



County Employees' and Officers' Annuity and Benefit Fund of Cook County  
Forest Preserve District Employees' Annuity and Benefit Fund of Cook County

# ILLINOIS-BASED FIRM UTILIZATION REPORT

PRESENTED – SEPTEMBER 1, 2019      RESULTS AS OF – DECEMBER 31, 2018

# UTILIZATION SUMMARY | ILLINOIS-BASED FIRM

## FUND HIGHLIGHTS

- As of December 31, 2018, the Total Fund<sup>1</sup> was valued at \$9.8 billion. Of this, 17.7%, or \$1.7 billion was managed by Illinois-based investment managers (vs. 22.3% and \$2.3 billion in 2017).
  - The Cook County Fund invested 17.9% or \$1.7 billion with Illinois-based managers.
  - The Forest Preserve Fund invested 6.9% or \$12.8 million with Illinois-based managers.

## ASSET ALLOCATION HIGHLIGHTS

- In 2018, Illinois-based investment manager utilization increased for international equities and alternatives.
- Domestic Equity declined due to rebalancing which reduced allocations to CastleArk Management LLC, Channing Capital Management, Mesirov Financial Equity Management, and William Blair.
  - Domestic Equity: **22.5%** ↓ vs. 37.3%
  - International Equity: **8.2%** ↑ vs. 6.9%
  - Fixed Income: **0.0%** — vs. 0.0%
  - Alternatives<sup>2</sup>: **39.6%** ↑ vs. 34.7%

1. Total Fund is defined as the Cook County Fund and the Forest Preserve Fund combined

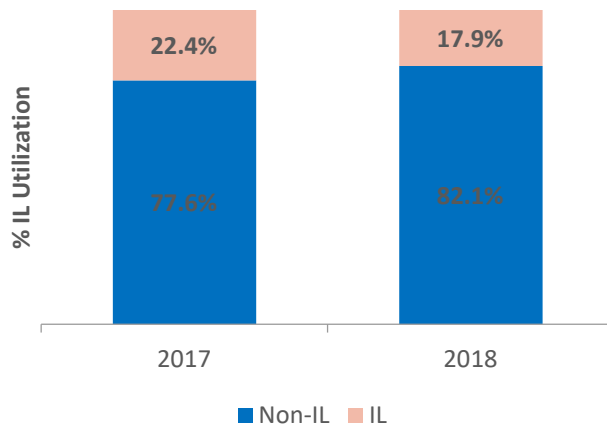
2. The Fund's alternative investments are comprised of Real Estate, Private Equity, and Hedge Fund-of-Funds

# MANAGER UTILIZATION | BY FUND

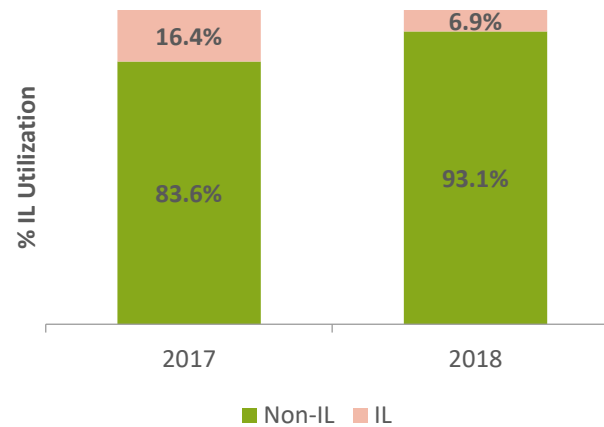
Illinois-based investment managers represented 17.7% of all assets managed as of December 31, 2018. Utilization was lower compared to the prior year due to fund rebalancing which reduced allocations to Illinois-based domestic equity managers. The rebalance was conducted to improve risk/return positioning and align allocations with the Fund’s targets as stipulated in the Fund’s investment policy statement.

