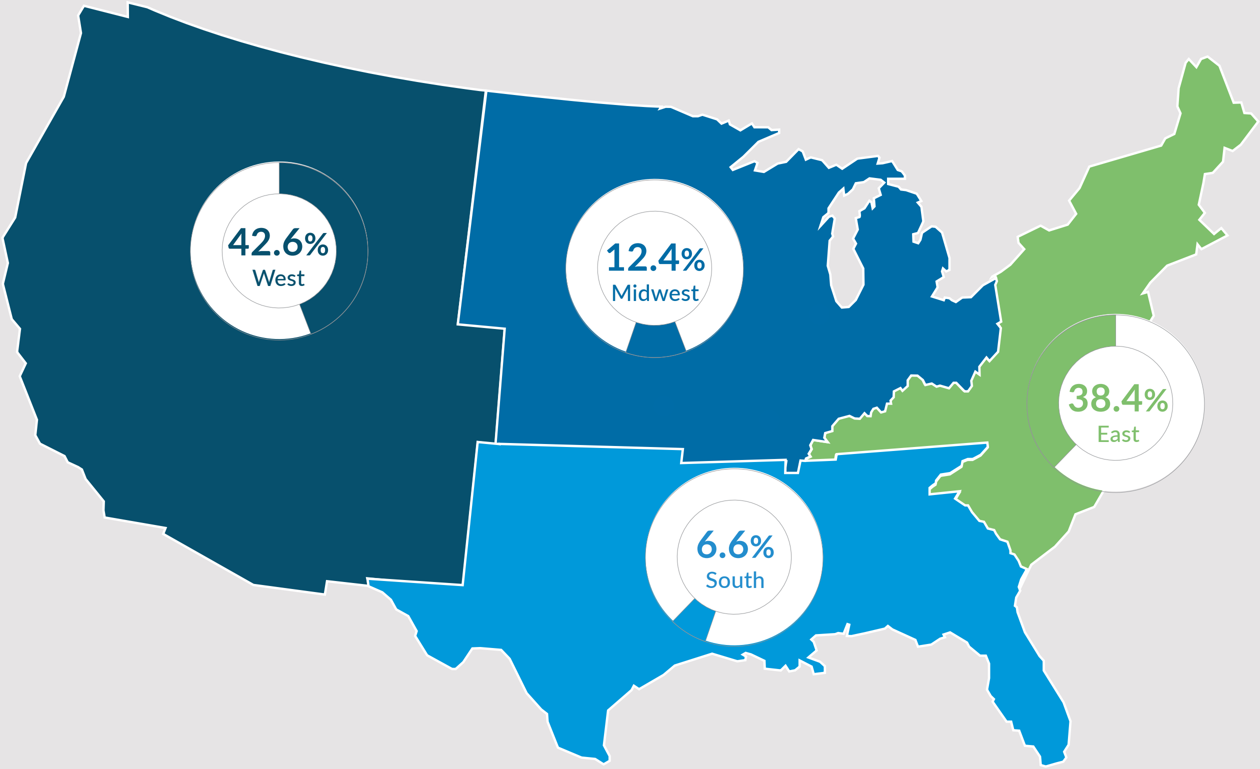
Primary Market Secondary Market

Notes

Asset values and performance returns set forth in this report are based upon and consistent with the methodologies used for calculating such information described in the current applicable fund documents for MEPT.

Forward looking statements found in this report are subject to change and applicable only as of the date made. Many of the factors affecting such statements are impossible to predict with certainty, and as such, are outside the control of MEPT. Further, past performance is not indicative of future results.

By Geographic Region (GAV)



NORCAL LOGISTICS CENTER
Industrial, Stockton, CA

MEPT Top 10 Tenants by Revenue

As of March 31, 2020

Tenant Name	Lease End Date	Percent Total Revenue*
GSA	Varies	4.3%
Amazon.com	Varies	3.4%
AXA Equitable Life Insurance	09/30/2023	2.5%
Tesla Motors	Varies	2.2%
Oracle	06/30/2023	1.8%
BNP Paribas RCC, Inc.	12/31/2022	1.6%
Grant Thornton LLP	04/30/2030	1.6%
VF Outdoor, LLC	01/31/2032	1.5%
Mathematica Policy Research Inc.	11/30/29	1.2%
Convene	Varies	1.1%
TOTAL		21.2%

