BentallGreenOak

2Q 2023
QUARTERLY REPORT

MEPT Fund

AVE AVIATION AND COMMERCE CENTER
Industrial, Miami

In the second quarter, the MEPT Fund ("MEPT" or the "Fund") generated a total gross return of -4.47% (-4.70%, net) compared with a total gross return of -2.68% for the NCREIF-ODCE Index ("ODCE").

MEPT's portfolio is well positioned to continue to endure challenging market conditions with overweight allocations to industrial and multifamily and a growing self-storage portfolio. Despite the headwinds, the Fund's industrial and self-storage portfolios generated positive returns and should continue to buoy the Fund's returns.

While investment metrics continued to modestly expand in the Fund's industrial, multifamily, retail, and self-storage portfolios, this was partially, and in some cases fully, offset by improving market and operating fundamentals. The Fund's industrial allocation, which continues to be a material overweight compared to the ODCE Index, had positive appreciation due to continued market rent growth.

The office sector continues to be battered by elevated interest rates, negative market sentiment, uncertainty in the space market, and limited transaction activity. In the second quarter, the Fund's office portfolio depreciated 14% due to increases in investment metrics as well as more conservative leasing and occupancy assumptions across the portfolio.

As of quarter-end, MEPT's operating portfolio was 93.7% leased, highlighting the Fund's focus on assets with strong property fundamentals in property types and geographic regions poised for growth. During the quarter, the asset management team completed a 139,978 sf new lease with Inventory Management at Eastgate 540, an industrial property in the Raleigh, NC market. The team also completed a 11,322 sf new lease with Reborn Cabinets at Alderwood Corporate Center III, a Portland, OR industrial property. Across the stabilized multifamily portfolio, renewal rent growth averaged 6.1% in the second quarter.

During the quarter, the Fund acquired Alcott Logistics Station, an industrial property in the Dallas market, for a gross purchase price of $95 million. The Fund also acquired the remaining 5% interest in 101 Greenwich Street, an NYC office building.

We continue to seek avenues to create liquidity in this challenging transaction environment. Fortunately, the Fund is significantly overweighted to industrial compared to the ODCE as well as overallocated by almost 3 percentage points compared to the Fund's strategic target (~45% vs. target range of 40% to 43%), which allows the Fund flexibility to sell the most liquid property type. To that end, we are advancing the sale of a $1.0 billion industrial portfolio comprised of 16 industrial buildings in California. Additionally, we expect to complete the sale of two industrial properties, 1 Technology Drive in the Boston market and FloWorks Distribution Center in the Houston market, in the fourth quarter.

Lastly, the Fund has a redemption queue of $1.1 billion as of the end of the second quarter. Since 2Q 2020, MEPT has distributed $2.2 billion to investors as we continue to manage the Fund for sustained outperformance while honoring the commitment of open-end fund liquidity responsibilities.

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
Senior Portfolio Manager

ON THE COVER:
MISSION TRAILS, *Industrial, San Diego*

MEPT Overview[1]

As of June 30, 2023

FUND SNAPSHOT

Gross Asset Value

$8.8B

Net Asset Value

$6.1B

104 Assets

25+ Markets

285 Investors

93.7% Percent Leased (Operating Portfolio)

37.6M Square Feet (Operating Portfolio)

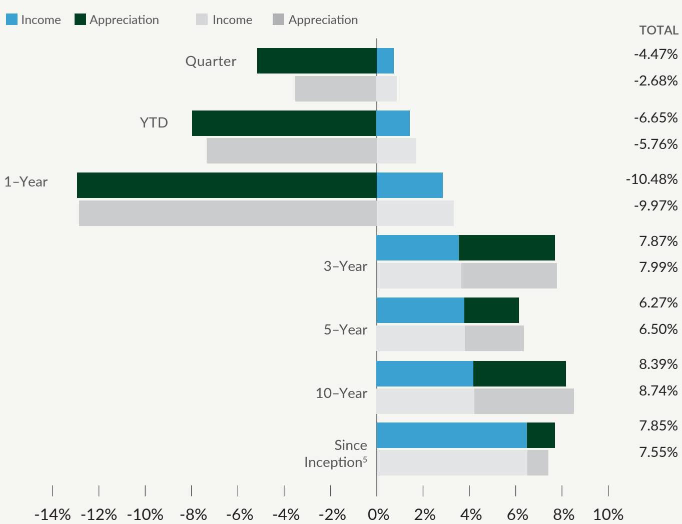
30.4% Leverage as a % of GAV

0.6% Cash as a % of NAV

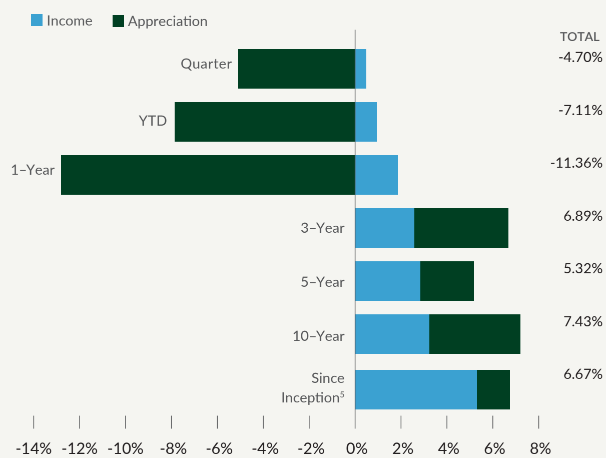
13.8YRS Average Property Age

FUND RETURNS 2Q 2023[2]

