

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

REQUEST FOR ACTION

Subject: Alternative Assets Commitment

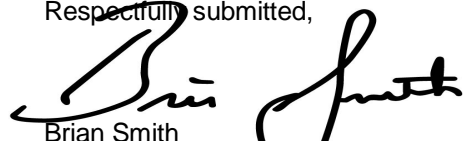
Action Requested: Approval of FCP Realty Fund V, L.P.

Background and Summary: We recommend a commitment of up to \$50 million from the Long Term Portfolio to FCP Realty Fund V, L.P., managed by a Chevy Chase, MD, based manager that invests in undervalued and/or underperforming multifamily assets located primarily in select Southeast and Sunbelt markets in the U.S. In addition, the manager invests in office on an opportunistic basis.

Founded by Esko Korhonen and Lacy Rice in 1999, FCP specializes in acquiring, improving and overseeing the management of multifamily properties, with a focus on assets that serve middle income renters. The firm has over 60 professionals, strong in-house development, construction and asset-management expertise as well as a robust data platform that informs all aspects of the investment process.

FCP's deep networks and its reputation for being a reliable transaction partner contributes to a substantial amount of proprietary deal flow. The team's investment discipline and its excellence in execution has led to unusually strong performance over an extended period of time. This commitment offers the Long Term Portfolio the opportunity to invest alongside an experienced team in an attractive strategy.

Respectfully submitted,



Brian Smith
Interim Executive Vice President and
Chief Financial Officer

May 2021