

MEPT Fund



LENNOX STORAGE

Self-Storage, Atlanta



SECOND QUARTER

(Gross of Fees)

Quarter	Trailing 1-Year	Gross Asset Value
6.84%	29.14%	\$9.8B

(Net of Fees)

Quarter	Trailing 1-Year	Net Asset Value
6.57%	27.99%	\$7.2B

In the second quarter, the MEPT Fund ("MEPT" or the "Fund") generated a total gross return of 6.84% (6.57%, net of fees) and significantly outperformed the NCREIF-ODCE Index ("ODCE") by 207 bps. MEPT's YTD total return of 13.40% (12.88%, net of fees) outpaces the ODCE benchmark by 91 bps. MEPT's long-term results also outperform the ODCE: the Fund's since inception total return of 8.35% (7.16%, net of fees) leads the ODCE by 32 bps.

MEPT's outperformance is being driven by active management, the most consequential of which has been a tactical increase of the Fund's industrial allocation. The Fund now has an industrial allocation of 41%, an increase of 21 percentage points since 2Q 2020 and a material overweight compared to the ODCE Index. In 2Q 2022, the industrial portfolio continued to be the Fund's strongest performing property type as historically strong rental growth drove performance across most markets, offsetting cap rate expansion at select assets. Looking ahead, supply-demand fundamentals are expected to continue to drive elevated rent growth as industrial vacancy rates remain near all-time lows across most markets.

The Fund's multifamily portfolio also posted strong performance due to continued rent growth across most markets, particularly in the South and Southeast regions. Demand for rental housing remained robust as housing supply continues to be constrained and the cost of homeownership increased due to rising mortgage rates. Sustained multifamily rent growth, including at the Fund's coastal high-rise assets, offset cap rate expansion in select markets, which was in part driven by capital markets uncertainty and the higher cost of debt financing. Additionally, MEPT's self-storage portfolio appreciated during the quarter. The Fund plans to expand its self-storage allocation and committed \$77.6 million during the quarter to acquire a four-property self-storage portfolio, as we believe demographic trends will continue to drive demand for self-storage in the future.

The office portfolio depreciated modestly during the second quarter, mostly due to tempered market rent and market rent growth expectations. The Fund's best-in-class office properties continue to see leasing activity, while overall activity remains below pre-pandemic levels. The Fund's minor retail allocation was flat for the quarter.

The Fund acquired five assets during the second quarter for a gross at-share price of \$184 million. The assets include Foundry at Mashburn Village, a multifamily asset in Atlanta through the White Oak partnership; an industrial property adjacent to an existing asset, Prescott Industrial Park, in San Diego; and three additional industrial assets as part of the XLT portfolio.

The Fund completed the disposition of two assets during the second quarter for net proceeds of \$197 million. The Fund sold Lighton Plaza, a suburban office building in Kansas City, and The Addison, a high-rise multifamily building in New York. Both sales are part of the Fund's strategy to reduce its office exposure and diversify its multifamily allocation away from urban high-rise assets in coastal markets.

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. ■

Mike Keating
Managing Partner,
BentallGreenOak
Co-Portfolio Manager

Tim Bolla
Managing Director,
BentallGreenOak
Co-Portfolio Manager

MEPT Overview¹

As of June 30, 2022

FUND SNAPSHOT

Gross Asset Value

\$9.8B

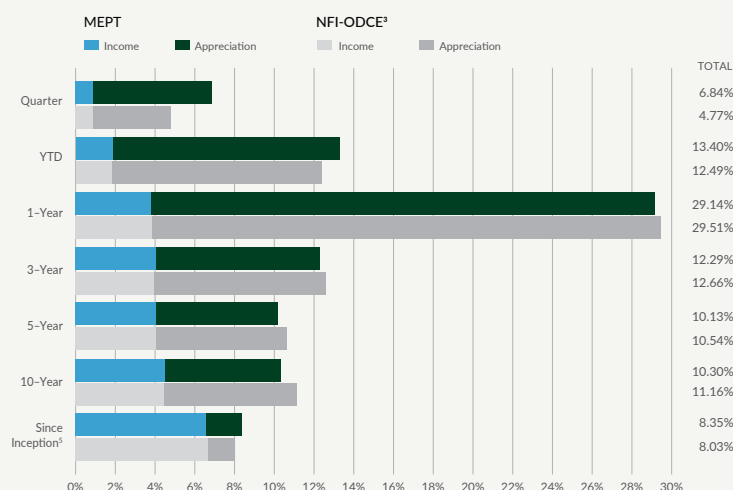
Net Asset Value

\$7.2B

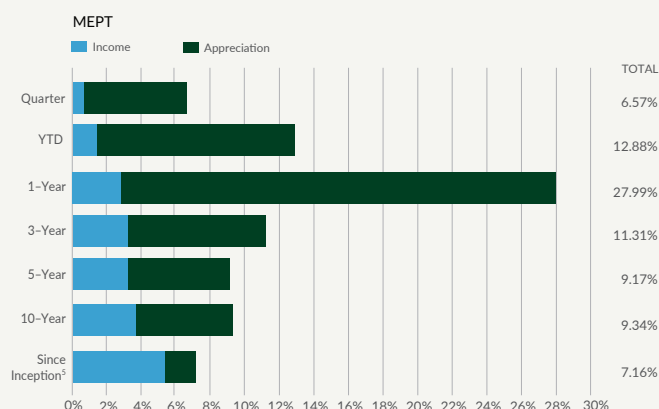
88
Assets25+
Markets317
Investors94.5%
Percent Leased
(Operating Portfolio)35.6M
Square Feet
(Operating Portfolio)27.0%
Leverage as a
% of GAV2.8%
Cash as a
% of NAV12.9YRS
Average Property Age

FUND RETURNS 2Q 2022²

Gross of Fees



Net of Fees⁴



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.