Gross of Fees



Net of Fees[4]



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

PORTFOLIO METRICS

As of June 30, 2023

	ASSETS[1]	% OF ALLOCATION (GAV)[1]	GROSS TOTAL RETURN[2]	NET TOTAL RETURN[3]	LEASED[4]	AVERAGE STABILIZED CAP RATE[4]
Industrial	38	45.5%	1.3%	1.1%	98.8%	4.7%
Multifamily	27	30.5%	-1.7%	-1.9%	93.1%	4.4%
Office	19	19.4%	-13.0%	-13.2%	79.4%	6.1%
Self-Storage	14	2.0%	0.5%	0.3%	90.2%	5.3%
Retail	3	1.8%	-5.7%	-5.9%	87.4%	7.2%

INDUSTRIAL

The Fund's industrial portfolio was the top performing property type in the second quarter, achieving a total gross return of 1.26% (1.09%, net of fees), comprised of 0.79% income and 0.47% appreciation. Industrial markets across the U.S. continue to benefit from historically low vacancy. While tenant demand is beginning to normalize from its record-setting pace over the last two years, market rent growth across the U.S. is still projected to be close to 10% for 2023, according to Cushman & Wakefield. Increasing market rents largely offset increases in valuation metrics. The Fund seeks to maintain its overallocation to industrial as its strong relative performance is expected to continue.

MEPT has a 45.5% allocation to industrial, a significant overweight of 13.1 percentage points compared to the ODCE. The industrial portfolio remains well leased at 98.8% with a weighted average lease term of 5.1 years.

OFFICE

The Fund's office portfolio delivered a total gross return of -13.03% (-13.20%, net of fees) in the second quarter, consisting of 1.10% income and 14.13% depreciation. The elevated second quarter depreciation was driven by increased valuation metrics combined with more conservative lease-up and occupancy assumptions. While this was widespread across office markets in the portfolio, assets in New York, San Francisco, and Chicago experienced higher levels of depreciation. Outside of distressed situations, there is little activity in office capital markets. The Fund will seek to maintain and increase occupancy until more favorable conditions arise for prudent reductions in its allocation.

MEPT has a 19.4% allocation to office, equal to the ODCE. The Fund's office portfolio has a weighted average lease term of 6.1 years.

MULTIFAMILY

The Fund's multifamily portfolio delivered a total gross return of -1.69% (-1.86%, net of fees), consisting of 0.87% income and 2.56% depreciation. While multifamily values continue to adjust to elevated interest rates, fundamentals remain stable across most U.S. markets. The resilient U.S. labor market continues to drive multifamily demand, as well as the lack of affordability that has plagued the housing market. As a result, the Fund's stabilized multifamily portfolio achieved 6.1% renewal rent growth in the second quarter.

MEPT has a 30.5% allocation to multifamily, an overweight of 1.1 percentage points compared to the ODCE. The multifamily portfolio is 93.1% leased.

SELF-STORAGE AND OTHER

The Fund's self-storage portfolio delivered a total gross return of 0.50% (0.33%, net of fees), consisting of 0.80% income and 0.30% depreciation. The Fund's self-storage portfolio now consists of 14 properties and a 2.0% Fund allocation. Self-storage performance continues to be driven by a sticky tenant base combined with significant in-place rent increases. Recent portfolio sales suggest that valuation rates are stabilizing following the interest rate increases.

The Fund's retail portfolio delivered a total gross return of -5.73% (-5.90%, net of fees) in the second quarter, consisting of 1.19% income and 6.93% depreciation. The Fund's retail portfolio consists of three properties, a 1.8% Fund allocation, which is a significant underweight of 8.5 percentage points compared to the ODCE. The retail portfolio has a weighted average lease term of 7.6 years. ■

[1] Excludes land and parking assets.

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

[3] Property level returns are shown on an unlevered basis, and the fee applied reflects the highest level of fee charged during the time period. Fees charged to investors are based on net asset value, and the fee applied to the property-level return is an implied gross asset value fee assuming the same fund level leverage ratio for each property type since MEPT has a combination of fund-level and property-level debt.

[4] Excludes non-operating assets.

