



# NCREIF PREA REPORTING STANDARDS

Open Session  
March 26, 2024



# AGENDA

Topic	Presenter(s)
Welcome and Introductions	John Kjelstrom, Chatham Financial, RS Council Chair
Expanding Asset Level Reporting	David DiPaolo, Clarion Partners
Reporting Standards for Debt Funds – Phase II	Jocelyn Friel, Prime Finance Mark Wojteczko, Deloitte
SEC Private Funds Advisers Rule Update	Jamie Kingsley, Reporting Standards Director
Why Consistency and Transparency are Critical in Volatile Markets	John Kjelstrom, Chatham Financial, RS Council Chair Michael McGowan, CalSTRS Mike Morrell, NYSTRS Rivka Altman, Invesco Brian Velky, SitusAMC
Wrap Up and Thank You	John Kjelstrom, Chatham Financial, RS Council Chair

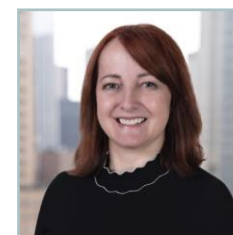
# RS BOARD MEMBERS



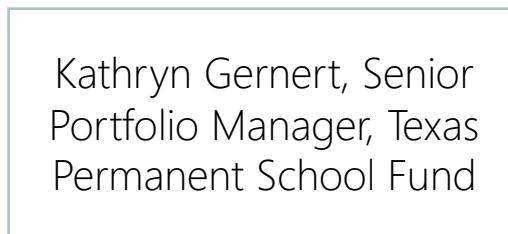
Sally Ann Flood, Partner,  
Deloitte  
Chair



Tony Breault, Managing  
Director, Ascentris



Barbara Flusk, Senior  
Executive Vice President,  
The Citco Group



Kathryn Gernert, Senior  
Portfolio Manager, Texas  
Permanent School Fund



Paul Quinlan, Managing  
Director & CFO, Real  
Estate, Blackstone

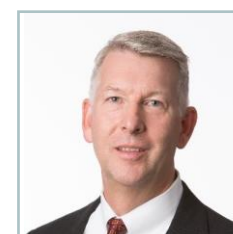


Jim Allen, Managing  
Director & Fund CFO,  
Starwood Capital Group

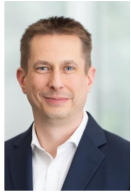
Jim Strezewski, Chief Financial  
Officer, Blue Vista Capital  
Management  
Vice Chair



Kim Hourihan, Chief  
Investment Officer, CBRE  
Real Estate Investments,  
CBRE Global Investors



# RS COUNCIL MEMBERS



John Kjelstrom, Managing Director –  
Valuation, Reporting, and Analytics,  
Chatham Financial  
Chair



Paul Cheng, Senior Investment Officer,  
SERS Ohio



Jennifer Davis, Managing Director,  
Northwood Investors



Sara Davis, Managing Director,  
Blackstone



Lou DeFalco, Partner, PwC



Paul D'Elisa, Senior Vice President,  
Sentinel



David DiPaolo, Senior Vice President,  
Clarion Partners



Jocelyn Friel, Managing Director,  
Prime Finance



Tom Hester, Managing Director,  
StepStone Real Estate



Benay Kirk, Managing Director, Alter  
Domus



Rina Lessing, Investment Manager,  
CalPERS



Andrew Loeb, Senior Vice President,  
Oaktree Capital Management



Joseph Nahas, Senior Vice President,  
Institutional Marketing & Investor  
Relations, Equus Capital Partners



Connie Tirondola, Managing Director,  
Real Estate Solutions, FTI Consulting



Diane Wild, Head of North American  
Investment Performance, LaSalle  
Investment Management



