



REQUEST FOR PROPOSALS

REAL ESTATE EQUITY STRATEGIES

RFP # I-2025-2

Issued March 7, 2025

Iowa Public Employees' Retirement System

7401 Register Drive
Des Moines, IA 50321
Phone: 515-281-0030
Email: investments-rfp@ipers.org
Website: www.ipers.org

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PART 1

PORTFOLIO DESCRIPTION, PURPOSE, DEFINITION OF PRODUCT, MINIMUM REQUIREMENTS AND SCOPE OF SERVICES

A. PRIVATE REAL ESTATE PORTFOLIO DESCRIPTION

The return objective of the IPERS Private Real Estate investment portfolio is to exceed the National Council of Real Estate Investment Fiduciaries NFI-ODCE Index, net of investment fees. IPERS' Private Real Estate investment portfolio includes two generalist core real estate mandates, one apartment core real estate mandate, and one value-add real estate fund investment. The current U.S. based real estate portfolio had a net asset value of \$2.4 billion as of December 31, 2024.

B. PURPOSE

1. The main purpose of this Request for Proposal (RFP) is to evaluate and select real estate managers with a track record of managing real estate assets. At this time, IPERS will only be considering proposals that are consistent with the Product definition below.
2. IPERS may or may not make an initial allocation to the selected Product. If an initial allocation is not made, the selected firm(s) (each a "Manager") will be placed on the manager bench list as a potential back up for IPERS' existing real estate portfolio and/or for future allocations made to the portfolio.
3. Any firm that meets the minimum requirements of this RFP is encouraged to submit a proposal. The RFP is available electronically on the IPERS website, www.ipers.org, and on the state of Iowa website, www.iowa.gov.

C. DEFINITION OF PRODUCT

The Product is defined as a core and/or core-plus real estate equity strategy that is actively managed through separately managed accounts and/or a fund structure that makes investments across property types (including niche property types) and geographic locations within the United States.

D. MINIMUM REQUIREMENTS

To be considered for the purpose stated above, all the following minimum requirements must be met:

1. The firm managing the Product must be registered as an investment adviser under the Investment Advisers Act of 1940 and provide its full Form ADV, or be an Exempt Reporting Adviser, or provide proof of bank exemption.

2. The firm must have at least 10 years' experience managing the proposed Product as of December 31, 2024, evidenced by a minimum 10-year continuous performance track record as of that date.
3. The Product must have at least \$1.0 billion in assets under management (**NOTE: this figure should not include uninvested commitments**) as of December 31, 2024.

E. SCOPE OF SERVICES

A Manager will be required to provide the following scope of services to IPERS:

1. Invest allocated funds in conformity with the investment policy and guidelines of the System, and as defined in the contract or partnership agreements established between IPERS and the firm.
2. Provide periodic reports and information relating to the investment strategy and other pertinent information pertaining to the investment of the System's assets, as requested by IPERS.
3. Participate in public meetings on a periodic basis as requested to provide information to the System concerning the investment performance of IPERS' assets.
4. Maintain a good working relationship with IPERS staff by providing timely information regarding material changes in the firm's organizational structure, staffing, assets under management and any other pertinent information IPERS staff may require in evaluating the performance of the fund and stability of the firm.

The scope of services defined in the final contract or fund agreements between IPERS, and the Manager will be binding and will supersede this section of the RFP if different from the scope of services defined here.