⁴ The Fund's net returns noted above reflect the deduction of the highest level of fees charged during the respective time period noted. Net returns may be higher for clients who qualify for a lower fee. More information on the Fund's tiered fee structure is available upon request.

⁵ MEPT inception date: 4/1/1982

Property Sector Metrics and Performance

MEPT's second quarter total gross return was 6.84% (6.57%, net of fees), consisting of 0.89% income and 5.94% appreciation.

PORTFOLIO METRICS

As of June 30, 2022

	ASSETS ¹	% OF ALLOCATION (GAV) ¹	TOTAL RETURN ²	LEASED ³	AVERAGE STABILIZED CAP RATE ³
Industrial	32	41.0%	8.8%	98.0%	3.9%
Multifamily	27	31.6%	3.6%	94.1%	3.9%
Office	19	24.2%	0.7%	85.3%	5.3%
Retail	3	1.8%	0.6%	87.2%	6.6%

INDUSTRIAL

The Fund's industrial portfolio delivered a total return of 8.82% in the second quarter, comprised of 0.73% income and 8.09% appreciation. Strong demand in the face of record low vacancy continues to push rent growth to record levels, and sustained rent growth in most markets has continued to drive strong performance in the sector, offsetting cap rate increases at select assets. Despite recent market disruptions, we still expect industrial to continue to outperform other property types in the near term. The Fund's trailing 1-year industrial total gross return is 47.26%.

MEPT has a 41.0% allocation to industrial, a significant overweight of 10 percentage points in comparison to the ODCE. The industrial portfolio remains well leased at 98.0% with a weighted average lease term of 5.6 years.

OFFICE

The Fund's office portfolio delivered a total return of 0.73% in the second quarter, consisting of 1.24% income and 0.50% depreciation. The office market continues to be challenged by uncertainty over future space needs. Despite the challenges, the Fund's best-in-class, highly amenitized properties continue to experience leasing activity. The Fund is focused on continuing to further reduce its office allocation with a disciplined disposition strategy that is mindful of capital markets conditions.

MEPT has a 24.2% allocation to office, in line with the ODCE index. The Fund's office portfolio has a weighted average lease term of 6.0 years.

MULTIFAMILY

The Fund's multifamily portfolio delivered a total return of 3.56% in the second quarter, consisting of 0.84% income and 2.72% appreciation.

Multifamily performance continues to be driven by strong rent growth across most markets, including urban coastal markets. This is largely due to constrained housing supply and affordability challenges of single-family housing across markets. Median home prices continue to break records, even while mortgage rates have increased substantially since the beginning of 2022. As a result, the Fund's assets are also experiencing increased renewals and reduced downtime between leases, which has bolstered performance. The continued rent growth during the quarter offset cap rate expansion in select markets, largely driven by capital markets disruptions, including elevated cost of debt financing.

MEPT has a 31.6% allocation to multifamily, an overweight of 3 percentage points in comparison to the ODCE. The multifamily portfolio remains well leased at 94.1%.

OTHER

The Fund's other allocation primarily consists of four self-storage assets, a 0.5% allocation. The Fund is committed to increasing this allocation to 5% through its partnership with Extra Space Storage. To that end, an additional self-storage portfolio consisting of four properties is expected to close during the second half of 2022. Self-storage has historically been resilient during economic disruptions, and the month-to-month leases allow for faster market-to-market opportunities during inflationary periods.

The Fund's retail portfolio delivered a total return of 0.61% in the second quarter, consisting of 1.31% income and 0.70% depreciation. The Fund's retail portfolio consists of three properties, a 1.8% allocation, which is a significant underweight of 8 percentage points in comparison to the ODCE. The retail portfolio has a weighted average lease term of 5.8 years. ■

¹Excludes land and parking assets.

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

³Excludes non-operating assets.

U.S. Market Overview

Real estate market fundamentals hold strong despite economic headwinds

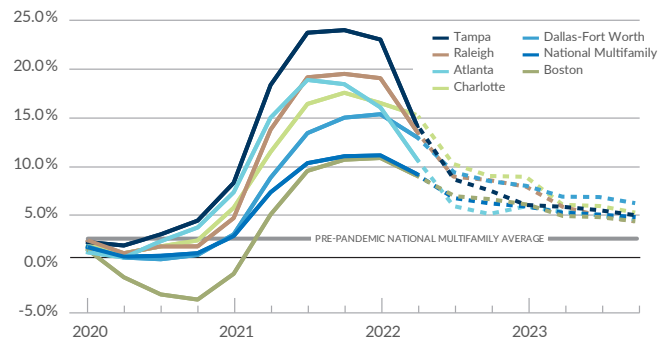
Geopolitical conflict, rising consumer prices, and tightening monetary policy during the quarter produced headwinds to continued U.S. economic expansion. The Federal Reserve took strong action in June to curb historically high inflation levels, prompting market uncertainty and fears of recession. Despite this, the U.S. economy has added nearly a million jobs in the past three months, the unemployment rate remains low, and wage growth has been healthy. The extremely tight labor market is a key reason the greater economy should avoid a deep downturn, even if the probability of a technical recession has trended upward.

While high inflation levels persisted in June, reaching a 40-year high—9.1% year-over-year—and fueling expectations the Fed will again act aggressively in July, bond markets indicate that investors expect sharp decelerations in inflation due to the Fed's more aggressive near-term monetary policy. Persistent high inflation and capital markets volatility have resulted in higher borrowing costs and uncertainty across the private equity real estate markets.