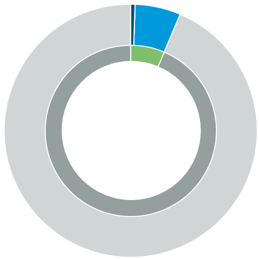
*Excludes multifamily revenue

Lease Rollover

2020

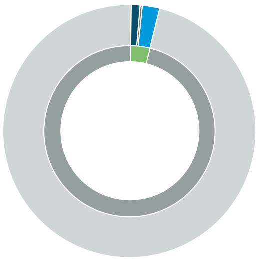
Percent of Net Rentable Area

Office	0.65%
Retail	0.18%
Industrial	5.66%
Consolidated	6.48%



Percent of Revenue

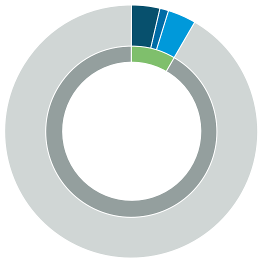
Office	1.18%
Retail	0.25%
Industrial	2.33%
Consolidated	3.76%



2021

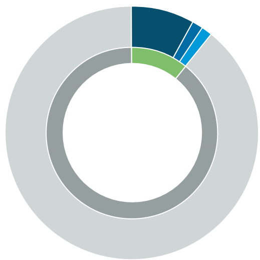
Percent of Net Rentable Area

Office	3.74%
Retail	1.20%
Industrial	3.53%
Consolidated	8.48%



Percent of Revenue

Office	8.21%
Retail	1.26%
Industrial	1.40%
Consolidated	10.86%



MEPT 10 Largest Assets (GAV)

As of March 31, 2020

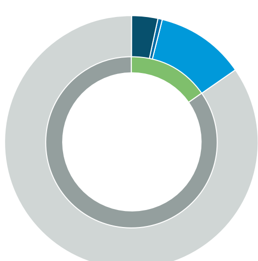
Property Name	Market	Gross Asset Value at Share ($M)
Newport Tower Office	New York	$422.0
757 Third Avenue Office	New York	$363.0
The Octagon Multifamily	New York	$341.4
475 Sansome Street Office	San Francisco	$334.0
Solaire Multifamily	San Francisco	$313.0
101 Greenwich Street Office	New York	$308.1
1900 16th St Office	Denver	$298.0
200 West Madison Office	Chicago	$279.0
Livermore Distribution Industrial	San Francisco	$256.0
The Patriot Office	Washington, DC	$248.5

200 WEST MADISON
Office, Chicago

2022

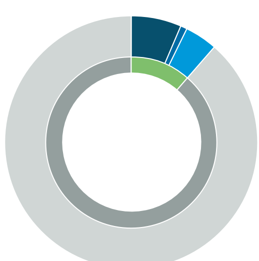
Percent of Net Rentable Area

Office	3.36%
Retail	0.73%
Industrial	11.32%
Consolidated	15.41%



Percent of Revenue

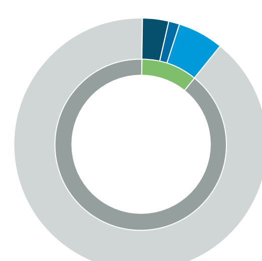
Office	6.40%
Retail	1.01%
Industrial	4.22%
Consolidated	11.64%



2023

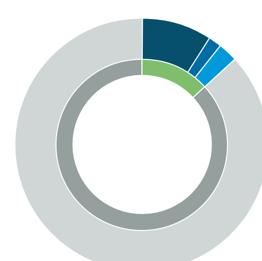
Percent of Net Rentable Area

Office	3.54%
Retail	1.27%
Industrial	5.97%
Consolidated	10.77%



Percent of Revenue

Office	9.14%
Retail	1.49%
Industrial	2.63%
Consolidated	13.26%



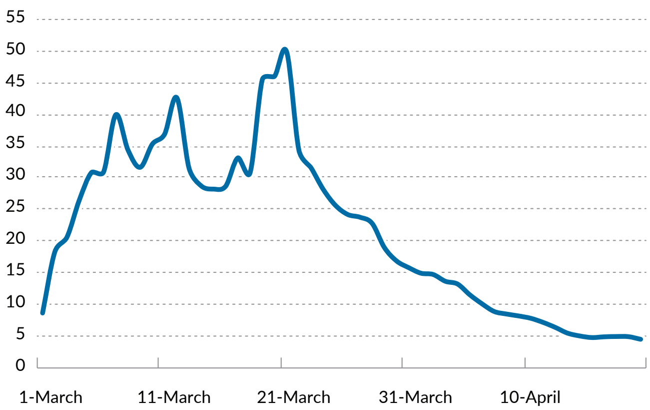
COVID-19: Virus Silver Linings & Economic Realities

Social distancing is moderating the growth rate and lowering fatality expectations

A significant human tragedy continues to unfold as the death toll from COVID-19 tops 40,000 in the U.S. The Trump administration has issued a major disaster declaration for all 50 states. New York alone has more reported cases than any country. Numerous states will extend a shutdown of nonessential businesses to May 15th. There is a long road ahead in terms of both treating and defeating the virus and bringing the economy back on line. But we do see some silver linings in the latest data and projections.