## 2018 Illinois-Based Manager Utilization

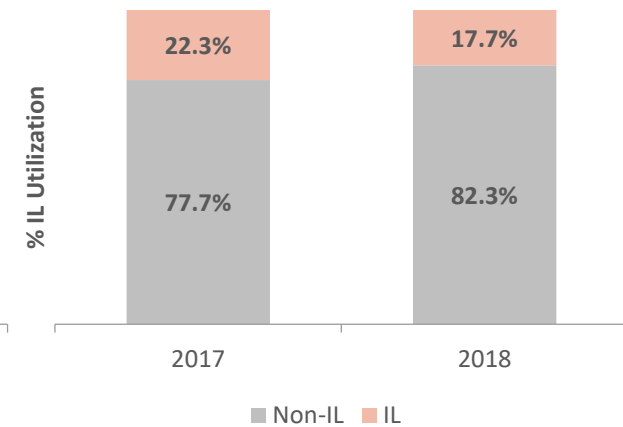
Cook County



Forest Preserve



Total Fund



| Cook County | AUM(m)  | Percent |
|-------------|---------|---------|
| IL          | \$1,723 | 17.9%   |
| Non-IL      | \$7,911 | 82.1%   |
| Total       | \$9,634 | 100.0%  |

| Forest Preserve | AUM (m) | Percent |
|-----------------|---------|---------|
| IL              | \$13    | 6.9%    |
| Non-IL          | \$174   | 93.1%   |
| Total           | \$187   | 100.0%  |

| Total Fund | AUM (m) | Percent |
|------------|---------|---------|
| IL         | \$1,736 | 17.7%   |
| Non-IL     | \$8,085 | 82.3%   |
| Total      | \$9,821 | 100.0%  |

# TOTAL FUND | IL UTILIZATION BY ASSET CLASS

Allocations to Illinois-based investment managers increased for international equity and alternative asset classes. Domestic equity utilization declined due to fund rebalancing which reduced allocations to the asset class.

## TREND HIGHLIGHTS

### Domestic Equity

- The 14.8% decrease in utilization is due to rebalancing that reduced allocations to domestic equities, particularly small caps.

### International Equity

- The 1.3% increase in utilization is due to an increased allocation to Ariel Investments when the Fund was rebalanced.

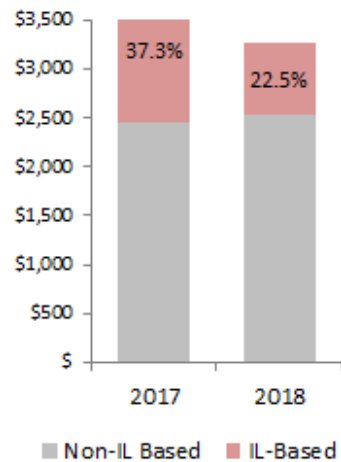
### Fixed Income

- Fixed income utilization was unchanged at 0%.

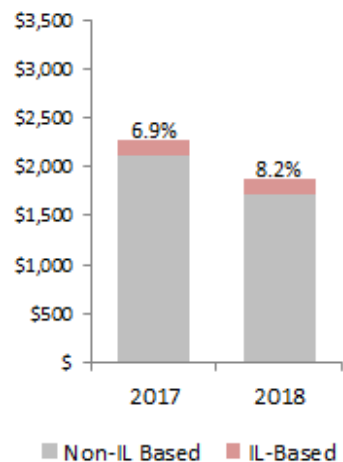
### Alternatives

- The 4.9% increase in utilization is from increased investment with Mesirow Financial (Private Equity and Real Estate), partially offset by harvested capital from the LaSalle Investment Management Real Estate partnership which has matured.

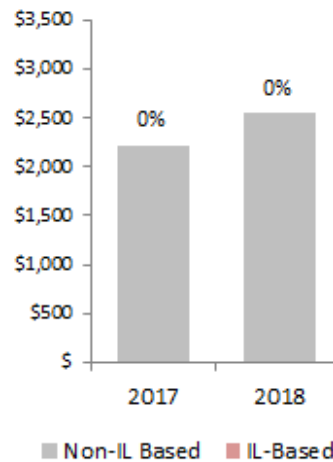
### Domestic Equity



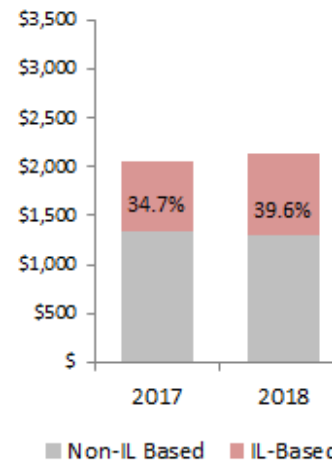
### International Equity



### Fixed Income



### Alternatives



| Domestic Equity |                      |         |
|-----------------|----------------------|---------|
|                 | AUM (m)              | Percent |
| IL              | \$733                | 22.5%   |
| Non-IL          | \$2,525 <sup>1</sup> | 77.5%   |
| Total           | \$3,258 <sup>1</sup> | 100.0%  |