U.S. Market Overview

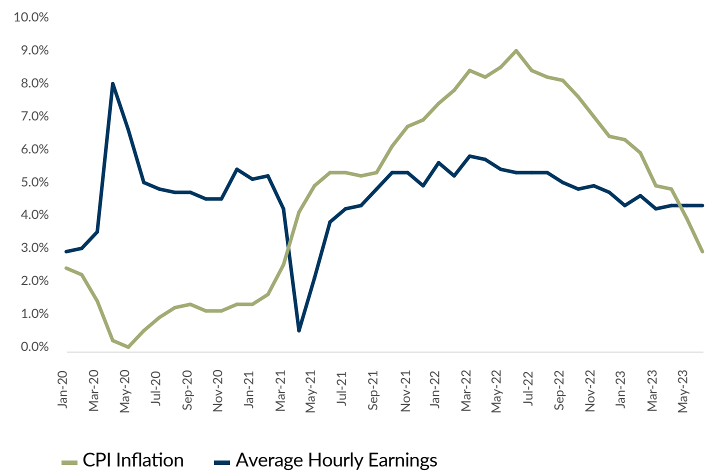
Labor supports resilient economy

Through mid-year, the U.S. economy remained resilient. The labor market stayed incredibly tight, with the unemployment rate remaining near half-century lows, still-elevated wage growth, an increase in the labor-force participation rate, and slowing but healthy employment gains. That strength has supported consumer spending, the key driver of the ongoing economic expansion. Despite that strength, inflation continued to decelerate during the quarter, falling from 9.1% in June 2022 to just 3.0% in June 2023 as supply and demand are coming back into better balance. With inflation falling below wage growth, consumption remains on solid footing.

With inflation still above its target rate of 2%, the Fed continued to raise rates during the quarter, bringing the effective fed funds rate above 5%, its highest level since 2007. Although rate hikes have slowed versus last year's torrid pace, the Fed recently reiterated that additional hikes remain a possibility until it is convinced inflation will fall to its target. It does not forecast cutting rates until 2024. That messaging has also propped up yields at the long end of the curve, with the 10-year Treasury ending the quarter near 4%. The outlook for the economy remains favorable for the balance of the year, but cumulative rate hikes are weighing on economic activity and are clearly causing growth to slow.

INFLATION FALLING BELOW WAGE GROWTH

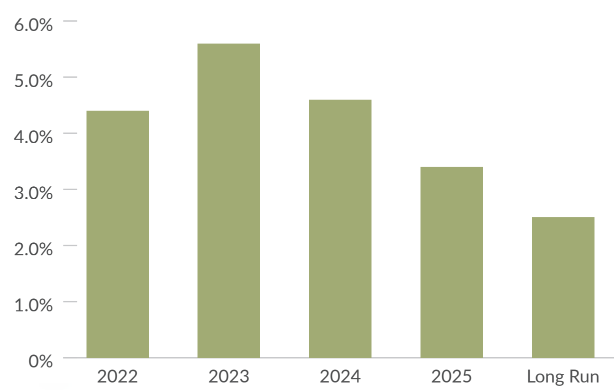
Year-Over-Year Change



Sources: Bureau of Labor Statistics, Federal Reserve and BGO Research.

FED LIKELY NOT DONE HIKING

Fed Funds Rate, Median



Sources: Federal Reserve and BGO Research.

COMMERCIAL REAL ESTATE WELL POSITIONED DESPITE CHALLENGES

The Fed's aggressive hiking since March 2022 has rippled through the commercial real estate market. On the capital markets side mortgage rates remain elevated and debt capital relatively scarce. Transaction volume continues to hover at low levels while prices have fallen. In the space markets demand remains subdued because of fears that tighter credit conditions could tip the economy into recession. Yet outside of notable pockets of weakness, such as lower-quality office, the overall market remains healthy. Vacancy rates across property types, other than office, remain near cyclically low, if not historically low, levels. Rent growth remains positive, though slowing. The market should continue to favor property types with durable structural advantages, such as industrial and multifamily. Portfolios positioned to capitalize on those advantages should continue to perform relatively well, even in the face of short-term challenges. ■

Transactions

The Fund acquired Alcott Logistics Station, an industrial property in the Dallas market, for a gross purchase price of $95 million in the second quarter. The Fund also acquired the remaining 5% interest in 101 Greenwich Street, an NYC office building.