Min Zhou, Managing Director,  
Secondaries, Ares Management

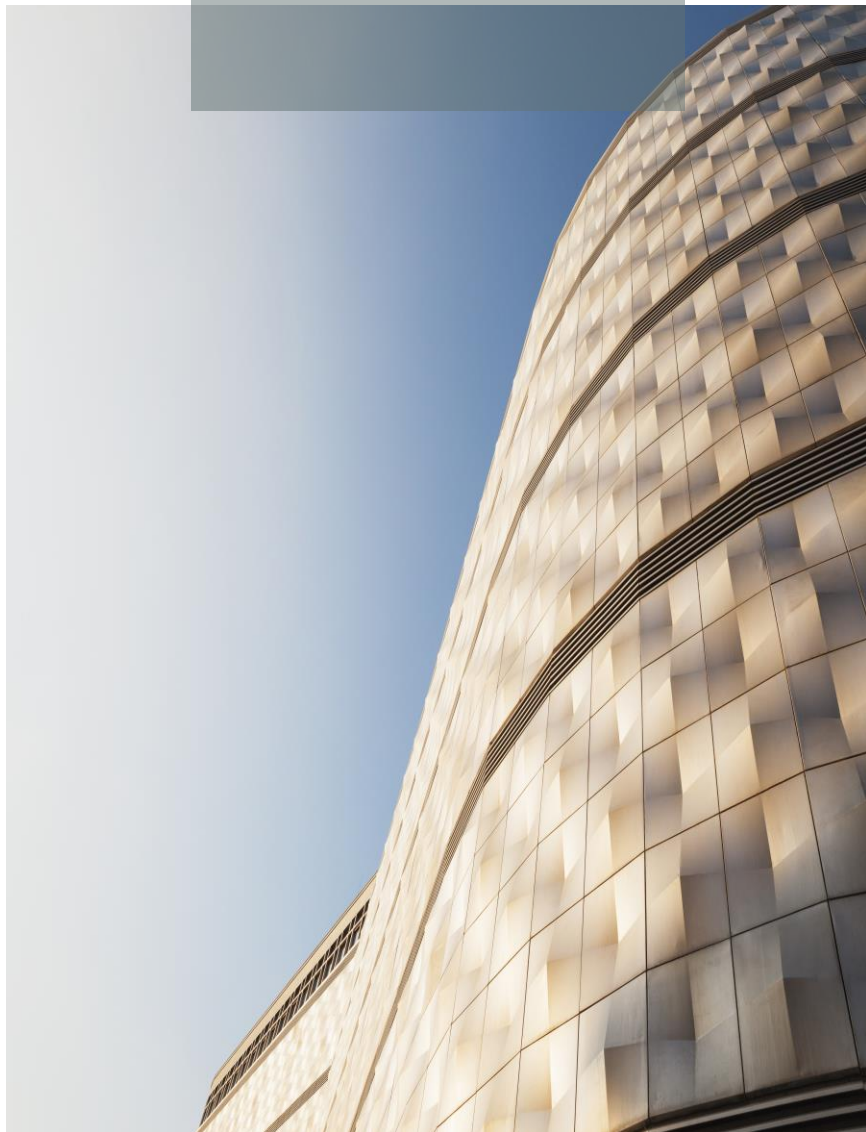
# RS COUNCIL MEMBER UPDATE



Retiring April 2024

Connie Tirondola  
Managing Director  
Real Estate Solutions  
FTI Consulting

*Congratulations!*  
*Thank you for your service!*



**ESTABLISH STANDARDS** **RS**

- Develop reporting standards that are relevant to both open-end and closed-end funds that can improve the investment decision-making of investors.

**GLOBAL ALIGNMENT** **RS**

- Converge investor reporting standards globally.
- Build a global platform for transparent and consistent reporting for international investors and advisors.

