

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

REQUEST FOR ACTION

Subject: Alternative Assets Commitment

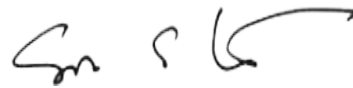
Action Requested: Approval of \$10 million upside to MDH Fund II, L.P.

Background and Summary: We recommend a \$10 million additional commitment to our existing approval of a commitment of up to \$20 million from the Long Term Portfolio to MDH Fund II, L.P., offered by an Atlanta, GA, based manager that invests in industrial warehouse and distribution properties located primarily in the southeast and southwest United States and in Texas. A commitment of up to \$20 million to the partnership was granted in February 2021. The manager is seeing a more robust opportunity set than anticipated and prefers to increase the size of the fund rather than raising a new fund.

Founded by Jeff Small, Jr. and Michael Pelt in 2005 as a successor company to a fifty-year-old family-owned industrial property development firm, MDH Partners ("MDH") specializes in acquiring, developing, and managing industrial and logistics real estate. The firm has in-house development and construction expertise as well as in-house asset management expertise.

MDH's deep networks and its reputation for being a reliable transaction partner have contributed to a substantial amount of proprietary deal flow over time. 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,



Geoffrey S. Chatas
Executive Vice President and
Chief Financial Officer

June 2022