> "Uncertainty remains high over the timing of a vaccine and the availability of effective therapies."

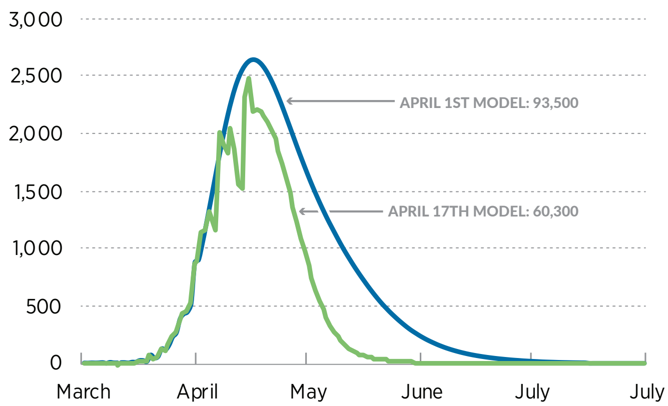
Daily Case Growth (%, 3-day Moving Average)



Source: Johns Hopkins University

First, the daily growth rate in confirmed cases has moderated significantly to less than 5%, a pace that will be more manageable than the 30% average daily growth rate in March. Second, the most closely watched fatality model from the University of Washington has been revised downward by 33,000 deaths to a projected total of 60,300. Still, even in this new model, deaths are projected to average one thousand per day over the next few weeks. Uncertainty remains high over the timing of a vaccine and the availability of effective therapies. Without these treatments and a testing and tracing program, a second wave of outbreaks could emerge in the fall or earlier if the economy is opened too soon.

Comparison of Projected Daily U.S. COVID-19 Fatalities



Source: University of Washington (IMHE)

Property Sector Outlook

MULTIFAMILY

- Housing demand is relatively inelastic; reduced population mobility slows turnover
- Tenants may seek lower cost housing in less dense locations over the medium term

OFFICE

- White collar economy relatively less impacted by the virus to date
- Conflicting impacts from increased remote/agile work and increased need for workplace distancing

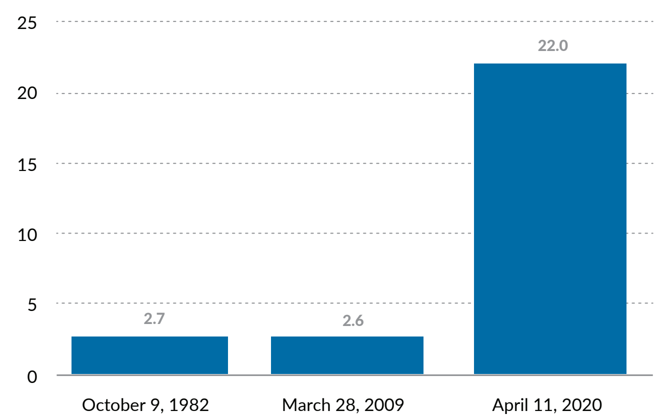
Harsh economic realities are becoming apparent in an array of indicators

While equity markets seemed to be encouraged by news on the virus, the economic impact is still in the early stages of being measured. Last week a host of economic indicators revealed sharp contractions across the economy, including the housing market, industrial production and retail sales. Oil prices are plummeting. Initial unemployment claims remain one of the more sobering and real-time indicators of the recession that is now unfolding. With the over 5.2 million claims during the week ending April 11th, the four-week total has surged to 22 million, dwarfing the claims from the worst four weeks of 1982 and 2009. Initial claims during the past four weeks are equal to roughly 12% of the labor force, suggesting the unemployment rate has surged well into double digits from the March report of 4.4%.

Quarterly GDP reports for the first and second quarters of 2020 are sure to reveal sharp losses as large swaths of the economy remain shut down. Forecasts for calendar year 2020 reflect these expectations. The latest projection from the IMF shows a 5.9% drop in GDP for 2020, more than doubling the contraction experienced in 2009. Other projections suggest similarly grim results. The main question remains how quickly the economy rebounds. Early expectations for a V-shaped recovery have largely faded as forecasters acknowledge it will take time to bring the economy fully back online. The economy should improve later this year and post healthy growth in 2021 but it may take a year or more for GDP to return to its prerecession level. Some models do not show a full recovery until 2022.