Despite uncertain market conditions, private real estate continues to be attractive relative to other asset classes as commercial real estate fundamentals and rent growth have remained strong, particularly across the industrial, multifamily, and self-storage sectors. While there is potential for widening yield expectations in the near term for select assets, attractive contractual cash flows, historically strong returns in periods of higher inflation, and diversification from more volatile public market investments all emphasize private real estate's relevance in portfolio construction.

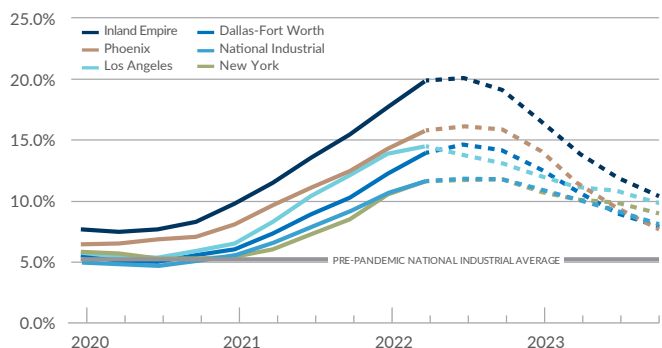
Private real estate continues to be attractive relative to other asset classes as commercial real estate fundamentals and rent growth have remained strong, particularly across the industrial, multifamily, and self-storage sectors.

MULTIFAMILY MARKET HISTORICAL & PROJECTED 12-MONTH ASKING RENT GROWTH

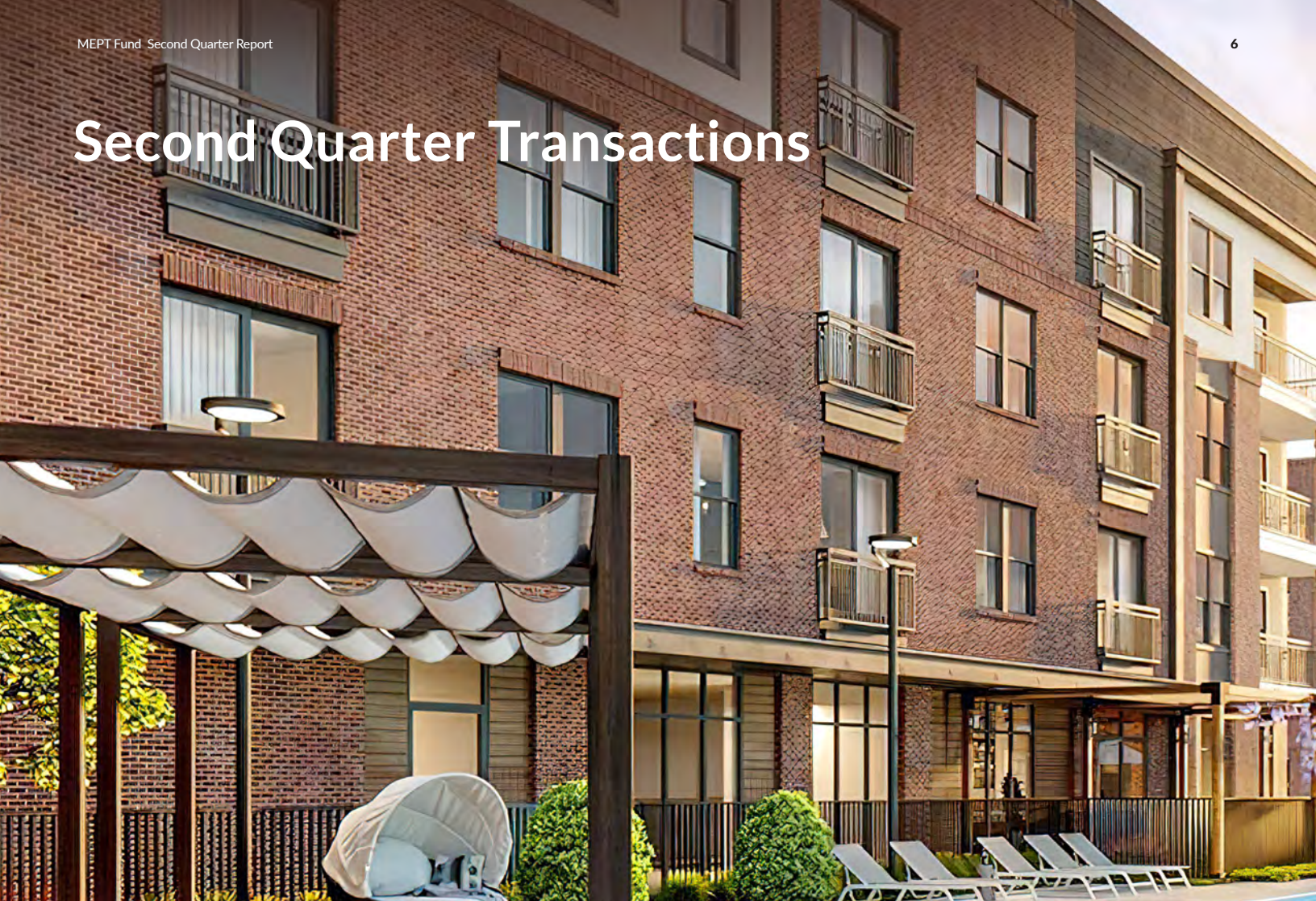


Both industrial and apartment vacancies are extremely tight, and consumption patterns, re-onshoring, housing affordability, and demographic trends will continue to drive demand in the medium and long term. Industrial and multifamily rent growth continues to outpace pre-pandemic averages. Sector divergence will likely persist. Office and retail markets could see repricing as the former adjusts to a tighter capital environment due to changing space usage patterns and the latter suffers from continued changes in consumer purchasing behavior. Capitalizing on secular demand drivers, labor force growth, and technological disruption, while being targeted with market and asset selection will be critical moving forward. This environment should also reinforce the growing relevance of niche property sectors, such as self-storage, as more mainstream investments. ■

