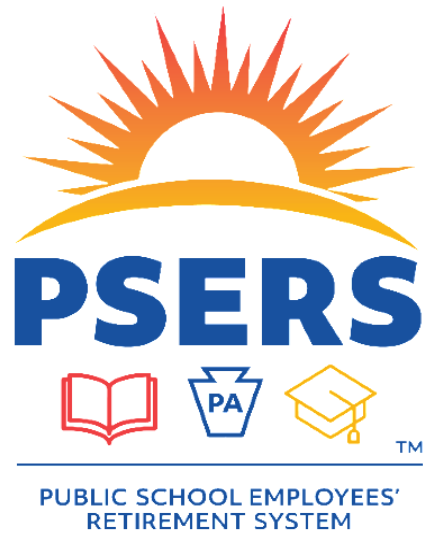


PSERB Resolution 2025-88
Re: Cabot Industrial Value Fund VIII, L.P.
December 12, 2025

RESOLVED, that the Public School Employees' Retirement Board (the "Board") accepts the recommendation of the Investment Committee and commits an amount not to exceed \$150 million, plus reasonable and normal investment expenses, in Cabot Industrial Value Fund VIII, L.P. and/or related investment vehicles in accordance with the recommendation of Melissa Quackenbush, Senior Portfolio Manager, and Aksia, LLC.

The final terms and conditions of the investment are subject to legal due diligence and must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Office of Executive Director, as evidenced either by the appropriate signatures on, or by a memo to that effect appended to, the implementing investment contract.



Cabot Industrial Value Fund VIII, L.P. Private Real Estate Recommendation

Melissa Quackenbush
Senior Portfolio Manager

Mailinh T. Dang
Investment Professional

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Today's Presentation

Cabot Industrial Value Fund VIII, L.P. ("Cabot" or the "Fund")

Main Presentation

1. Asset Class Considerations
 - *Recommendation is consistent with PSERS' Strategic Asset Allocation (SAA) and current year commitment planning.*
2. Recommendation Overview
 - *PSERS IO and Aksia recommend committing up to \$150M to Cabot Industrial Value Fund VIII, L.P.*
3. Strategy & Expertise
 - *Vertically integrated logistics specialist focused on value-add industrial assets in global infill locations.*
4. Investment Considerations
 - *Investment expected to face certain risks consistent with Private Real Estate investments, and IOP believe that Cabot has identified appropriate mitigants to those risks.*
5. Investment Highlights
 - *Consistent historical performance and complementary fit with PSERS' Private Real Estate portfolio.*

Appendix

- Investment Committee Disclosure
- Private Real Estate Dashboard

1. Asset Class Considerations

Recommendation is consistent with PSERS Strategic Asset Allocation (SAA) and most recent pacing analysis

PSERS SAA and Pacing

1. PSERS SAA has established long-term targets of 6.0% to Private Real Estate.
2. The current overweight is due to slower-than-projected distributions in 2023-2025 YTD as well as an October 2024 reduction in the Private Real Estate target in the SAA (7% to 6%).
3. PSERS' and Aksia's pacing analysis suggests \$600M – \$800M of annual commitments to reach the target exposure to Private Real Estate, however, IOP propose a range of \$300M-\$600M to more quickly cure the over allocation.
4. The pacing analysis is revisited frequently based on the actual performance of the Private Real Estate allocation and the broader PSERS portfolio.

SAA Allocation	
Private Real Estate Target	6.0%
Private Real Estate Actual	7.4% ¹
Pacing Budget for 2025	
Pacing Budget Range	\$300M – 600M
Primary Investments	
2025 YTD Commitment	\$176M
Today's Recommendations	\$250M ³
Co-Investments	
2025 YTD Commitment	\$20M
Total Primary and Co-Investments	\$446M
Remaining Budget ²	\$4M
Est. Remaining Primary Fund Recommendations	\$0M
Expected to be in Target Budget Range for 2024?	Yes

1. Private Real Estate Actual taken from Verus 2024 Q2 – Total Fund Report

2. Remaining to the mid-point of the pacing budget

3. Includes Private RE proposed commitments to: LEM Multifamily Fund VII, L.P. (\$100M) and Cabot Industrial Value Fund VIII, L.P. (\$150M)

2. Recommendation Overview

PSERS IO and Aksia recommend committing \$150 million to Cabot Industrial Value Fund VIII, L.P.