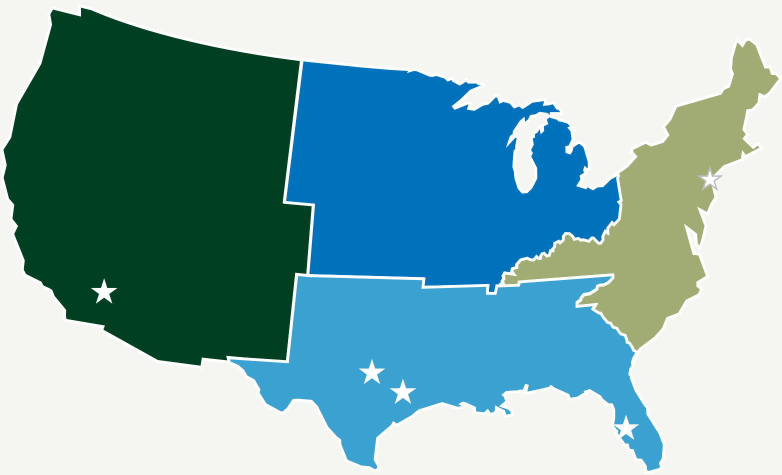
We continue to seek avenues to create liquidity in this challenging transaction environment. Fortunately, the Fund is significantly overweighted to industrial compared to the ODCE as well as overallocated by almost 3 percentage points compared to the Fund's strategic target (~45% vs. target range of 40% to 43%), which allows the Fund flexibility to sell the most liquid property type. To that end, we are advancing the sale of a $1.0 billion industrial portfolio comprised of 16 industrial buildings in California. Additionally, we expect to complete the sale of two industrial properties, 1 Technology Drive in the Boston market and FloWorks Distribution Center in the Houston market, in the fourth quarter. ■

2023 ACQUISITIONS[1]

$190.3M Closed

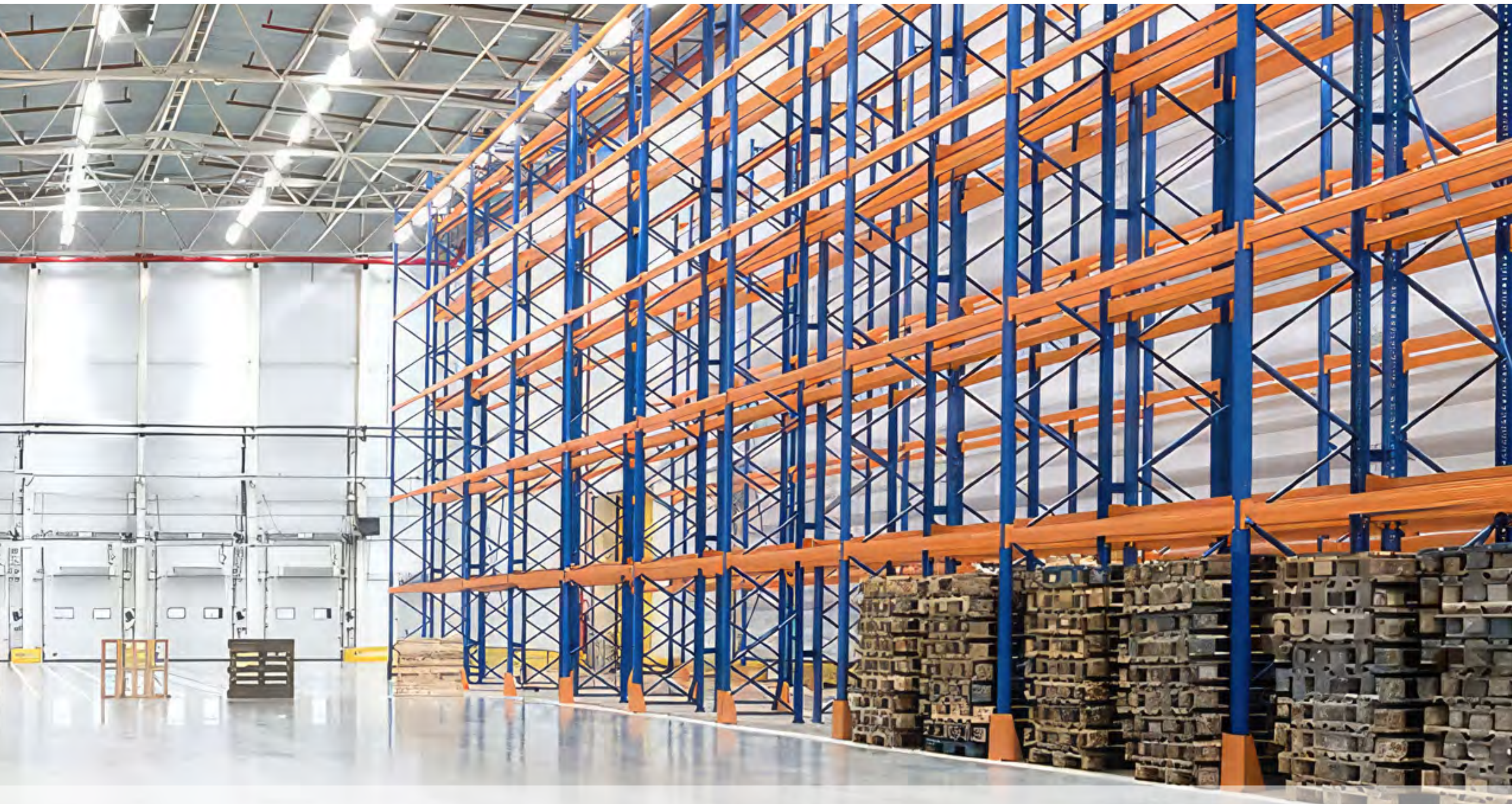
$0.0M In Process

$190.3M Acquisition Pipeline Total



PROPERTY TYPE	TRANSACTION AMOUNT ($M)
Industrial	$95
Multifamily	$0
Office	$13
Self-Storage	$82
Retail	$0
Other	$0
Total	**$190**

[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.