**Collaborate** **RS**

**Compliance** **RS**

**Promotion** **RS**



NCREIF PREA  
**Reporting Standards**

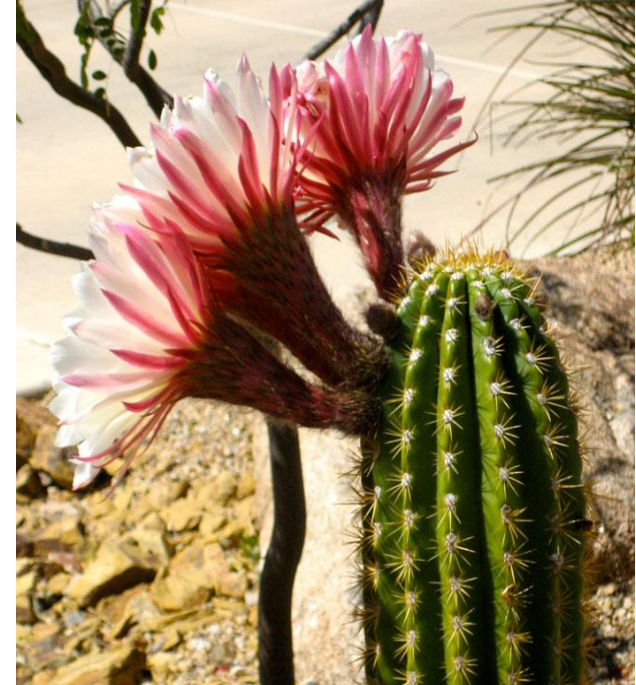
# EXPANDING ASSET LEVEL REPORTING

**David DiPaolo**

Senior Vice President, Clarion Partners  
RS Council Member & Task Force Chair

# ASSET LEVEL REPORTING TASK FORCE

- David DiPaolo, RS Council, Clarion Partners
- Jen Davis, RS Council, Northwood Investors
- Benay Kirk, RS Council, AlterDomus
- Christina Metcalf, Simon Compliance
- Manoj Pathak, State Street
- Min Zhou, RS Council, Ares Management





# ASSET LEVEL REPORTING

## Expanding Required and Recommended Elements in FR.04

### Proposal Key Highlights

- **Increase required frequency** of Schedule of Investments to quarterly for Open-End Funds. Quarterly frequency for Closed-End Funds and SMA's will be recommended.
- Add **new REQUIRED** data points – reporting frequency varies by account type (Open-End, Closed-End, SMA):
  - Informational – Legal Share
  - Financial – Gross Asset Value
  - Valuation – Discount Rate, Terminal Rate, Going in Cap Rate, Three Year Rent Growth
- See next slide for new RECOMMENDED data points

# ASSET LEVEL REPORTING

## Expanding Required and Recommended Elements in FR.04

- Add **new RECOMMENDED** data points – reporting frequency varies by account type (Open-End, Closed-End, SMA):
  - Informational – Effective Share
  - Financial – Net Asset Value, TTM NOI
  - Performance – Gross and NET IRR, TVPI, Gross and Net TWR
  - Real Estate Operation – Life Cycle, Lease Percent, Average WALT
  - Leverage – Loan Principal Balance, Loan Market Value, LTV, DSCR, Interest Rate, Derivative Type, Derivative Maturity, Debt Maturity, Fully Extended Debt Maturity Date
  - Valuation – Contract Rent, Market Rent, Expense Ratio, Ten Year Rent Growth
  - Business Plan – Projected Exit Date, Gross and Net Projected IRR
  - Debt Investment KPIs – Total Commitment, Percent Funded, Investment Type, Fixed Rate, Variable Rate, Reference Rate, Maturity Date, Extension Options, Collateral Type

# ASSET LEVEL REPORTING

Expanding Required and Recommended Elements in FR.04

## Next Steps

- April 2024 – send proposal to NCREIF Standing Committees and PREA Reporting and Valuation Affinity Group for review and feedback
- May 2024 – review and incorporate feedback received
- Summer 2024 – publish Exposure Draft for Public Comment (60-day comment period)
- EOY 2024 – publish new standards in Adopting Release



NCREIF PREA  
**Reporting Standards**

# REPORTING STANDARDS FOR DEBT FUNDS – PHASE II

**Jocelyn Friel**

Managing Director, Prime Finance  
RS Council Member & Task Force Co-Chair

**Mark Wojteczko**

Managing Director, Deloitte  
Acctg Committee Chair & Task Force Co-Chair

# REPORTING STANDARDS FOR DEBT FUNDS

## Phase II – Debt Fund Manual

### Project Plan

- Task Force formed and kickoff call held March 18<sup>th</sup>
- Accounting, Performance, Valuation disciplines represented
- Steering Committee/Task Force formation underway
- Targeting September 2024 – initial draft for review and comment
- Target Publication EOY 2024