| International Equity |         |         |
|----------------------|---------|---------|
|                      | AUM (m) | Percent |
| IL                   | \$154   | 8.2%    |
| Non-IL               | \$1,720 | 91.8%   |
| Total                | \$1,874 | 100.0%  |

| Fixed Income |         |         |
|--------------|---------|---------|
|              | AUM (m) | Percent |
| IL           | \$0     | 0.0%    |
| Non-IL       | \$2,541 | 100.0%  |
| Total        | \$2,541 | 100.0%  |

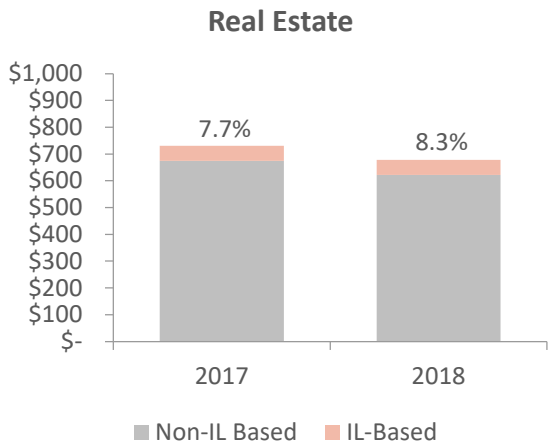
| Alternatives |                    |         |
|--------------|--------------------|---------|
|              | AUM (m)            | Percent |
| IL           | \$850 <sup>2</sup> | 39.6%   |
| Non-IL       | \$1,294            | 60.4%   |
| Total        | \$2,144            | 100.0%  |

| Total Fund |         |         |
|------------|---------|---------|
|            | AUM (m) | Percent |
| IL         | \$1,736 | 17.7%   |
| Non-IL     | \$8,085 | 82.3%   |
| Total      | \$9,820 | 100.0%  |

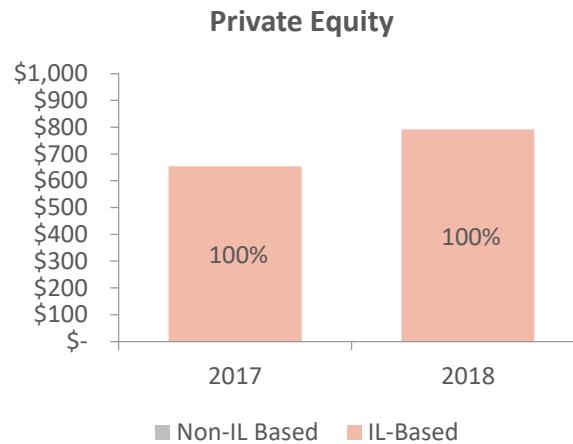
1. Total Domestic Equity AUM was adjusted down by \$60M to account for uncalled committed capital to private equity. Actual total domestic equity was \$3,318M at Dec 31, 2018.

2. Alternatives includes \$278M (\$60M parked in domestic equity and \$218M cash at Dec 31, 2018) in uncalled committed capital to private equity.