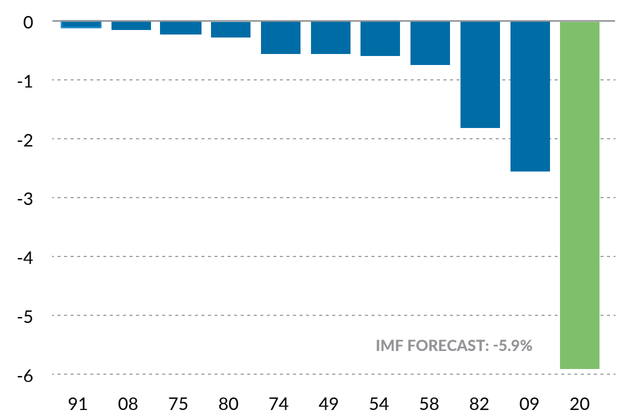
First quarter data on commercial property markets reflect a benign impact on fundamentals. This will change in the second quarter with broader occupancy and rent declines. There have been and will continue to be differences across sectors. With deal flow grinding to a standstill, assessing values will be challenging but performance will be negatively impacted. Much like the economy, the real estate impact depends on how quickly the virus is brought under control and people are allowed to resume normal activity. We expect this environment to present both challenges and opportunities in the months ahead. ■

Initial Unemployment Claims (4-wk. total, millions)



Source: U.S. Department of Labor

Real GDP Growth – Annual Losses Since 1948 (%)



Sources: U.S. Bureau of Economic Analysis, IMF

RETAIL

- Necessity-based retail a clear winner as restaurant sales shift back to grocery
- Current conditions are accelerating the demise of already struggling retailers

INDUSTRIAL

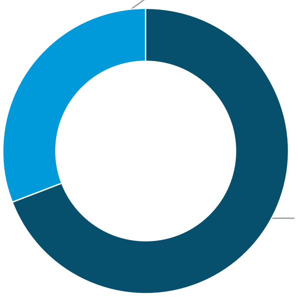
- Shift to e-commerce has been accelerated, particularly in the packaged foods/grocery space
- Potential move towards higher inventory levels for greater supply chain flexibility

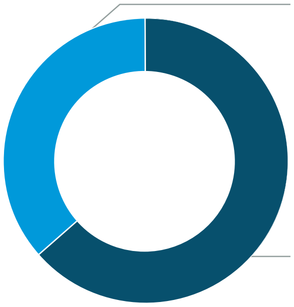
Debt Structure

MEPT maintains a conservative balance sheet. The Fund ended the first quarter with approximately $400 million of available cash, which is sufficient to meet its funding obligations through 2020 and into 2021. The Fund's leverage ratio now stands at 25.9%, which is nominally above our target but low by industry standards.

In March, the Fund paid off a $90.9 million secured loan with a 6.4% interest rate from the proceeds of the private placement debt procured in the fourth quarter of 2019. The Fund's debt has a weighted average interest rate of 3.07% and a weighted average remaining term of 5.5. ■

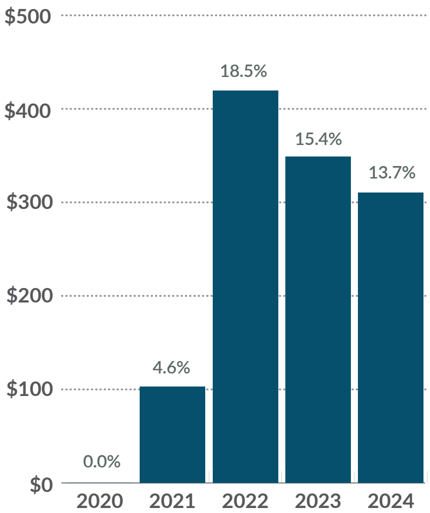
Current Leverage Ratio	Weighted Average Interest Rate
25.9%	3.07%





Debt Maturity Schedule

(in $ millions)



Gary Whitelaw to step back following 22 years leading the firm

After 22 years with BentallGreenOak ("BGO") and its predecessor entities, Gary Whitelaw has announced his retirement as CEO. Gary will be turning 65 this coming September, and he has long seen that date as a natural point at which to hand over leadership to internal successors. An orderly and extended transition of Gary's responsibilities has been put in place. On June 30, 2020, Sonny Kalsi, the current President of BGO, will succeed Gary as CEO, and on January 1, 2021, Amy Price, the current Co-Head of the US business, will become President of BGO.

Gary will continue to sit on the BGO Board and BGO's top executive committee until December 31, 2020. In terms of Gary's continued involvement with the BGO Diversified US Property Fund, he will remain as the Chair of NewTower's Independent Board of Directors through at least December 31, 2021—a position he has held since 2015. ■

MEPT Fund

7315 Wisconsin Avenue
Suite 200W
Bethesda, MD 20814

mept.com

REAL ESTATE ADVISOR

BentallGreenOak

bentallgreenoak.com

TRUSTEE

NewTower Trust Company

newtowertrust.com

The COVID-19 pandemic, and the governmental responses thereto, have had a significant impact on the general economic situation, and on real estate operations in particular, around the world. It is not yet clear what longer-term impact, if any, this event will have on the value of commercial real estate. The manager, working with external appraisers, continues to monitor property valuations in light of current events.