

# MEPT FUND

## Portfolio Metrics as of 2Q 2020

Gross Asset Value	\$8.3 billion
Net Asset Value	\$6.3 billion
Leverage Ratio	24.7%
Cash % of NAV	2.0%
Leased %	91.8%
Number of Investors	334

## Performance Overview

- MEPT posted a second quarter 2020 total return of -2.59% (-2.80%, net)
- MEPT's 1-year total gross return is 0.98% (0.11%, net). The 3-year total gross return is 4.93% (4.03%, net) and the 5-year total gross return is 6.70% (5.77%, net)
- All Fund assets are externally appraised each quarter, which may cause the Fund to more quickly reflect the value impacts of COVID-19 compared to ODCE peers with less robust valuation policies. However, the Fund's positioning remains strong as evidenced by the Fund's first quartile rent collections in the second quarter, 94% versus 86% for ODCE

## Portfolio Highlights

- All property types depreciated during the quarter with the multifamily portfolio experiencing the most depreciation followed by the retail, office, and industrial portfolios
- Asset level depreciation was primarily driven by a decrease in near-term market rent growth and cash flow over the next year to reflect the economic disruption of the COVID-19 pandemic. This was partially offset by appreciation from Boston office assets due to the execution of several lease renewals during the quarter

## Asset Management

- The Fund's second quarter rent collections, detailed below, were strong both on an absolute and relative basis. The Fund's total collections for the quarter currently stand at 94.0%, placing the Fund in the first quartile of ODCE peers based on June 15th survey results
- The Fund's rent collections have remained strong due to its conservatively positioned portfolio with a significant underweight to retail (-7.0%), and over-allocations to industrial (+1.2%) and multifamily (+6.3%)
- In addition to the Fund's strategic allocations, the Fund is well leased at 91.8% and has less than 2.0% of commercial revenue expiring in 2020
- Lastly, BGO's Asset Management team has been proactive and strategic in working to address tenant concerns and requests

on a case-by-case basis with the ultimate goal of maximizing rent collections while preserving long term asset values. During the quarter BGO's Asset Management team signed over 140,000 sf of new leases and over 650,000 sf of lease renewals

## Transactions

- During the second quarter, the Fund sold Lyndwood Executive Center, a suburban office asset in Baltimore, for \$23.0 M

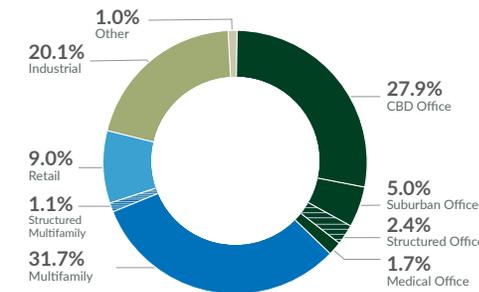
## Financing

- During the quarter the Fund's leverage ratio decreased to 24.7% after the partial paydown of the Fund's revolving credit line
- The Fund currently has \$250 M of undrawn credit line capacity and only \$35 million of debt maturing in the next 18-months

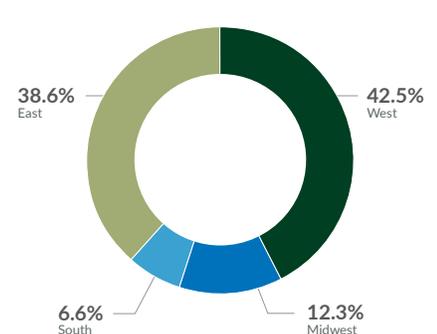
## MEPT Rent Collections by Property Type<sup>1</sup>

	APRIL RENT		MAY RENT		JUNE RENT	
	ODCE <sup>2</sup>	MEPT	ODCE <sup>2</sup>	MEPT	ODCE <sup>2</sup>	MEPT
Industrial	94%	99%	95%	98%	92%	94%
Multifamily	95%	95%	95%	96%	94%	93%
Office	94%	98%	94%	93%	92%	96%
Retail	48%	83%	48%	78%	52%	74%
Total	86%	96%	86%	93%	86%	93%

## Allocation by Property Type (GAV)



## Allocation by Region (GAV)



## MEPT 2Q 2020 Fund Level Returns

	Quarter		YTD		1-Year		3-Year		5-Year	
	MEPT	ODCE*	MEPT	ODCE*	MEPT	ODCE*	MEPT	ODCE*	MEPT	ODCE*
Income (Gross)	1.09%	0.91%	2.15%	1.94%	4.27%	4.07%	4.13%	4.17%	4.20%	4.31%
Appreciation	-3.67%	-2.46%	-3.11%	-2.50%	-3.19%	-1.79%	0.78%	1.44%	2.42%	2.90%
<b>Total (Gross)</b>	<b>-2.59%</b>	<b>-1.55%</b>	<b>-0.99%</b>	<b>-0.59%</b>	<b>0.98%</b>	<b>2.23%</b>	<b>4.93%</b>	<b>5.66%</b>	<b>6.70%</b>	<b>7.31%</b>
Total (Net)	-2.80%	-1.74%	-1.41%	-1.00%	0.11%	1.34%	4.03%	4.72%	5.77%	6.35%

\* Preliminary ODCE returns

1. Rent collections are as of June 15, 2020 for the Fund and ODCE

2. Includes 23 of the 24 ODCE funds representing approximately 87% of ODCE NAV as of March 31, 2020

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Trustee



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