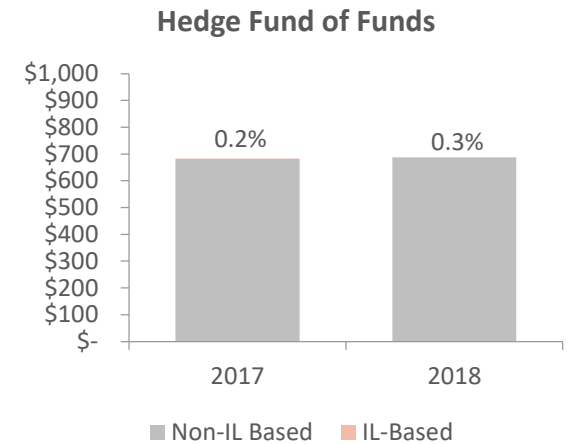
# TOTAL FUND INVESTMENT MANAGER UTILIZATION | ALTERNATIVES



| Real Estate |         |         |
|-------------|---------|---------|
|             | AUM (m) | Percent |
| IL          | \$56    | 8.3%    |
| Non-IL      | \$622   | 91.7%   |
| Totals      | \$678   | 100.0%  |



| Private Equity |         |         |
|----------------|---------|---------|
|                | AUM (m) | Percent |
| IL             | \$792   | 100.0%  |
| Non-IL         | \$0     | 0.0%    |
| Totals         | \$792   | 100.0%  |



| Hedge Fund of Funds |         |         |
|---------------------|---------|---------|
|                     | AUM (m) | Percent |
| IL                  | \$2     | 0.3%    |
| Non-IL              | \$687   | 99.7%   |
| Totals              | \$689   | 100.0%  |

- Illinois-based investment managers represented:
  - **8.3%** of all real estate assets managed (an increase of 0.6% due to new fundings to Mesirow Financial, partially offset by capital harvesting from LaSalle Investment Management)
  - **100.0%** of all private equity assets managed
  - **0.3%** of the total hedge fund of funds allocation, even with 2017
- As a general policy, the Fund no longer invests directly in real estate properties, hedge fund holdings nor private equity funds. The Fund's active interests in these strategies are sub-advised.

# ILLINOIS BROKER DEALER UTILIZATION | EQUITY

## COMMISSIONS AND FIXED INCOME VOLUME TRADED

| Illinois Broker-Dealers                             | Equity Commissions |                    | Fixed Income Volume Traded |                        |
|---|--------------------|--------------------|----------------------------|------------------------|
|   | 2018               | 2017               | 2018                       | 2017                   |
| Andes Capital Group                                 | \$17,498           | \$30,351           | -                          | -                      |
| Barrington Research Associates                      | \$1,688            | \$330              | -                          | -                      |
| Guzman & Co.  | \$43,705           | \$1,018            | -                          | -                      |
| Blaylock  | \$5,306            | \$4,831            | -                          | -                      |
| Cabrera Capital Markets                             | \$57,510           | \$77,524           | \$368,346,106              | \$96,737,232           |
| CastleOak Securities                                | \$28,086           | \$44,223           | \$37,150,266               | \$278,355,296          |
| Citadel Securities LLC                              | -                  | -                  | \$2,233,724                | -                      |
| Loop Capital Markets                                | \$424,300          | \$389,289          | \$206,568,882              | \$188,177,877          |
| North South Capital                                 | -                  | \$5,861            | -                          | -                      |
| Podesta   | \$7,210            | 14,525             | -                          | -                      |
| William Blair & Co.                                 | \$25,295           | \$29,059           | -                          | -                      |
| Williams Capital Group                              | \$36,679           | \$43,382           | \$11,033,031               | \$18,285,966           |
| <b>Total Illinois Commissions or Bond Volume</b>    | <b>\$647,277</b>   | <b>\$640,393</b>   | <b>\$625,332,009</b>       | <b>\$581,556,371</b>   |
| <b>All Commissions or Bond Volume (IL + non-IL)</b> | <b>\$2,744,106</b> | <b>\$2,522,304</b> | <b>\$4,985,899,286</b>     | <b>\$4,447,450,258</b> |
| <b>% IL of All</b>                                  | <b>23.6%</b>       | <b>25.4%</b>       | <b>12.5%</b>               | <b>13.1%</b>           |

- Illinois-based broker-dealers received:
  - 23.6%** of equity commissions in 2018, a decrease from **25.4%** in 2017
  - 12.5%** of fixed-income bond volume, a decrease from **13.1%** in 2017
- Trading commissions (both equity and bond) declined due to decreased trading driven by the downturn in the capital markets during 2018 as well as the Fund's rebalancing.