Firm Name	Cabot Properties
Investment Professionals / Employees	155 total employees / 41 investment professionals
Fund Name	Cabot Industrial Value Fund VIII, L.P.
Strategy Invested Capital ¹	~\$4.7B
Target Return	12.0% - 14.0% Net IRR
Target Fund Size / Hard Cap	\$1.75B / TBD
Recommended Commitment (Up To)	\$150M
GP Commitment	2.0% of Commitment
Fund Structure	Closed-End
PSERS Existing Relationship	Yes
Notable Investment Committee Disclosures ²	None

3. Cabot Strategy & Expertise

Experienced logistics specialist investing in modern, smaller scale industrial assets in infill locations of large global consumption markets.

1. **Market Opportunity:** Across Cabot's target geographies in the U.S., the markets are transitioning from cyclical softening to stabilization, with modern, functional warehouses commanding outsized demand. Single digit vacancy, slowing new supply, consumption growth and e-commerce's rising share collectively create a compelling investment thesis.
2. **Strategy:** Fund VIII will pursue a dual strategy of acquiring existing industrial assets and developing new properties in high growth, supply constrained global markets supported by strong consumption and demographic growth. The Fund will target modern distribution facilities from 50,000 to 300,000 square feet that promote operational efficiency, tenant retention, and long-term value creation.
3. **Portfolio Fit:** A commitment to Cabot Fund VIII supports several goals for the Private Real Estate Portfolio which include building a complementary diversified industrial portfolio, investing in opportunities less common in public markets and partnering with a focused, industrial specialist manager.

4. Investment Considerations

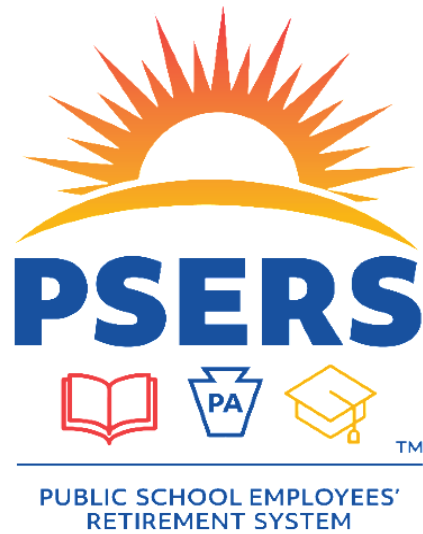
The risks for Cabot are consistent with Private Real Estate strategies

Risk	Detail	Mitigating Factors
Macroeconomic Environment	Geopolitical tensions have heightened uncertainty around global supply chains and cross-border capital flows. Labor shortages – particularly in logistics, transportation and construction – are exerting upward pressure on wages and project timelines. Additionally, tariff volatility continues to cause disruptions in shipment timing leading to strains on supply chains.	<i>The challenges presented in the current macroeconomic environment are mitigated by the enduring structural demand drivers including e-commerce penetration, the growing roll of third-party logistics providers and the long-term demographic and consumption trends, particularly the rising consumer expectations for rapid delivery, which support sustained demand for high-quality logistics space across global markets.</i>
Development Exposure	The Fund documents allow for a portion of the Fund to be invested in speculative developments. This introduces several risks that differ materially from stabilized and build-to-suit investments, including development risk, construction risk, and lease-up risk.	<i>Cabot has extensive experience in industrial property development with the ability to identify when development opportunities offer more compelling risk-adjusted returns relative to acquisitions. Allowing the Fund to flexibly invest in development provides Cabot with strategic flexibility to shift between acquisition and development based on prevailing market and economic conditions.</i>
International Exposure and Currency Risk	A minority of the Fund investments may be outside of the U.S., and the Fund is subject to fluctuations in currency exchange rates.	<i>Cabot is an experienced global investor and has extensive experience in managing currency risk through various market cycles and conditions. As in prior funds, Cabot will utilize debt from multi-currency credit facilities to hedge foreign investments.</i>

