

THE UNIVERSITY OF MICHIGAN  
REGENTS COMMUNICATION

REQUEST FOR ACTION

**Subject:** Alternative Assets Commitment

**Action Requested:** Approval of Detroit Renaissance Real Estate Fund LP

**Background and Summary:** We recommend a commitment of up to \$30 million from the Long Term Portfolio to Detroit Renaissance Real Estate Fund LP, a Detroit, MI, based real estate fund which will invest in single and multifamily properties in the Detroit Metro Area.

Fortus Partners ("Fortus"), the general partner for the Detroit Renaissance Real Estate Fund LP, was co-founded by Corey Hanker and Jordan Friedman in 2011 and is headquartered in Detroit, MI. Fortus has successfully built a full team, including an internal property management company.

Fortus' strategy is to purchase, renovate, and rent single family and multifamily homes in the Detroit Metro Area, which includes Oakland, Macomb, and Wayne counties. Fortus targets undervalued homes that are typically two to three bedrooms and require varying degrees of renovation. The properties are held for rental income, but Fortus expects to dispose of the assets in bulk through a large portfolio sale.

This commitment offers the Long Term Portfolio the opportunity to invest alongside an experienced team focused on Detroit real estate.

Respectfully submitted,



Kevin P. Hegarty  
Executive Vice President and  
Chief Financial Officer

February 2018