# EXHIBITS

INFORMATIONAL ANALYSIS

# EXHIBIT A

## ILLINOIS-BASED ALTERNATIVE HOLDINGS | REAL ESTATE

### ILLINOIS-BASED REAL ESTATE FIRMS

LaSalle Investment Management, Mesirow Financial Institutional Real Estate

### ANGELO GORDON – REAL ESTATE

| Name                                  | Location    | Type       |
|---------------------------------------|-------------|------------|
| Presidents Plaza                      | Chicago, IL | Office     |
| River North Park Apartments           | Chicago, IL | Apartments |
| High Street Industrial Platform       | Chicago, IL | Industrial |
| EIP Industrial Portfolio II [partial] | Joliet, IL  | Industrial |

### BLACKSTONE REAL ESTATE PARTNERS – REAL ESTATE

| Name                     | Location              | Type       |
|--------------------------|-----------------------|------------|
| River North Point        | Chicago, IL           | Office     |
| Ten Parkway North        | Deerfield, IL         | Office     |
| Pointe O'Hare            | Des Plaines, IL       | Office     |
| 1925 West Field Court    | Lake Forest, IL       | Office     |
| Oakbrook Terrace Tower   | Oakbrook Terrace, IL  | Office     |
| One Lincoln Center       | Oakbrook Terrace, IL  | Office     |
| 775 Belden Ave           | Addison, IL           | Industrial |
| 2222 Windsor Ct          | Addison, IL           | Industrial |
| 5619-5625 W 115th St     | Alsip, IL             | Industrial |
| 600-615 East Brook Drive | Arlington Heights, IL | Industrial |
| 900 W University Dr      | Arlington Heights, IL | Industrial |
| 3002 Malmo Dr            | Arlington Heights, IL | Industrial |
| 5655 West 73rd Street    | Bedford Park, IL      | Industrial |
| 6100 West 73rd Street    | Bedford Park, IL      | Industrial |
| 6112 West 73rd Street    | Bedford Park, IL      | Industrial |
| 6131 West 74th Street    | Bedford Park, IL      | Industrial |
| 6220 West 73rd Street    | Bedford Park, IL      | Industrial |
| 6006 W 73rd St           | Bedford Park, IL      | Industrial |



# EXHIBIT A (CONTINUED)

## ILLINOIS-BASED ALTERNATIVE HOLDINGS | REAL ESTATE

| BLACKSTONE REAL ESTATE PARTNERS – REAL ESTATE |                       |            |
|---|-----------------------|------------|
| Name  | Location              | Type       |
| 7447 S Central Ave                            | Bedford Park, IL      | Industrial |
| 171 Covington Drive                           | Bloomington, IL       | Industrial |
| 325 Marmon Drive                              | Bolingbrook, IL       | Industrial |
| 530 W North Frontage Road                     | Bolingbrook, IL       | Industrial |
| 7351 South 78th Street                        | Bridgeview, IL        | Industrial |
| 900 Deerfield Parkway                         | Buffalo Grove, IL     | Industrial |
| 7050 High Grove Boulevard                     | Burr Ridge, IL        | Industrial |
| 485-493 Mission                               | Carol Stream , IL     | Industrial |
| 2357 South Wood Street                        | Chicago, IL           | Industrial |
| 2555 S Blue Island Avenue                     | Chicago, IL           | Industrial |
| 9500 Sergo Dr                                 | Chicago, IL           | Industrial |
| 3100-3250 South Central Ave                   | Cicero, IL            | Industrial |
| 875 Seegers Road                              | Des Plaines, IL       | Industrial |
| 2201 S. Mt Prospect Rd                        | Des Plaines, IL       | Industrial |
| 200 Corporate Drive                           | Dixon, IL             | Industrial |
| 5300 Katrine Avenue                           | Downers Grove, IL     | Industrial |
| 195 Corporate Dr                              | Elgin, IL             | Industrial |
| 1111 Bowes Road                               | Elgin, IL             | Industrial |
| 2401-2501 Lunt Avenue                         | Elk Grove Village, IL | Industrial |
| 748 Chase Ave                                 | Elk Grove Village, IL | Industrial |
| 3800 North Mannheim Road                      | Franklin Park, IL     | Industrial |
| 1201 Enterprise Avenue                        | Galesburg, IL         | Industrial |
| 699-701 Regency Dr                            | Glendale Heights, IL  | Industrial |
| 101 Regency Dr                                | Glendale Heights, IL  | Industrial |
| 500 Regency Dr                                | Glendale Heights, IL  | Industrial |
| 1600 Hunter Road                              | Hanover Park, IL      | Industrial |