### Scope of Inaugural Version

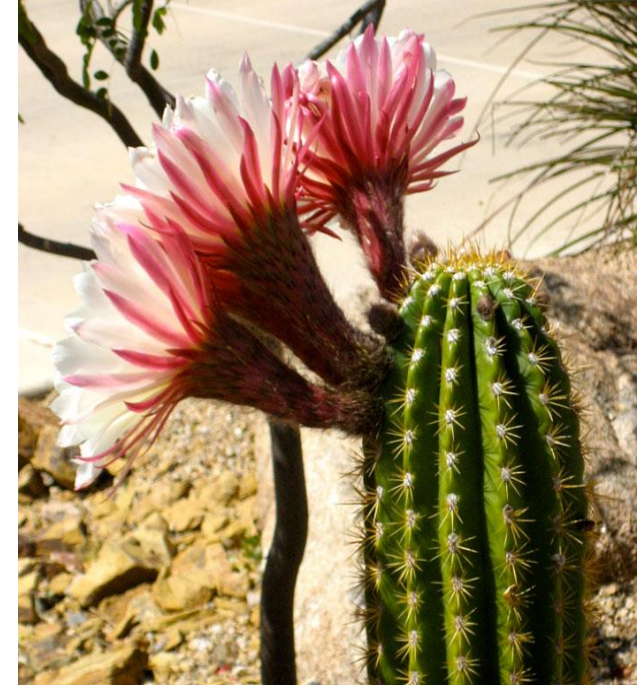
#### **Guidance and instruction on:**

- complying with the Reporting Standards for Debt Funds published in April 2023 and
- aligning with the NCREIF Debt Fund Aggregate product launched in August 2023

Note: Debt Fund Manual will be reviewed and updated annually.

# DEBT FUND MANUAL TASK FORCE

Jocelyn Friel, Co-Chair	Prime Finance
Mark Wojteczko, Co-Chair	Deloitte
Rivka Altman	Invesco
Adam Bryan	Voya
Lauren DeMartini	MetLife
Ryan DeRues	LaSalle
Rebecca DeVries	Sundance Bay
Warren Friend	Counter Pointe
Jeffrey Gonzales	Ares Management
Aris Halikias	Alter Domus
Stephanie Johnson	Ares Mgt
Kelly Johnson	JP Morgan
	CBRE Investment Acctg & Rptng
Japhet Lupondo	
Tony Marone	Blackstone
Charles McMahon	OakTree
Courtney Popelka	Invesco
Ross Rubin	MetLife
David Walden	NPV
Courtney Williams	Cross Harbor Capital
Drew Wunderlich	Chatham Financial
Neil Zhang	UBS
Teresa Zien	Invesco





NCREIF PREA  
**Reporting Standards**

# SEC PRIVATE FUND ADVISERS RULE PROJECT UPDATE

**Jamie Kingsley**

Director, Reporting Standards and Data  
Governance, NCREIF

## PROJECT SCOPE

This Reporting Standards project is focused on the **Quarterly Statement Rule** requirement of the SEC's Private Fund Adviser's Rule published August 23, 2023.

Reminder: Any information provided is considered guidance, should be used for information purposes only, and could be adjusted/amended at a future date dependent on information received or published by the SEC. Consult your legal counsel and compliance department for additional information and requirements specific to your fund's facts, circumstances, and needs.



# SEC PRIVATE FUND ADVISER RULE

## Quarterly Statement Task Force Update

- Weekly/Bi-weekly Calls
  - Jamie Kingsley, RS Director
  - Ken Robinson, CFA Institute
  - Neal Prunier, ILPA
- Oversight Task Force meeting monthly with Collaborators
- Sub Task Forces meet every two weeks
  - Fee and Expense Disclosure Task Force
  - Performance Disclosure Task Force
- Dedicated page on Reporting Standards website now available
  - [www.reportingstandards.info/sec-pfa-rule](http://www.reportingstandards.info/sec-pfa-rule)



ABOUT US

STANDARDS +  
GUIDANCE

GLOBAL  
STANDARDS

ESG  
REPORTING

SEC PFA RULE

CURRENT  
PROJECTS

EDUCATION +  
PRESENTATIONS

HOME > SEC PFA Rule

## SEC Private Fund Advisor Rule

Submit questions to [administrator@reportingstandards.info](mailto:administrator@reportingstandards.info)

On August 23, 2023, the Securities and Exchange Commission (SEC) voted to adopt new rules and amendments to enhance the regulation of private fund advisers. The new rules would require the private fund advisers registered with the SEC to:

- Provide investors with quarterly statements detailing information regarding private fund performance, fees, and expenses;
- Obtain an annual audit for each private fund; and
- Obtain a fairness opinion or valuation opinion in connection with an adviser-led secondary transaction.