5. Investment Highlights

Cabot specialized expertise matches today's market opportunity

Highlight	Detail
Cycle-tested Team with Proven Track Record	Formed in 1986, Cabot is a leading industrial real estate firm with almost four decades of experience investing across multiple cycles. The Firm's long history of developing, operating, leasing, financing, and selling industrial assets has shaped a disciplined, cycle-tested investment approach designed to perform through both expansionary and dislocated market environments.
Consistent Strategy and Execution	Cabot's strategy is designed to deliver a strong, risk-adjusted return profile by investing along three proven pillars (markets with multiple demand drivers, in-fill locations, and modern, mid-sized properties) that compound competitive advantage and mitigate downside risk.
Favorable Supply-Demand Dynamics	Cabot's strategy targets smaller, modern industrial assets in infill markets, a segment that has demonstrated strong and durable performance across market cycles. Limited new supply in this segment of the market has supported higher occupancy and stronger rent growth relative to larger warehouses.



Appendix

Melissa Quackenbush
Senior Portfolio Manager

Mailinh T. Dang
Investment Professional

Investment Committee Disclosure

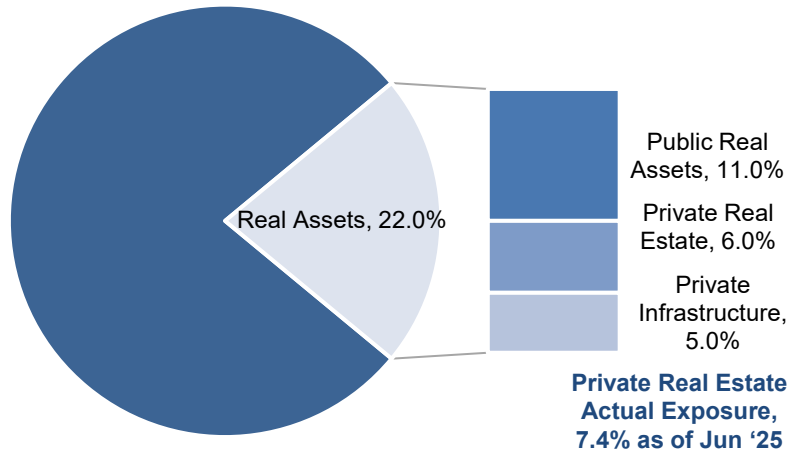
Disclosure	Response
Relationship with Aksia ¹	Other than PSERS, Aksia does not have any other clients that invest with Cabot. As of November 3, 2025, there are no other Aksia clients considering a commitment to Cabot Industrial Value Fund VIII.
Introduction Source	Existing relationship
Compliance with Placement Agent Policy	As confirmed by PSERS' Office of Chief Counsel on October 29, 2025, this investment complies with the Public School Employees' Retirement Board Placement Agent Policy.
PA Political Contributions	No reportable political contributions
PA Presence	Yes
Potential Conflicts	PSERS is not aware of any actual or potential conflicts of interest that would be created by PSERS' investment in the Fund.
Litigation Disclosure	None reported
Has the Firm reimbursed and/or paid for PSERS IOP travel in the past two calendar years?	Yes, Cabot reimbursed PSERS for LPAC-related travel expenses for funds whose investment contracts were entered into prior to July 2021.
Certification of Diligence Costs	IOP certifies that PSERS paid all travel costs, if any, and was not reimbursed for the travel costs related to due diligence of the fund.

1. Please note that this information, which is available to PSERS upon request, is subject to change pending further review and decision making between Aksia and its clients

Private Real Estate Portfolio

Allocation

Target Allocation to Real Assets
in Long-Term Strategic Asset Allocation



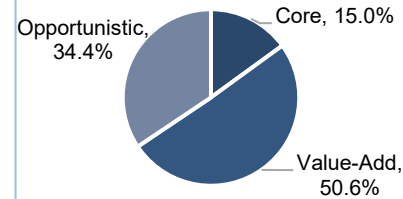
Source: Verus 2025 Q2 – Total Fund Report (Q1 2025 Private Markets data given 1Q Lag).