# EXHIBIT A (CONTINUED)

## ILLINOIS-BASED ALTERNATIVE HOLDINGS | REAL ESTATE

| BLACKSTONE REAL ESTATE PARTNERS – REAL ESTATE |                      |               |
|---|----------------------|---------------|
| Name  | Location             | Type          |
| 600 Rose Road                                 | Lake Zurich , IL     | Industrial    |
| 8901 47th Street                              | McCook, IL           | Industrial    |
| 2727 West Diehl Road                          | Naperville , IL      | Industrial    |
| 2301 Ellis Court                              | New Lennox, IL       | Industrial    |
| 101 Kendall Point                             | Oswego, IL           | Industrial    |
| 20 Unytite Drive                              | Peru, IL             | Industrial    |
| 3200 Squibb Avenue                            | Rolling Meadows , IL | Industrial    |
| 900 North Schmidt Road                        | Romeoville , IL      | Industrial    |
| 920 W. Taylor Rd                              | Romeoville , IL      | Industrial    |
| 140-148 Pinnacle Dr                           | Romeoville, IL       | Industrial    |
| 152-162 Pinnacle Dr                           | Romeoville, IL       | Industrial    |
| 18501 Graphic Court                           | Tinley Park , IL     | Industrial    |
| 18504 West Creek Drive                        | Tinley Park , IL     | Industrial    |
| 18801 Oak Park Ave                            | Tinley Park , IL     | Industrial    |
| 7600 W 185th St                               | Tinley Park , IL     | Industrial    |
| 7650 W 185th St                               | Tinley Park , IL     | Industrial    |
| 7950 W 185th St                               | Tinley Park , IL     | Industrial    |
| 7979 W 183rd St                               | Tinley Park , IL     | Industrial    |
| 2400 Dralle Road                              | University Park , IL | Industrial    |
| 1717 W Harvester Road                         | West Chicago, IL     | Industrial    |
| Autumn Green at Midway Village                | Chicago, IL          | Senior Living |
| Autumn Green at Wright Campus                 | Chicago, IL          | Senior Living |
| Lake Barrington Woods                         | Lake Barrington, IL  | Senior Living |

# EXHIBIT A (CONTINUED)

## ILLINOIS-BASED ALTERNATIVE HOLDINGS | REAL ESTATE

| CBRE GLOBAL INVESTORS – REAL ESTATE |             |            |
|-------------------------------------|-------------|------------|
| Name                                | Location    | Type       |
| 150 North Michigan Avenue           | Chicago, IL | Office     |
| Retreat at Danada Farms             | Wheaton, IL | Apartments |
| Chicago Industrial Portfolio        | Chicago, IL | Industrial |

| J.P. MORGAN ASSET MANAGEMENT – REAL ESTATE |                   |            |
|--|-------------------|------------|
| Name                                       | Location          | Type       |
| 10-30 S. Wacker                            | Chicago, IL       | Office     |
| 111 North Canal                            | Chicago, IL       | Office     |
| 2601 Internationale Parkway                | Metro Chicago, IL | Industrial |
| Gateway 673                                | Pontoon Beach, IL | Industrial |
| Marina Crossings                           | Chicago, IL       | Industrial |
| Metro Chicago Industrial Portfolio         | Chicago, IL       | Industrial |
| Procter & Gamble Distribution Center       | Edwardsville, IL  | Industrial |
| 850 Lake Shore Drive                       | Chicago, IL       | Apartments |
| Aqua                                       | Chicago, IL       | Apartments |
| The Parker                                 | Chicago, IL       | Apartments |
| Lincoln Yards                              | Chicago, IL       | Land       |

| MESIROW FINANCIAL INSTITUTIONAL REAL ESTATE – REAL ESTATE |                  |            |
|---|------------------|------------|
| Name  | Location         | Type       |
| Mil'Ton   | Vernon Hills, IL | Apartments |

| PRUDENTIAL GLOBAL INVESTMENT MANAGEMENT (PGIM) – REAL ESTATE |             |                            |
|--|-------------|----------------------------|
| Name   | Location    | Type                       |
| Left Bank at Kinzie Station                                  | Chicago, IL | Apartments                 |
| Roosevelt Collection Lofts, Shops, & Tower Site              | Chicago, IL | Apartments, Retail, & Land |
| Sono East  | Chicago, IL | Apartments                 |