INDUSTRIAL MARKET HISTORICAL & PROJECTED 12-MONTH ASKING RENT GROWTH



Second Quarter Transactions



ACQUISITIONS¹



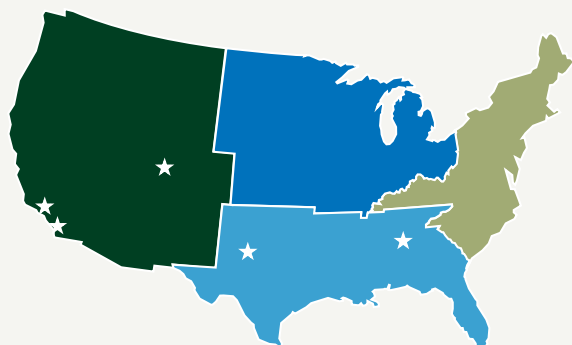
\$568.7M
Closed 2022



\$77.6M
In Process



\$646.3M
Acquisition Pipeline Total

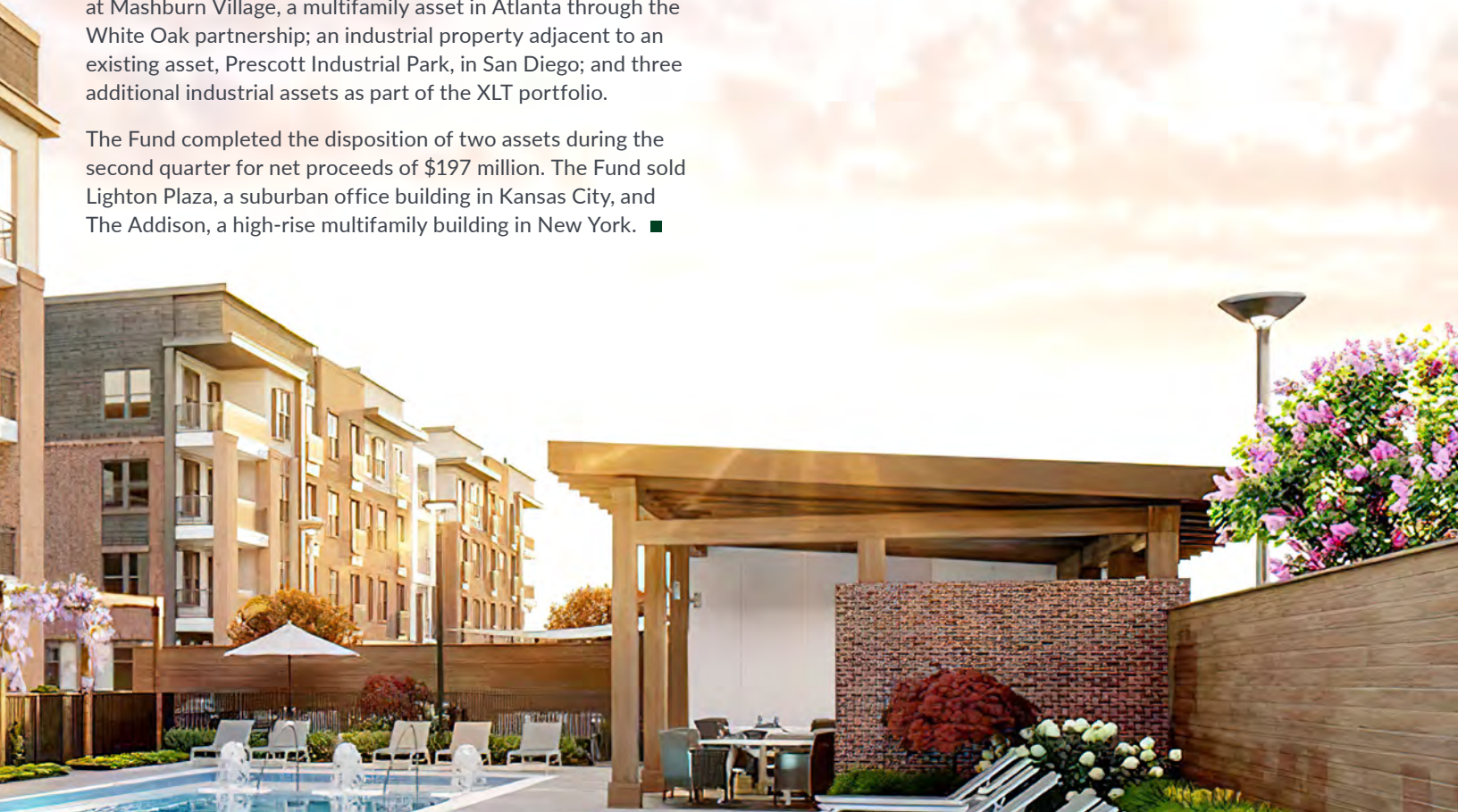


PROPERTY TYPE	TRANSACTION AMOUNT (\$M)
Industrial	\$154
Multifamily	\$348
Office	\$0
Retail	\$0
Other	\$144
Total	\$646

¹ The transactions referenced herein represent certain prospective investments and there can be no assurance that the Fund will actually make investments that are comparable in scope, type or quality to such investments or that similar investments will be available to the Fund.