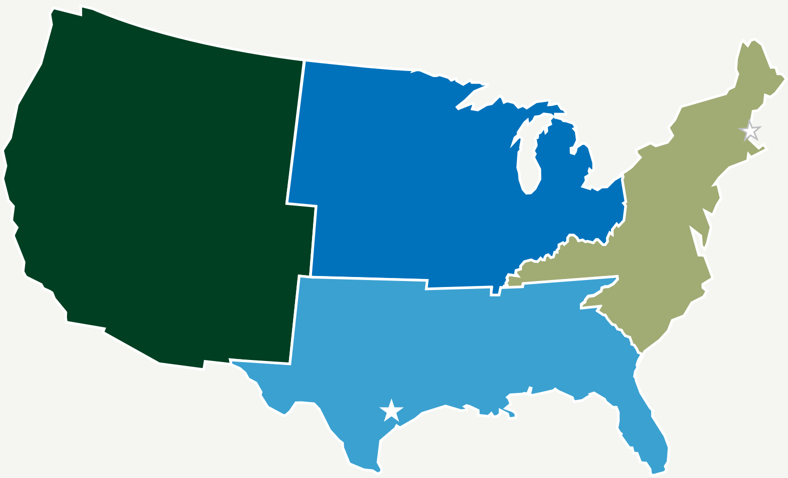
ALCOTT LOGISTICS STATION
Industrial, Dallas

2023 DISPOSITIONS[1]

$0.0M
Closed

$85.0M
In Process

$85.0M
Disposition Pipeline Total



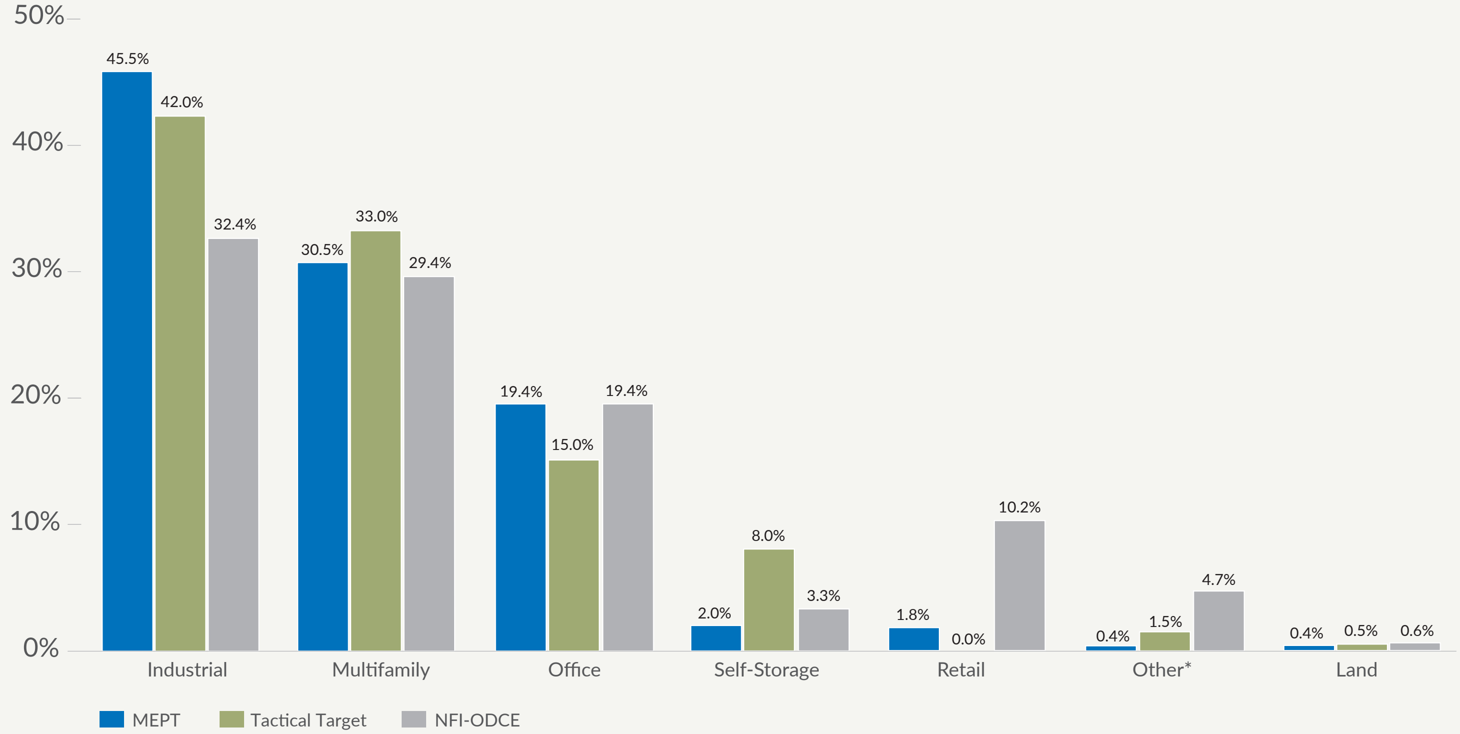
PROPERTY TYPE	TRANSACTION AMOUNT ($M)
Industrial	$85
Multifamily	$0
Office	$0
Retail	$0
Other	$0
Total	**$85**