# EXHIBIT A (CONTINUED)

## ILLINOIS-BASED ALTERNATIVE HOLDINGS | REAL ESTATE

| PRUDENTIAL GLOBAL INVESTMENT MANAGEMENT – REAL ESTATE |  |            |
|---|--|------------|
| Name  | Location                                 | Type       |
| Centerpoint Building 1                                | Joliet, IL                               | Industrial |
| Amhurst Lake – Industrial                             | Waukegan, IL                             | Industrial |
| Trumpet Business Park                                 | Zion, IL                                 | Industrial |
| Extra Space Storage (3 Properties)                    | Chicago, Round Lake,<br>Vernon Hills, IL | Storage    |
| 26 and Kostner  | Chicago, IL                              | Land       |
| Roosevelt Collection Tower Site                       | Chicago, IL                              | Land       |
| Centerpoint Land                                      | Joliet, IL                               | Land       |
| Centerpoint – Lot 7                                   | Joliet, IL                               | Land       |
| Trumpet Business Park                                 | Zion, IL                                 | Land       |
| 22 West Washington                                    | Chicago, IL                              | Office     |
| 55 East Monroe  | Chicago, IL                              | Office     |
| Silver Cross Hospital Medical Pavilion                | New Lenox, IL                            | Office     |
| Amhurst Lake  | Waukegan, IL                             | Office     |
| Marshfield Plaza                                      | Chicago, IL                              | Retail     |
| Roosevelt Collection                                  | Chicago, IL                              | Retail     |
| Danada  | Wheaton, IL                              | Retail     |

# EXHIBIT B

## ILLINOIS-BASED ALTERNATIVE HOLDINGS | PRIVATE EQUITY

| MESIROW PRIVATE EQUITY PORTFOLIO          |             |                    |
|---|-------------|--------------------|
| Name                                      | Location    | Type               |
| GTCR Fund XI                              | Chicago, IL | Buyouts            |
| GTCR Fund XII                             | Chicago, IL | Buyouts            |
| Madison Dearborn Capital Partners VII     | Chicago, IL | Buyouts            |
| Thoma Bravo Special Opportunities Fund I  | Chicago, IL | Buyouts            |
| Thoma Bravo Fund XI                       | Chicago, IL | Buyouts            |
| Thoma Bravo Fund XIII                     | Chicago, IL | Buyouts            |
| Thoma Bravo Discover Fund                 | Chicago, IL | Buyouts            |
| Thoma Bravo Special Opportunities Fund II | Chicago, IL | Buyouts            |
| Thoma Bravo Credit Fund I                 | Chicago, IL | Special Situations |
| Thoma Bravo Discover Fund II              | Chicago, IL | Buyouts            |
| Vistria Fund                              | Chicago, IL | Buyouts            |
| Vistria Fund II                           | Chicago, IL | Buyouts            |

| MESIROW LEGACY PRIVATE EQUITY PORTFOLIO |             |                 |
|---|-------------|-----------------|
| Name                                    | Location    | Type            |
| ARCH Venture Funds V (2000)             | Chicago, IL | Venture Capital |
| Wind Point Partners Fund V (2005)       | Chicago, IL | Buyouts         |

| MULLER & MONROE           |             |                 |
|---------------------------|-------------|-----------------|
| Name                      | Location    | Type            |
| Valor Equity Partners III | Chicago, IL | Venture Capital |

| ILLINOIS-BASED PRIVATE EQUITY FIRMS |  |  |
|-------------------------------------|--|--|
| Mesirow Financial   Muller & Monroe |  |  |