Activity

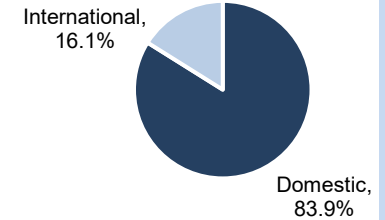
Recent Fund Commitments (\$M)

2024	
Carlyle Realty Partners X, L.P.	\$300M
WCP NewCold III, L.P.	\$150M
2025 (As of Oct-25)	
Realterm Europe Logistics Fund II, SCSp	€75M
Graceada Partners Fund IV-QP LP	\$90M

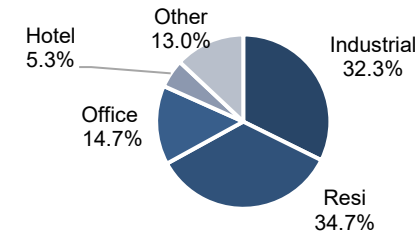
Strategy



Geography



Property Type



Source: Aksia as of March 31, 2025

Portfolio Performance

	Time-Weighted Return					10-Yr PME Analysis	
	1-Yr	3-Yr	5-Yr	10-Yr	15Y	KS-PME ¹	Direct Alpha ²
Direct Investments	2.8%	-2.1%	-2.6%	0.4%	4.7%	0.9x	-2.0%
Fund Investments	3.1%	-0.9%	9.7%	9.7%	10.3%	1.2x	7.0%
Co-Investments	2.8%	-1.1%	1.5%	7.9%	12.0%	1.1x	2.7%
Total Portfolio	3.1%	-1.1%	8.6%	8.9%	10.5%	1.2x	6.3%
Benchmark	-1.2%	-4.3%	4.4%	6.1%	8.3%		

Color-coding: **outperformance** or **underperformance** vs. benchmark.

¹ Benchmark: Total Portfolio Benchmark based on weights using various private indices (Burgiss for Value-Add and Opportunistic; NCREIF-ODCE for Core). Previous period benchmarks consisted of differing weights (Private vs. Public) and benchmarks (NCREIF/NTFI for Private and various public equity benchmarks for Public).

Source: MSCI/Burgiss and Aksia of as March 31, 2025

Diversification

Performance

October 29, 2025

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

Re: Cabot Industrial Value Fund VIII LP

Aksia LLC ("Aksia"), having been duly authorized by Board of PSERS, has evaluated and hereby recommends, in line with PSERS' Investment Policy Statement, Objectives, and Guidelines, an amount not to exceed \$150 million in Cabot Industrial Value Fund VIII LP ("Value Fund VIII" or the "Fund").

Cabot Properties ("Cabot", or the "Firm") is a real estate manager headquartered in Boston and founded in 1986 as the investment advisor affiliate of Cabot, Cabot & Forbes, a national real estate company. In 1998, the Firm took its operating platform public through a \$210 million IPO, forming Cabot Industrial Trust, a real estate investment trust. In 2001, the REIT was sold to an affiliate of CalPERS for \$2.1 billion. Following the sale, Cabot was re-established as a private, independently owned real estate investment manager, led by CEO Franz Colloredo-Mansfeld. Cabot is a logistics property specialist and manages a range of closed-end value-add funds, core real estate funds, and separate accounts, focused on acquiring, developing, and managing industrial properties across North America, Europe, and Asia-Pacific.

Value Fund VIII is expected to focus on industrial logistics real estate assets in growing, supply-constrained, and infill submarkets with favorable demographic trends. The Fund is expected to target assets that are modern and functional, generally between 50,000 and 300,000 square feet. The Fund may invest in both existing properties and development opportunities, ranging from fully occupied to vacant assets across speculative to build-to-suit projects. The Fund is expected to target check sizes between \$10-50 million.

Aksia's recommendation to commit as described above 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 October 2025
- 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 October 2025
- 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. In addition, 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,



Michael Brand
Managing Director, Co-Head of Real Assets



Simon Fludgate
Partner, Head of Operational Due Diligence