PART 2

ADMINISTRATIVE INFORMATION

A. INSTRUCTIONS FOR SUBMITTING PROPOSALS

1. Managers responding to this RFP must provide answers to the questions posed in Part 3 of this RFP. All proposals must be complete in every respect and must answer concisely and clearly all questions proposed by the RFP. Late proposals will not be accepted. A firm that wishes to submit multiple products must submit a separate complete proposal for each Product.
2. Proposals must be submitted **with a cover letter stating in the affirmative that the firm meets each and all the minimum requirements listed in Part 1.D of this RFP**, that the firm's proposal is binding for 180 days from the date of the proposal and that the firm is able and willing to provide the type and level of services required to fulfill the mandate proposed in this RFP. The cover letter and the offer made by the proposal, and any clarifications to that proposal shall be signed by an officer of the offering firm or a designated agent empowered to bind the firm in a contract. The cover letter must also identify any sections of the proposal that the firm is identifying as confidential. (See Disclosure of Proposal Content below.)
3. Proposals should follow the order of questions as they are asked in Part 3 of this RFP. In response to each question asked in Part 3, restate the **main** question (denoted by a number or a letter) in bold font followed by your answers stated in regular font. Responses should be thorough and answer the specific questions asked, including the issues addressed in the bullet points following a question.
4. Supporting material must be clearly referenced to the applicable question posed in Part 3. Information and materials which are strictly promotional in nature should not be used. The submission of such material may serve to disqualify the firm from further consideration.
5. Communication regarding this RFP or the firm's proposal shall only be made to the RFP Coordinator identified in item 8 below, and firms should not discuss the RFP or their proposal with other IPERS staff, Board members or IPERS' consultant. Firms will be given the opportunity to submit written requests for clarification of questions or terms contained in the RFP. In all cases, verbal communications will not override written communications.
6. IPERS reserves the right to amend this RFP at any time. In the event it becomes necessary to amend the RFP, the amendment will be posted in the same manner as provided in Part 1.B.3 of this RFP. A firm's response to this RFP must include an acknowledgement of all such amendments.
7. **Proposals must be received no later than 4:00 p.m. Central time, April 18, 2025.**

8. A firm must submit its proposal **only** as an electronic file via email to investments-rfp@ipers.org. The email should be clearly marked with the subject "RFP # I-2025-2 Submission." Proposals received that do not meet the minimum requirements will not be considered.

The RFP coordinator is:

Melinda McElroy
Iowa Public Employees' Retirement System
7401 Register Drive, Des Moines, IA 50321
Phone: (515) 281-0030
Email: investments-rfp@ipers.org

B. REJECTION OF PROPOSALS

1. Firms responding to this RFP must restrict their proposed investment structure to that specified in this RFP. Proposals offering alternate or substitute structures will be treated as not meeting the RFP's minimum requirements and will not be considered.
2. IPERS reserves the right to reject without penalty any or all proposals in whole or in part received by this request, due to noncompliance with the requirements of this RFP or for any other reason. Issuance of this RFP in no way constitutes a commitment by IPERS to award a contract or to enter a contract with a successful bidder. IPERS further reserves the right to cancel this RFP, to issue a new RFP or to award a contract in whole or in part if deemed in the best interest of IPERS. The RFP and the RFP process are for the sole benefit of IPERS and its members. IPERS will not pay for any information herein requested, nor is it liable for any costs incurred by the submitting Managers.
3. After evaluation of the proposals, selection and approval by IPERS, all firms that submitted proposals will be notified of the successful firm or firms.
4. IPERS reserves the right to not hire or to defer the hiring of a firm for these management services.

C. DISCLOSURE OF PROPOSAL CONTENT

The laws of Iowa require that the content of bidders' proposals be maintained in confidence prior to the issuance of a notice of intent to award a contract. If IPERS issues a notice of intent to award a contract at the conclusion of the selection process, the contents of all proposals, excluding confidential information, will be placed in the public domain and open to inspection by interested parties. Trade secrets or proprietary information that are recognized as such and protected by law may be withheld, but only if designation of such sections is stated in proposing firms' cover letters and confidential information is ***clearly identified*** as such on each of the applicable pages within the body of the proposal.

Any proposal submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. **Identification of the entire proposal as confidential shall be deemed non-responsive and disqualify the firm.**

If the firm designates any portion of the RFP as confidential, the firm must submit one "excised copy" of the proposal to IPERS from which the confidential information has been excised. The confidential material must be excised in such a way as to allow the public to determine the general nature of the material removed and to retain as much of the proposal as possible.