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FOUNDRY AT MASHBURN VILLAGE
Multifamily, Atlanta

DISPOSITIONS¹



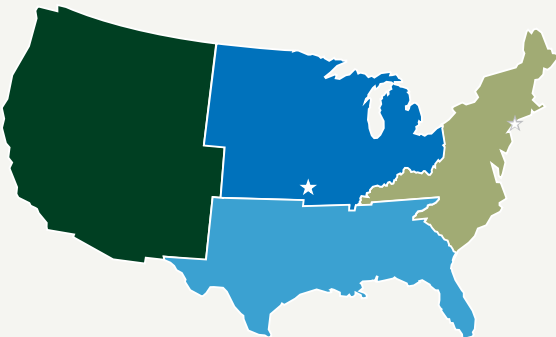
\$196.6M
Closed 2022



\$0.0M
In Process



\$196.6M
Disposition Pipeline Total



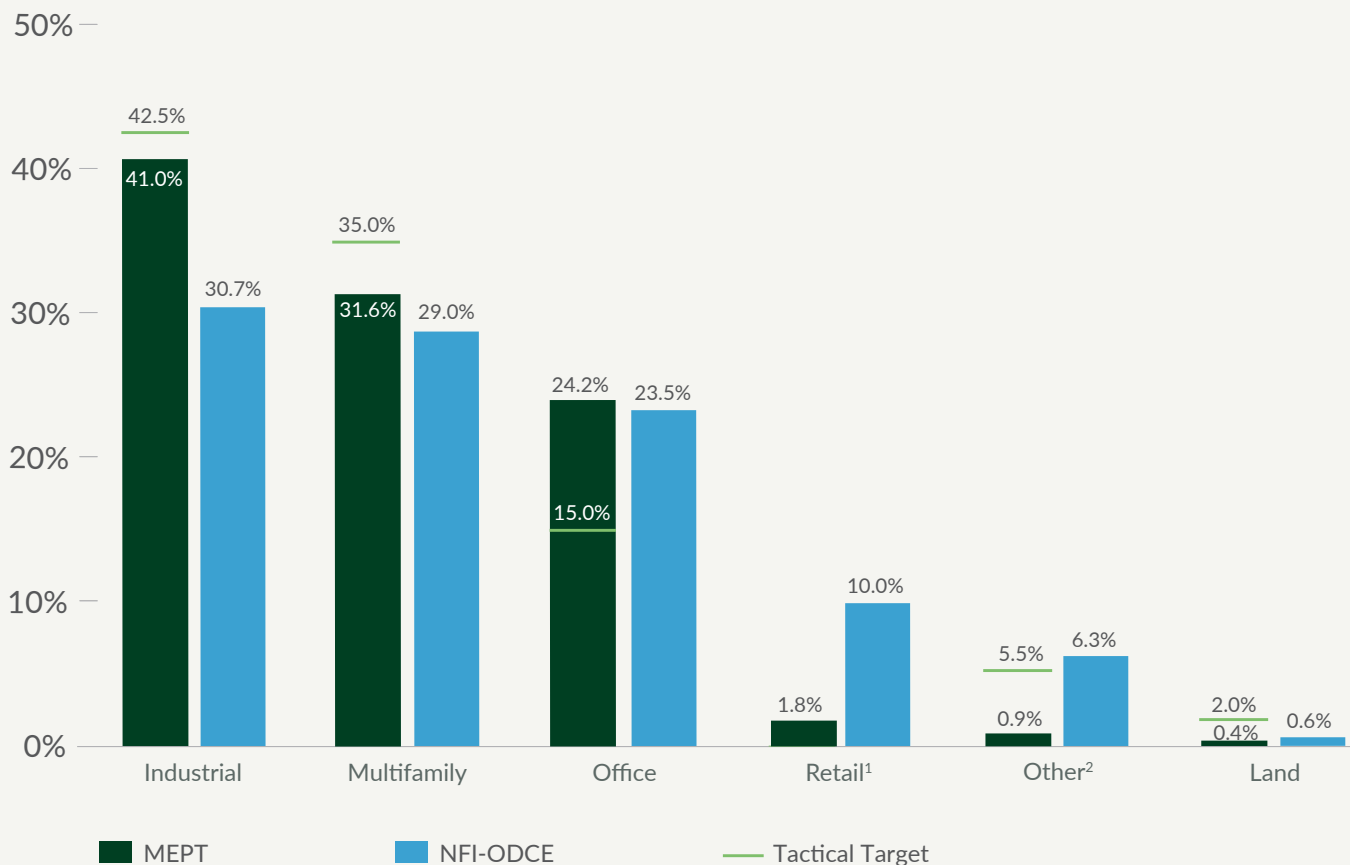
PROPERTY TYPE	TRANSACTION AMOUNT (\$M)
Industrial	\$0
Multifamily	\$137
Office	\$60
Retail	\$0
Other	\$0
Total	\$197

¹ The Fund may sell the assets listed here for more or less than the amounts noted.

