

June 22, 2023

Board of Trustees
Commonwealth of Pennsylvania, Public School Employees' Retirement System ("PSERS")
5 North Fifth Street
Harrisburg, PA 17101

Re: Brookfield Strategic Real Estate Partners V

Dear Trustees:

Aksia LLC ("Aksia"), having been duly authorized by Board of PSERS, has evaluated and hereby recommends a commitment of \$300 million, plus reasonable, normal investment expenses, to Brookfield Strategic Real Estate Partners V (the "Fund" or "BSREP V").

Brookfield Asset Management ("Brookfield" or the "Firm") was founded in 1899 when William Mackenzie and Frederick Stark Pearson formed the São Paulo Tramway, Light and Power Company. The firm operated under the name Brascan from 1966 until 2005, when it was changed to Brookfield. Since 2001, Brookfield has successfully transitioned from being an owner-operator, investing solely on its own behalf, to an asset manager, leveraging its investment capabilities and operating experience to establish itself as a global alternative asset manager. Since completing this transition, Brookfield has formed dedicated investment platforms for each of real estate, infrastructure, and private equity, while also establishing specialty investment platforms in the timberlands and agriculture sectors. Brookfield Property Group ("BPG"), represents the Brookfield's largest business group, with approximately \$260 billion of real estate assets under management globally. BPG is supported by operating employees in Brookfield's real estate operating businesses.

Brookfield is currently seeking \$15 billion of capital commitments for BSREP V. The Fund is expected to utilize the same strategy and approach as its predecessor funds, targeting sectors where it believes that it possesses specialized knowledge and a competitive advantage, particularly in office, retail, multifamily, logistics and hospitality, as well as in alternative sectors, such as life sciences, manufactured housing, student housing, senior living and self-storage. The Fund expects to hold its first close in July 2023 and a final close in the first half of 2024.

Aksia's recommendation is based upon the following analytical factors and is made within the context of PSERS' investment guidelines:

- Due diligence of the Fund's investment process, including a review of the sponsor, investment strategy, market positioning, investment personnel, and risk management;
 - Most recent investment due diligence review conducted June 2023
- Due diligence of the Fund's operations, including a review of its organizational structure, service providers, regulatory and compliance, and financial statement analysis;
 - Most recent operational due diligence review conducted June 2023
- Consideration of the Fund's strategy within the context of the current investment environment; and
- Consideration of the Fund's strategy as a component of PSERS' portfolio

This recommendation is given solely for the benefit of PSERS and cannot be relied upon by other investors considering an investment in the Fund, since their needs, objectives, and circumstances may not be identical to those of PSERS. Please consult your tax, legal and/or regulatory advisors before allocating to any private investment fund.

Please feel free to contact us should you have any questions about this recommendation.

Respectfully,



Dan Krivinkas
Partner, Head of Real Estate



Simon Fludgate
Partner, Head of Operational Due Diligence