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

MEPT by the Numbers

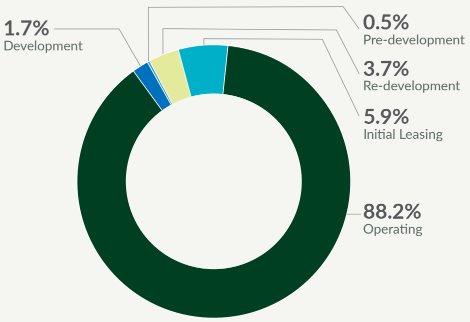
Diversification and Portfolio Characteristics as of June 30, 2023

BY PROPERTY TYPE (GAV)

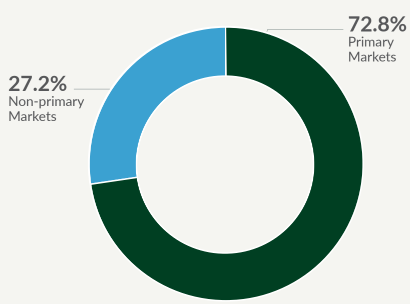


*Includes life science and other property types.

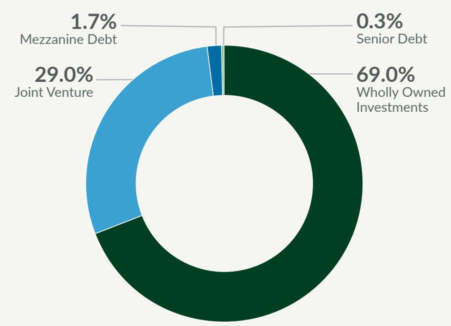
BY LIFE CYCLE (GAV)



BY MARKET (GAV)



BY INVESTMENT STRUCTURE (GAV)

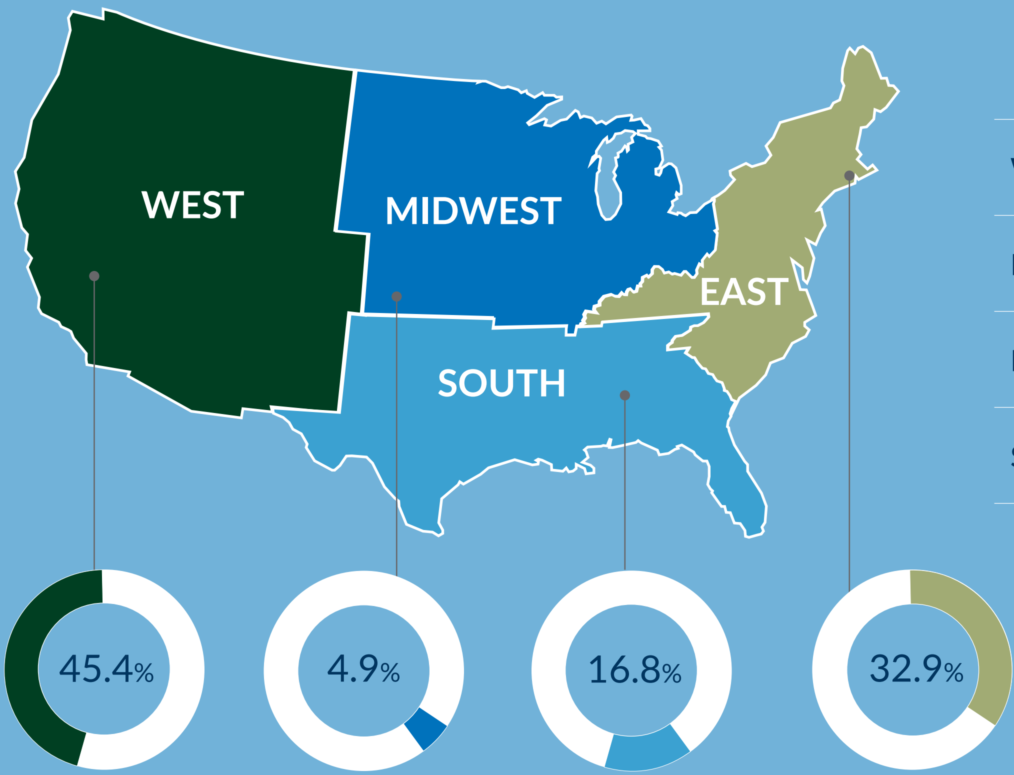


Notes

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.