MEPT by the Numbers

Diversification and Portfolio Characteristics as of June 30, 2022

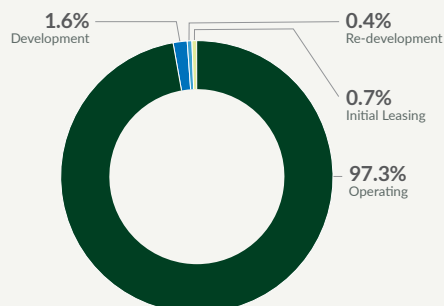
BY PROPERTY TYPE (GAV)



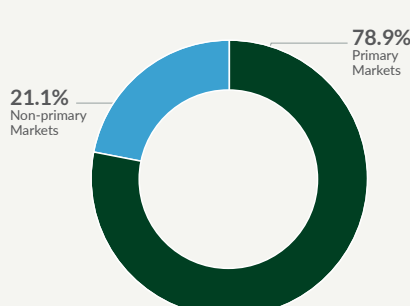
¹MEPT retail tactical target is 0.0%.

²Includes life science, self-storage, and other property types.

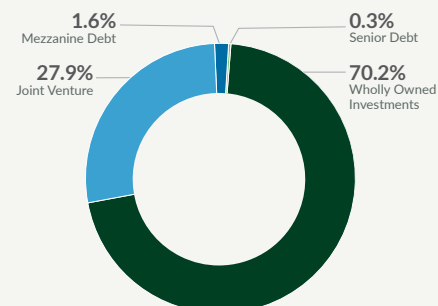
BY LIFE CYCLE (GAV)



BY MARKET (GAV)



BY INVESTMENT STRUCTURE (GAV)

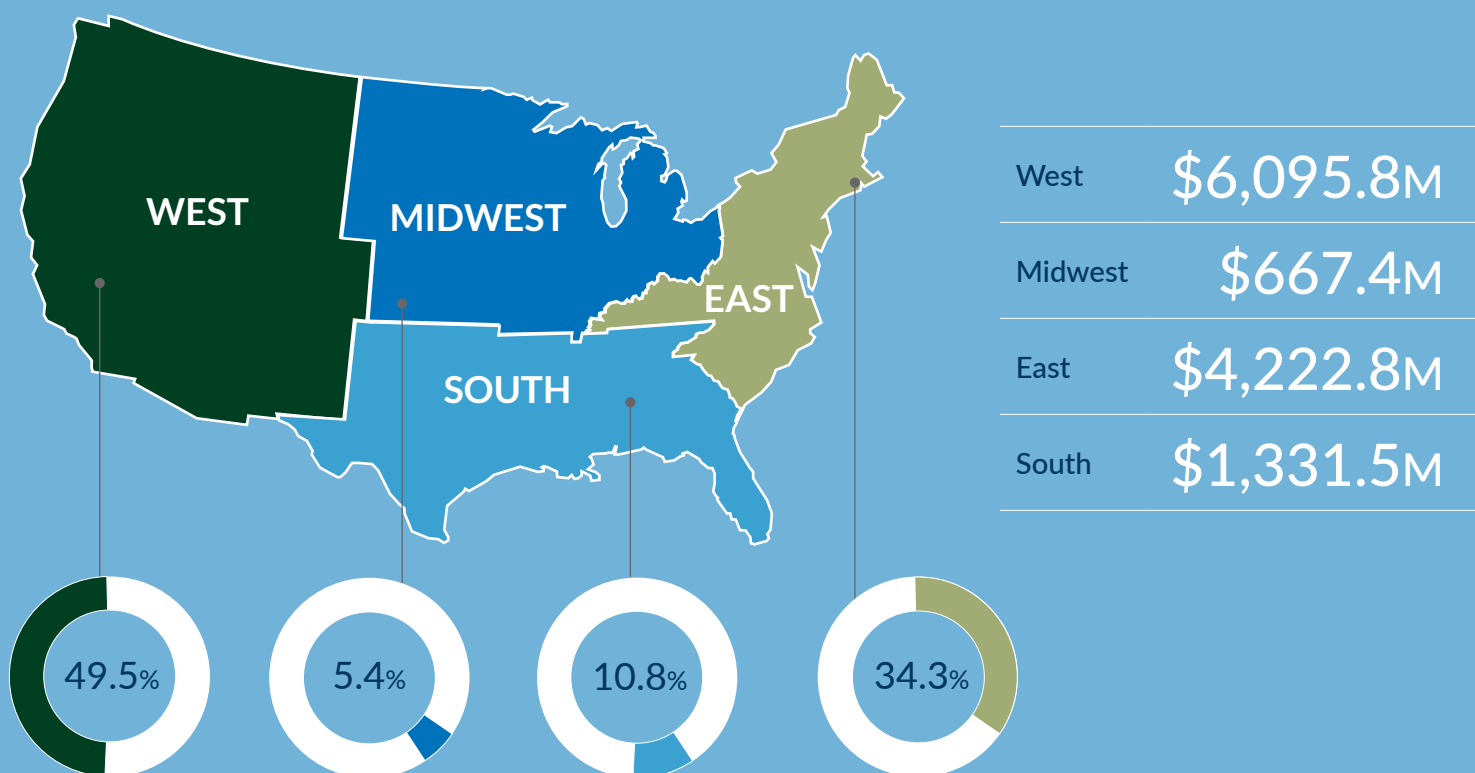


Notes

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DIVERSIFICATION BY GEOGRAPHIC REGION (GAV)

