

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ITEM FOR INFORMATION

Subject: Absolute Return and Alternative Assets Commitments

Background and Summary: Under a May 1994 Request for Action, the university may commit to follow-on investments in a new fund sponsored by a previously approved partnership, provided the fund has the same investment strategy and core investment personnel as the prior fund.

Pursuant to that policy, this item reports on the university's follow-on investments with the previously approved partnerships listed below.

Alternative Assets Commitments

Y Combinator ("YC") is a venture capital based in San Francisco, CA, that provides funding for startups at their earliest stages of development. This investment is expected to provide the university with significant exposure to high-quality early-stage companies that can generate meaningful investment returns as these companies develop.

In March 2024, the university committed \$68 million to three YC-sponsored investment vehicles.

MaC Venture Capital ("MaC") is an early-stage venture capital firm formed in Los Angeles and San Francisco, CA, in 2019. MaC invests in pre-seed, seed, and early Series A investments in technology companies and founders benefiting from shifts in cultural and technological trends.

The university committed \$10 million to one MaC-sponsored direct investment.

First Round Capital is a generalist venture capital firm based in Philadelphia, PA, New York City, NY, and San Francisco, CA. It invests at the earliest stages of technology company development, often as the first institutional capital partner. The firm invests mainly in companies operating in the enterprise, consumer, hardware, fintech, healthcare, and other sectors across the United States.

In May 2022, the university made a secondary purchase aggregating \$3.1 million of commitments to funds sponsored by First Round Capital.

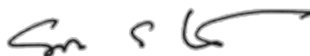
Kedaara Capital ("Kedaara") is a Mumbai, India, based private equity firm targeting control or significant minority stakes in mature businesses and select high-growth companies across consumer, financial services, healthcare, and technology services sectors. Kedaara's investment approach should give the university access to companies led by some of the best entrepreneurs and management teams in India.

In April 2024, the university committed \$73 million to a Kedaara-sponsored investment vehicle.

Related Companies is a New York, NY, based vertically integrated real estate company. The firm leverages its extensive capabilities and resources in development, construction, finance, and asset management to create world class, innovative real estate across property types, including affordable housing, multifamily, retail, office, and hospitality.

In December 2023, the university committed up to \$100 million to a Related-sponsored investment.

Respectfully submitted,



Geoffrey S. Chatas
Executive Vice President and
Chief Financial Officer