The firm's failure to request confidential treatment of material shall be deemed by IPERS as a waiver of any right to confidentiality, which the firm may have had.

D. PROPOSAL OBLIGATIONS

The contents of the proposal and any clarifications thereto submitted by the successful Manager shall become part of the contractual obligation and will be incorporated by reference into the ensuing contract.

E. DISPOSITION OF PROPOSALS

All proposals become the property of IPERS. Notwithstanding the foregoing, if IPERS decides to terminate the selection process prior to the issuance of a notice of intent to award a contract, it will destroy or shall direct the destruction of all proposals and no copies, either physical or electronic, shall be maintained by IPERS or its agents. Proposals that are received after the submission deadline will not be considered.

F. GRATUITIES

1. The laws of Iowa provide that it is a felony to offer or promise to give anything of value or benefit to a state employee with the intent to influence that employee's duties. Evidence of violations of this statute will be turned over to the proper prosecuting attorney.
2. IPERS provides reimbursement for transportation, lodging, meals and miscellaneous expenses for its employees.
3. IPERS employees are subject to stringent statutory restrictions relative to acceptance of gifts, meals, lodging or transportation from any Manager pursuant to Iowa Code Chapter 68B.

G. IOWA STATUTES AND RULES

The terms and conditions of this RFP and the resulting contract shall be construed in accordance with the laws of Iowa. Whenever differences exist between federal and state statutes or regulations affecting this procurement, interpretation shall be in the direction of that which is most beneficial to the interests of the state of Iowa.

H. SIGNATURE OF MANAGER'S AGENT

The offer made by the proposal, and any clarifications to that proposal, shall be signed by an officer of the offering firm or a designated agent empowered to bind the firm in a contract.

I. AWARD OF MANDATE

IPERS reserves the right to award this mandate not necessarily to the Products with the lowest fee or cost proposal, but to the Products deemed to provide the best match to the requirements of the RFP. The successful Products will be determined in accordance with the evaluation criteria defined by IPERS.

J. EVALUATION OF PROPOSALS

IPERS staff will evaluate the proposals according to the evaluation criteria specified in this RFP. The IPERS Investment Board must approve any Product selection.

K. EVALUATION CRITERIA

Proposals will be evaluated using the following criteria:

Firm/Organization	10%
Product	20%
Investment Process	20%
Performance	25%
Terms	25%

L. SCHEDULE OF EVENTS

1. **March 7, 2025** – RFP IS ISSUED
2. **March 21, 2025** – INQUIRIES – Inquiries and requests for interpretation or clarification of the RFP from potential bidders will be accepted only via email. All inquiries must be received no later than 4:00 p.m. Central time on this date. Firms must email their inquiries to investments-rfp@ipers.org
3. **March 28, 2025** – RESPONSE TO INQUIRIES – Responses and addenda resulting from requests for interpretation will be posted to the IPERS website (www.ipers.org) no later than 4:00 p.m. Central time on this date.
4. **April 18, 2025** – PROPOSALS DUE – The email containing the proposal and any excised copy of the proposal must be received by 4:00 p.m. Central time on this date. **The proposal must be emailed only to investments-rfp@ipers.org.**

M. AUTHORIZATION TO RELEASE INFORMATION

IPERS reserves the right, either directly or through its authorized representative, to obtain from sources, pertinent information concerning a firm, a firm's products, services, personnel or subcontractors.

By submitting a proposal, the firm hereby authorizes IPERS and its authorized representatives to obtain information regarding the firm's performance on other contracts, agreements or other business arrangements, its business reputation, and any other matter pertinent to the evaluation and selection of a successful firm in response to this RFP.

This includes, but is not limited to, the right to conduct criminal history, prior performance, reference checks and other background investigations for persons retained by the firm or other persons identified in the firm's proposal. This also includes, but is not limited to, the right to obtain, verify and consider information from sources such as the firm's performance of contracts for other clients.