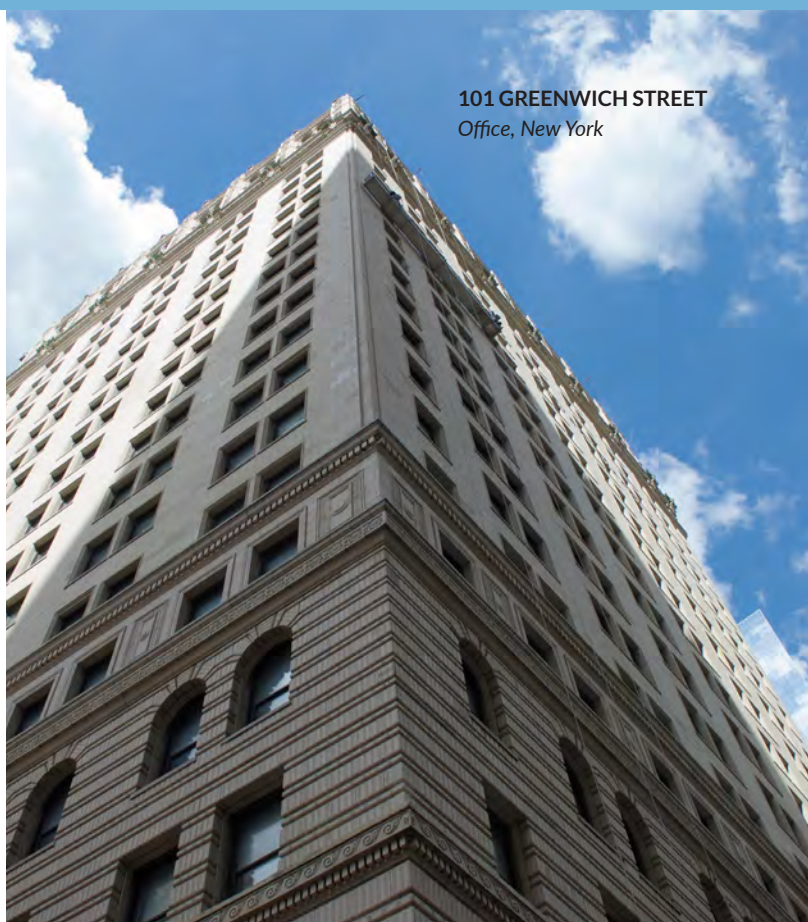


TOP MARKETS BY INVESTMENT

As of June 30, 2022

MARKET	GAV (IN \$M)	% OF GAV
Los Angeles	\$2,304.6	18.7%
New York	1,633.6	13.3%
San Francisco	1,018.0	8.3%
Boston	923.8	7.5%
Washington, DC	763.1	6.2%
Portland, OR	746.9	6.1%
Chicago	667.4	5.4%
Seattle	584.5	4.7%
Atlanta	433.9	3.5%
Other Markets	3,241.8	26.3%
Total	\$12,317.5	100.0%

■ Primary Market
 ■ Secondary Market



101 GREENWICH STREET
Office, New York

MEPT by the Numbers

THE SMITH
Multifamily, Boston

MEPT TOP 10 TENANTS BY REVENUE

As of June 30, 2022

TENANT NAME	LEASE END DATE	PERCENT TOTAL REVENUE
Amazon.com	Varies	3.5%
GSA	Varies	2.6%
AXA Equitable Life Insurance Company	09/30/23	1.6%
Tesla Motors, Inc.	Varies	1.5%
Oracle	06/30/23	1.3%
Walmart	01/31/29	0.9%
Convene	02/28/33	0.9%
BNP Paribas	Varies	0.8%
Grant Thornton LLP	04/30/30	0.7%
Aurora Innovation	04/17/31	0.7%
Total		14.7%

MEPT 10 LARGEST ASSETS (GAV)

As of June 30, 2022

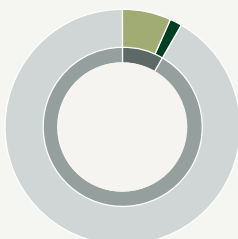
PROPERTY NAME	MARKET	GROSS ASSET VALUE AT SHARE (\$M)
XLT Industrial Portfolio Industrial	Varies	\$1,091.8
Newport Tower Office	New York	\$449.0
Haven Gateway Industrial	Los Angeles	\$421.0
The Octagon Multifamily	New York	\$387.4
Livermore Distribution Center Industrial	San Francisco	\$378.0
CentrepoinTE Chino II Industrial	Los Angeles	\$364.0
475 Sansome Street Office	San Francisco	\$334.0
The Smith Multifamily	Boston	\$332.2
101 Greenwich Street Office	New York	\$318.2
757 Third Avenue Office	New York	\$316.0

LEASE ROLLOVER

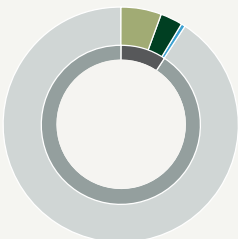
Percent of Net Rentable Area

2022

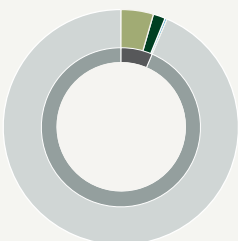
Industrial	6.78%
Office	1.72%
Retail	0.07%
Consolidated	8.58%

**2023**

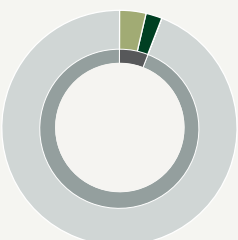
Industrial	5.67%
Office	3.01%
Retail	0.61%
Consolidated	9.29%

**2024**

Industrial	4.59%
Office	1.75%
Retail	0.25%
Consolidated	6.59%

**2025**

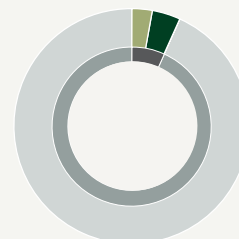
Industrial	3.86%
Office	2.08%
Retail	0.12%
Consolidated	6.06%