### Quick Links

[Frequently Asked Questions \(Coming Soon\)](#)

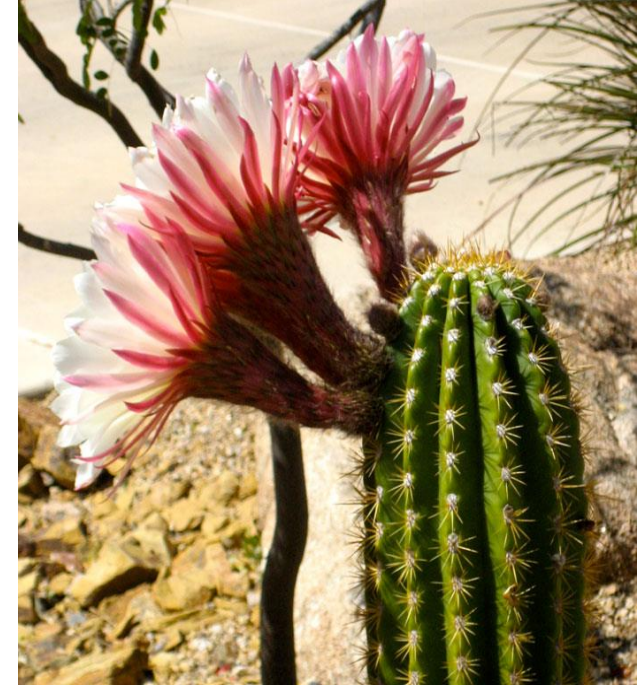
[SEC Private Fund Advisers Rule](#)

[Reporting Standards Project Prospectus](#)

[Exhibit A to Prospectus](#)

# OVERSIGHT TASK FORCE

- Jamie Kingsley, RS Director
- Sally Ann Flood, RS Board Chair, Deloitte
- Jim Allen, RS Board, Starwood
- Kathryn Gernert, RS Board, Texas Permanent School Fund
- Jim Strezewski, RS Board, Blue Vista Capital
- John Kjelstrom, RS Council Chair, Chatham Financial
- Diane Wild, RS Council, LaSalle
- John Caruso, past RS Council Chair, RCG



# COLLABORATIVE CONTRIBUTORS

- Ken Robinson, CFA Institute
- Neal Prunier, ILPA
- Lindsey Simon, Simon Compliance
- Lou DeFalco, RS Council, PWC
- Mark Wojteczko, Deloitte
- Peter Bloomfield, KPMG
- Jason Aguiar, EY



# QUARTERLY STATEMENT RULE TASK FORCES

## Fee and Expense Disclosure

- Jamie Kingsley, RS Director
- Joe D'Alessandro, NCREIF
- Ken Robinson, CFA Institute
- Benay Kirk, RS Council, AlterDomus
- Christy Daniels, Acctg Comm Chair, Principal
- Michelle Clements, Citco
- Lauren DeMartini, MetLife
- Susan Kelly, GID
- Matt Racketta, Townsend Group
- Tracy Green, Hillwood
- Jan Johnson, L&B Realty
- Marlyn Ramirez, Vistra

## Performance Disclosure

- Jamie Kingsley, RS Director
- Joe D'Alessandro, NCREIF
- Maritza Matlosz, NCREIF Board, MetLife
- Ken Robinson, CFA Institute
- Benay Kirk, RS Council, AlterDomus
- David DiPaolo, RS Council, Clarion Partners
- Diane Wild, RS Council, LaSalle
- Paul D'Elisa, RS Council, Sentinel
- Rosellen Bounds, Performance Comm Chair, ACA Group
- Kim Everaerts, Performance Vice Chair, Walton Street
- Brienna Mancuso, JP Morgan
- Karol Vogel, Principal
- Christina Metcalf, Simon Compliance
- Bob Redican, Nuveen
- Julian Worthington, QuadReal Property Group
- Brenden Fullum, Rockpoint

# SEC PRIVATE FUND ADVISER RULE

## Quarterly Statement Task Force Update – Hot Topics with Collaborators

- Effective Date
- Impact of Lockups on Illiquid vs Liquid Designation
- Gross and Net IRR Spread
- Gross IRR Realized and Unrealized Portion of Fund's Portfolio = Investment Level?
- Legal Proceedings\*
  - September 1, 2023 – Lawsuit filed challenging validity and enforceability of the Rules
  - February 5, 2024 – Oral arguments presented
  - Historically, the Fifth Circuit has been hostile to government regulation
  - Based on judges' questions during oral arguments, many think the court may be preparing to overturn at least some portion of the Rules