The firm, in submitting its proposal, hereby releases, acquits and forever discharges IPERS, the state of Iowa, and their trustees, officers, employees and agents from any and all liability whatsoever including all claims, demands and cause of action of every nature and kind affecting the firm that it may have or ever claim to have in relation to information, data, opinions and references obtained by IPERS in the evaluation and selection of a firm in response to this RFP.

The firm, in submitting its proposal, authorizes IPERS and its authorized representatives to contact all the persons, entities and references which are directly or indirectly, listed, submitted or referenced in the firm's proposal submitted in response to this RFP.

By submitting its proposal, the firm authorizes all persons and entities to provide information, data and opinions with regard to the firm's performance under any contract, agreement, or other business arrangement, the firm's ability to perform, the firm's business reputation, and any other matter pertinent to the evaluation of the firm. The firm and its partners, officers, directors, employees, and agents hereby release, acquit and forever discharge any such person or entity and their officers, directors, employees and agents from any and all liability whatsoever, including all claims, demands and causes of action of every nature and kind affecting the undersigned firm that it may have or ever claim to have relating to information, data, opinions and references supplied to IPERS in the evaluation and selection of a successful firm in response to this RFP.

N. ETHICS POLICY

IPERS' staff and Board members are subject to an Ethics Policy adopted by the Investment Board. The policy can be viewed on IPERS' website here: https://ipers.org/sites/default/files/2021-03/September%202017%20Ethics%20Policy%20Final_0.pdf

O. APPEALS

Filing an appeal: Any firm that filed a timely proposal and that is aggrieved by an award made by IPERS may appeal the decision by filing a written notice of appeal with Chief Executive Officer (CEO) Greg Samorajski, 7401 Register Drive, Des Moines, Iowa, 50321, within five (5) calendar days of the date of award, exclusive of Saturdays, Sundays and legal state holidays.

IPERS must actually receive the notice of appeal within the specified time frame for it to be considered timely. The notice of appeal shall state the grounds upon which the firm challenges the IPERS' award.

Procedures for vendor appeal: The appeal will be treated as "other agency action" in accordance with Iowa Code chapter 17A and cases interpreting this Code chapter. The procedure for an appeal of "other agency action" is to allow the firm an opportunity to be heard. To fulfill this obligation, the firm has five (5) calendar days from the date the notice of appeal was filed with IPERS to submit any written arguments and documents it wants considered related to the merits of the appeal. The aggrieved firm may, or may not, be afforded an opportunity to discuss the merits of the appeal with CEO Samorajski, over the telephone or in person. CEO Samorajski will issue a final agency decision related to the appeal. The exclusive means for a firm to seek further review of the final agency decision shall be governed by Iowa Code §17A.19.

PART 3
QUESTIONNAIRE

The proposal must answer the following questions:

A. MINIMUM REQUIREMENTS

1. Is your firm a registered investment advisor under the Investment Advisors Act of 1940? If yes, provide the firm's SEC File Number (e.g. 801-xxxxx). If your firm is exempt under the bank exemption, please explain and provide proof of such exemption.
2. What is the inception date of the proposed Product? Does your firm have at least 10 years' experience managing the proposed Product as of December 31, 2024? Complete Appendix I in the provided Real Estate Equity Strategies RFP Excel file, to summarize the firm's performance track record for the proposed Product and any other private real estate equity funds or SMAs that are similar to the Product's mandate.
3. Complete Appendix II in the provided Excel file, to summarize the assets under management (NOTE: these figures should not include uninvested commitments) for the firm and the proposed Product as of December 31, 2024.

B. ORGANIZATION

1. Provide all the following information:

Name of Firm:	
Contact:	
Title:	
Address:	
Telephone #:	
Email Address:	

2. Provide a brief description of the firm and the types of investment products it offers. How long has the firm been in business? Provide a table with the firm's capital base and client base by product line. Highlight the Product line under consideration in your response.
3. Explain the ownership structure of the firm and any recent or planned changes to the ownership or organization structure. Provide an organization chart that diagrams the ownership and interrelationships between the parent and any subsidiaries, affiliates and joint venture entities. Attach the chart to the proposal as **Exhibit A**.
4. Has the firm or any employee been involved in any business litigation or other legal proceedings related to any investment activities? If so, provide a brief explanation and indicate the current status.