DIVERSIFICATION BY GEOGRAPHIC REGION (GAV)



West	$5,378.7M
Midwest	$586.3M
East	$3,898.2M
South	$1,994.3M

TOP MARKETS BY INVESTMENT

As of June 30, 2023

MARKET	GAV (IN $M)	% OF GAV
Los Angeles	$ 1,903.7	16.1%
New York	1,291.7	10.9%
Boston	959.5	8.1%
Dallas	855.6	7.2%
San Francisco	827.0	7.0%
Portland, OR	675.2	5.7%
Washington, DC	661.0	5.6%
Chicago	586.3	4.9%
Seattle	535.6	4.5%
Other Markets	3,562.0	30.0%
Total	$11,857.5	100.0%

Primary Market Non-Primary Market

OAK HILL STORAGE
Self-Storage, Austin

MEPT by the Numbers

THE DYLAN
Multifamily, New York

MEPT TOP 10 TENANTS BY REVENUE

As of June 30, 2023

TENANT NAME	LEASE END DATE	PERCENT TOTAL REVENUE
Amazon	Varies	3.6%
GSA	Varies	2.6%
Disney	11/30/27	1.7%
Tesla	Varies	1.5%
AXA	09/30/23	1.5%
Oracle	06/30/23	1.2%
Walmart	01/31/29	0.9%
Convene	02/28/33	0.9%
Grant Thornton	04/30/30	0.7%
Aurora Innovation	04/17/31	0.7%
Total		**15.4%**

MEPT 10 LARGEST ASSETS (GAV)

As of June 30, 2023

PROPERTY NAME	MARKET	GROSS ASSET VALUE AT SHARE ($M)
The Smith Multifamily	Boston	$438.9
Haven Gateway Industrial	Los Angeles	$403.0
The Octagon Multifamily	New York	$373.7
Centrepointe Chino II Industrial	Los Angeles	$366.0
Livermore Distribution Industrial	San Francisco	$327.0
Newport Tower Office	New York	$313.0
Solaire Multifamily	San Francisco	$263.0
Mission Trails Industrial Ctr Industrial	San Diego	$237.0
475 Sansome Street Office	San Francisco	$237.0
1900 16th St Office	Denver	$236.5

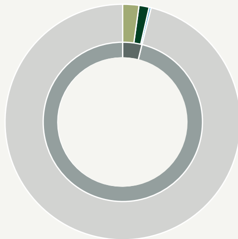
There can be no assurance that the Fund will actually make investments that are comparable in scope, type or quality to such investments or that similar investments will be available to the Fund.

LEASE ROLLOVER

Percent of Net Rentable Area

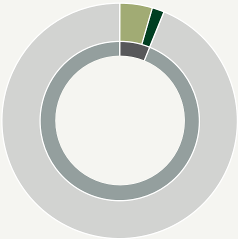
2023

Industrial	2.29%
Office	1.53%
Retail	0.26%
Consolidated	4.07%



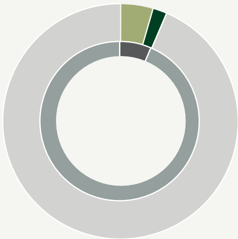
2024

Industrial	4.60%
Office	1.52%
Retail	0.18%
Consolidated	6.30%



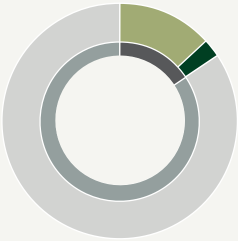
2025

Industrial	4.58%
Office	1.94%
Retail	0.12%
Consolidated	6.64%



2026

Industrial	13.12%
Office	2.48%
Retail	0.09%
Consolidated	15.69%

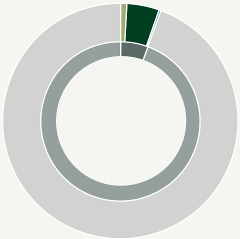


LEASE ROLLOVER

Percent of Revenue

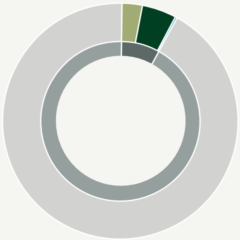
2023

Industrial	1.02%
Office	4.32%
Retail	0.27%
Consolidated	5.61%



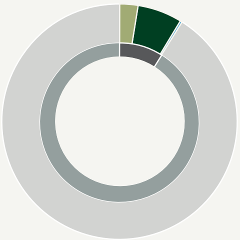
2024

Industrial	2.96%
Office	4.63%
Retail	0.29%
Consolidated	7.88%



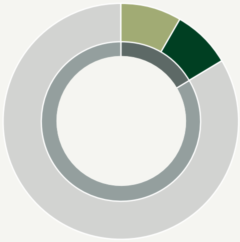
2025

Industrial	2.66%
Office	6.05%
Retail	0.27%
Consolidated	8.98%



2026

Industrial	8.43%
Office	8.02%
Retail	0.21%
Consolidated	16.66%



TIER 1 (T1) LEVERAGE*

Economic Share of Mortgages Payable	$1,168,491,632
Economic Share of Lines of Credit	$352,189,814
Economic Share of Term Loans & Private Placements	$1,228,995,706
T1 Total Leverage	**$2,749,677,152**
Total Assets per Consolidated Statement of Net Assets	$10,943,188,560
Non-controlling Interest in Net Assets	$(3,098,042,431)
Fund's Share of Non-consolidated Joint Venture Liabilities	$917,467,361
Total Gross Assets	$8,762,613,489
T1 Leverage Percentage	**31.38%**