\*Source: K&L Gates webinar February 28, 2024

# SEC PRIVATE FUND ADVISER RULE

## Quarterly Statement Task Force Update – Take a Deeper Dive

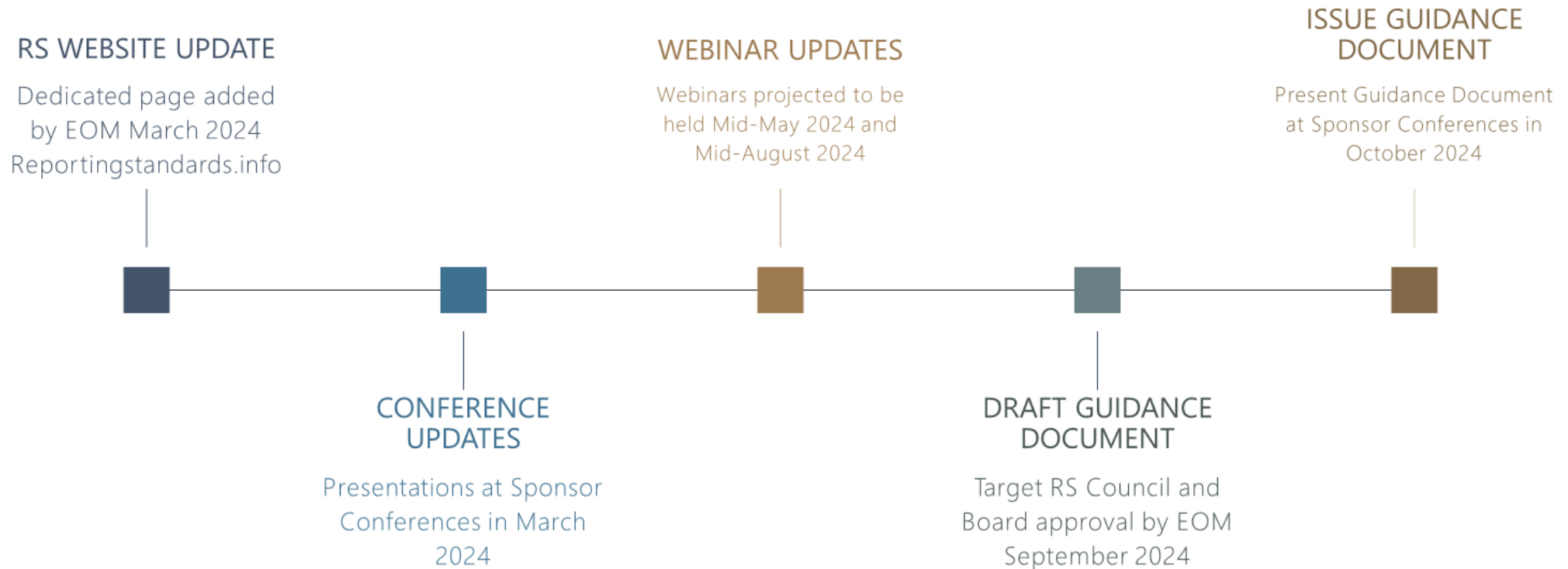
Learn more about progress made to date!

- Fee and Expense Disclosure table example
- Performance Disclosure Requirements:
  - What we know
  - What we don't know yet
  - What is under discussion

Joint Session  
Reporting Standards, Accounting and Performance Committees  
Wednesday, March 27<sup>th</sup>  
2:45pm McArthur 4-7

# SEC PRIVATE FUND ADVISER RULE

## ESTIMATED PROJECT TIMELINE





NCREIF PREA  
**Reporting Standards**

WHY CONSISTENCY AND  
TRANSPARENCY ARE  
CRITICAL IN VOLATILE  
MARKETS

Panel Discussion



# REPORTING STANDARDS PANELIST



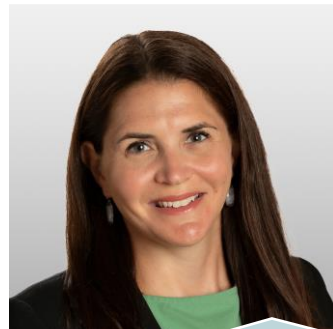
John Kjelstrom,  
Chatham Financial



Michael McGowan,  
CalSTRS



Mike Morrell,  
NYSTRS



Rivka Altman,  
Invesco



Brian Velky, SitusAMC



# THANK YOU



[www.reportingstandards.info](http://www.reportingstandards.info)