5. Has any member of the Product team ever been fined, censured, warned or otherwise formally reprimanded by a regulatory agency, professional association or society for matters related to investment activities? Has the firm fired or reprimanded any member of the Product team in the last five (5) years for violating laws or company policies? If you answer yes to any of the questions, please describe the nature of the violations and the actions taken.
6. Provide the date of the last time the SEC or equivalent regulatory body performed an examination of your firm. Did the regulatory body issue a Deficiency Letter or take any other action because of the examination?

C. PRODUCT

1. Provide the name of the Product being proposed, as well as the investment structure (SMA or Fund).
2. Describe the Product's investment strategy.
3. Describe the Product's anticipated investment exposure. Provide a summary of the Product's historical exposure by property type and geographic location. What is the typical deal size for the Product?
4. What are the typical investment guidelines for the Product.
5. Describe the Product's investment management team. Attach as **Exhibit B** a team chart that depicts the roles of team members. Professionals should be identified with their areas of responsibility. If an Investment Committee is involved in the management of the Product, identify those professionals that are members of the committee.
6. Complete Appendix III in the provided Excel file, to summarize the Product's personnel information.
7. Provide information regarding the turnover of professional personnel associated with the Product by completing Appendix IV in the provided Excel file.

D. INVESTMENT PROCESS

1. Provide as **Exhibit C** a flow chart that illustrates the investment process from sourcing to exit. The flow chart should include all the decision-making steps within the process. In addition, identify any relevant committees and identify who is ultimately responsible for investment decisions concerning the Product.
2. What are your firm's competitive advantages? Provide detail to support the advantage noted.
3. Identify the key risks with respect to the Product. Describe the risk management process / mitigants for each of the key risks identified.
4. Describe your valuation process. Provide a copy of your valuation policy as **Exhibit D**.
5. Are any functions throughout the investment process performed by third parties? If yes, identify those functions. Describe the firm's decision-making process for determining if a third party is used/not used.

E. PERFORMANCE

1. What is the unlevered gross return objective for the Product?
2. Is leverage utilized in the Product? If leverage is utilized, what is the levered gross return objective and describe the financing options that are utilized or would potentially be utilized. What has been the average amount of leverage historically utilized in the Product.
3. For each Fund and/or SMA identified in Appendix I as supporting your track record, provide a table that shows the income, appreciation, gross and net returns over 1-year, 3-years, 5-years, 10-years and since inception. The table should also include the income, appreciation, gross and net NCREIF ODCE returns over the same time periods for comparison.
4. Provide an attribution analysis for the Product composite since the inception of the account as **Exhibit E**. At a minimum, the attribution should include an allocation and selection effect by property type and geographic location versus the NCREIF ODCE index.

F. TERMS

1. For separately managed accounts, IPERS' strong preference is to pay an asset management fee as a percentage of Net Operating Income (NOI) and no incentive fee. What is your proposed percentage of NOI under this structure?
2. For the proposed Product, describe the relevant fee structure. Provide details on the asset management fee, incentive fee and any other relevant fees for the Product e.g. acquisition fees.
3. Provide a sample fee calculation in Excel as **Exhibit F**.
4. Provide historical data for the Product for any other relevant expenses that will impact net returns such as organizational expenses and on-going operational expenses. Do you anticipate any material changes to these expenses moving forward?
5. Describe any fee breaks that are relevant for the proposed Product.

PART 4
APPENDICES

The four appendices in the Real Estate Equity Strategies RFP Excel file include:

Appendix I - Product Track Record

Appendix II - Invested Capital Summary Table

Appendix III - Product Personnel Information

Appendix IV - Personnel Turnover