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

Debt Structure

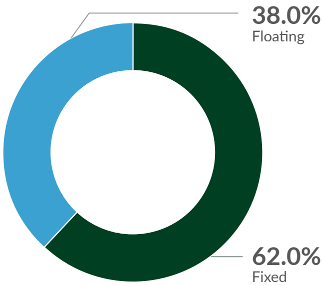
During the second quarter, the Fund's leverage ratio increased from 28.8% to 30.4%. The Fund expects to reduce its leverage ratio in the third quarter through retiring floating rate debt. ■

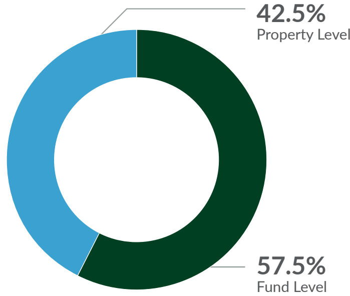
Current Leverage Ratio

30.4%

Weighted Average Interest Rate

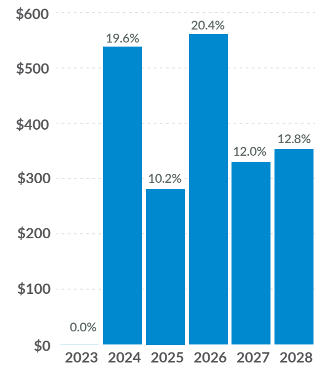
4.83%





DEBT MATURITY SCHEDULE

(in $ millions)



85%

of the MEPT portfolio has at least one certification*

GRESB ★★★★☆ 2022

36

LEED Certified Buildings

100

BOMA BEST Certified Buildings

10

ENERGY STAR Certified Buildings

fitwel

15

Fitwel Viral Response Certified Buildings

12

Fitwel Certified Buildings

Number of certifications as of June 30, 2023
*Based on net rentable area

MEPT Fund
7315 Wisconsin Avenue
Suite 200W
Bethesda, MD 20814

mept.com

REAL ESTATE ADVISOR

BentallGreenOak

bentallgreenoak.com

TRUSTEE

NewTower Trust Company

newtowertrust.com

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

GRESB Rating: GRESB B.V. (GRESB) created and tabulated the Fund's score, which covers activities taking place during each calendar year and its typically released on or around October 1 of the following year after materials for the Fund are submitted to GRESB. In order to obtain a rating, the Fund must pay a participation assessment fee for submission to GRESB. For more information regarding GRESB, please see https://gresb.com/nl-en/. BGO Diversified and MEPT were submitted together for the GRESB survey. For additional information, please see https://mept.com in the Publications, Quarterly Reports section.

LEED certifications are a green building rating program developed by the U.S. Green Building Council ("USGBC"). Certifications achieved during the design and construction of a building do not expire. Certifications achieved based on the operation expire after three years and must be renewed. Fees are paid to the USGBC to receive building-level certifications. A complete list of Fund properties that have received LEED certifications and the date each was granted, and the date it will expire, if relevant, can be provided upon request. For additional information, please see https://mept.com in the Publications, Quarterly Reports section.

BOMA BEST Sustainable Buildings certification recognizes excellence in energy and environmental management and performance in commercial real estate. The program is managed by the Building Owners and Managers Association of Canada (BOMA Canada). Fees are paid annually for certification. More information is available at https://bomabest.org/. For additional information, please see https://mept.com in the Publications, Quarterly Reports section.

ENERGY STAR certifications are conveyed by the U.S. Environmental Protection Agency ("EPA"). Certifications are given on an annual basis and must be certified year to year. Fees are paid to the EPA to receive building-level certifications. For additional information, please see https://mept.com in the Publications, Quarterly Reports section.

Fitwel Best in Building Health Awards are awarded by the Center for Active Design, via Fitwel®, the world's leading certification system committed to healthy buildings for all. Fitwel Best in Building Health winners are recognized annually for their best-in-class innovations to enhance occupant health and well-being. Certifications are issued on a rolling basis and are valid for three years. Properties must recertify to maintain certification standing. Properties must pay certification fees to pursue Fitwell certifications. The Fitwel Viral Response module provides annual, third-party certification of policies and practices to mitigate the spread of contagious diseases within buildings. More information is available at www.fitwel.org. For additional information, please see https://mept.com in the Publications, Quarterly Reports section.