**LEASE ROLLOVER**

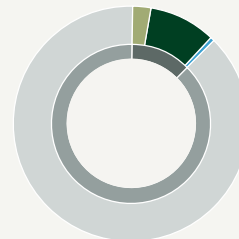
Percent of Revenue

2022

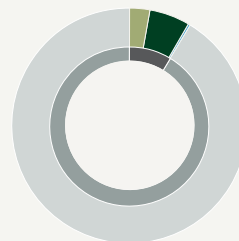
Industrial	2.88%
Office	3.89%
Retail	0.17%
Consolidated	6.94%

**2023**

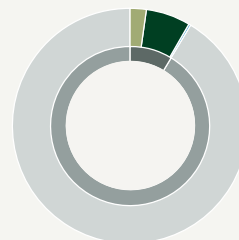
Industrial	2.59%
Office	9.29%
Retail	0.60%
Consolidated	12.48%

**2024**

Industrial	2.88%
Office	5.50%
Retail	0.28%
Consolidated	8.65%

**2025**

Industrial	2.25%
Office	6.33%
Retail	0.26%
Consolidated	8.83%

**TIER 1 (T1) LEVERAGE***

Economic Share of Mortgages Payable	\$1,078,610,472
Economic Share of Lines of credit	\$355,519,649
Economic Share of Term Loans & Private Placements	\$1,275,233,522
T1 Total Leverage	\$2,709,363,643
Total Assets per consolidated statement of net assets	\$11,853,448,196
Non-controlling interest in net assets	\$(2,794,160,435)
Fund's share of non-consolidated joint venture liabilities	\$727,230,638
Total Gross Assets	\$9,786,518,399
T1 Leverage Percentage	27.68%

*The NCREIF PREA Reporting Standards require that T1 Leverage is disclosed. More information can be found at: <https://reportingstandards.info/>

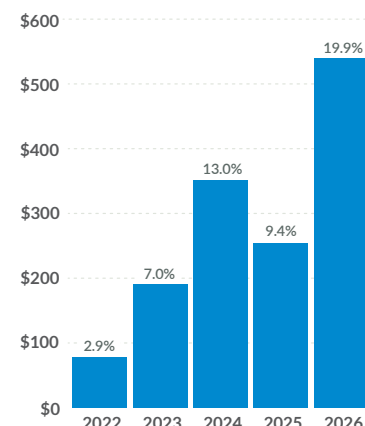
Debt Structure

During the second quarter, the Fund's leverage ratio increased slightly from 26.1% to 27.0%. The Fund currently has \$204 million of available liquidity.

The Fund procured property-level financing of \$43 million during the quarter comprising one bank loan. The Fund also expanded its revolving line of credit by \$100 million to \$550 million and consolidated two of its term loan facilities. ■

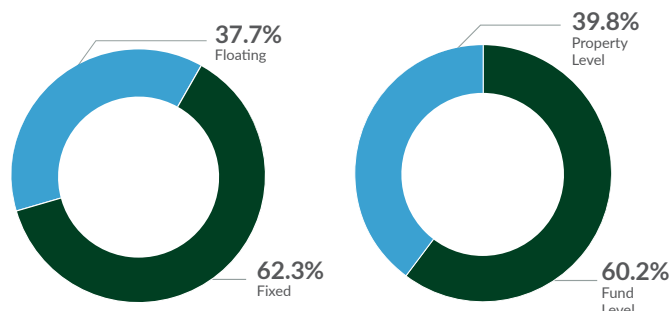
DEBT MATURITY SCHEDULE

(in \$ millions)



Current
Leverage Ratio
27.0%

Weighted Average
Interest Rate
2.98%



ESG LEADERSHIP

MEPT has a 10+ year track record of driving ESG performance and creating value. Delivering on ESG commitments is embedded in the BentallGreenOak culture and integrated into its investment management and property operations.

Leveraging the deep expertise of BGO's dedicated in-house Sustainable Investing team and ESG initiatives, the Fund has achieved **top-tier GRESB rankings for 11 consecutive years** and is among the first ODCE funds to qualify as an **Impact Fund** by committing to the Operating Principles for Impact Management, developed and hosted by the International Finance Corporation (IFC).

Learn more about BentallGreenOak's leadership in ESG in its 2022 Corporate Responsibility Summary at <https://www.bentallgreenoak.com/pdf/cr/2022-corporate-responsibility-summary.pdf>.



7315 Wisconsin Avenue
Suite 200W
Bethesda, MD 20814

mept.com

REAL ESTATE ADVISOR



bentallgreenoak.com

TRUSTEE



newtowertrust.com

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This report reflects the views of NewTower Trust Company, the trustee of The NewTower Trust Company Multi-Employer Property Fund ("MEPT" or "MEPT Fund" or "the Fund"), and BentallGreenOak (U.S.) Limited Partnership ("BentallGreenOak"), the real estate advisor to the trustee, with respect to MEPT. It is prepared for distribution to existing investors in MEPT. It may not be reproduced or distributed to the public.

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.

On July 1, 2019, Bentall Kennedy and GreenOak Real Estate merged to form BentallGreenOak. The information on this page only applies to the legacy Bentall Kennedy business.

Global Real Estate Sustainability Benchmark ("GRESB") awards are based on GRESB's assessment of seven sustainability aspects, using 50 real estate related indicators. The assessment includes information on property performance indicators, such as energy consumption, greenhouse gas emissions, water consumption, and waste. Details of the questionnaire and GRESB's assessment and weighting of responses are available at <https://gresb.com/gresb-real-estate-assessment/>