



Exeter U.S. Industrial Value Fund V

Real estate investment fund
focused on industrial properties
throughout the U.S.

OVERVIEW

EXETER ORGANIZATION

- » Global scale + local deal execution provide competitive advantages
- » Cohesive, highly aligned, 20-person management team averages 17 years working together and 23 years of experience across multiple market cycles

PRIOR FUNDS' PERFORMANCE

- » Third party benchmarks suggest highest ranking performance among all value add fund managers over the past 10 years*
- » ERS Rhode Island is a partner in predecessor fund EIVF III

EXETER INDUSTRIAL VALUE FUND V

- » \$1.6 billion value add real estate fund targets gross leveraged IRR of 16%-18% (net leveraged IRR of 13%-14%), utilizing 65% leverage
- » Focus on U.S. big box and last mile warehouses
- » Emphasize Top 5 Distribution Center markets and E-Commerce Hubs, while creating diversity across 30 markets

INDUSTRIAL REAL ESTATE MARKET OPPORTUNITY

- » Sustainable macro drivers
- » Strong current fundamentals, occupancy, and rent growth
- » Exceptional exit liquidity

* Based on Prequin and Cambridge Associates benchmarks.

INDUSTRIAL SPECIALIST WITH PROVEN TRACK RECORD

Exeter Industrial Value Funds (and Start Date)	Status	Total Equity Commitments	# of Investments	Net Leveraged IRR (Since-Inception, as of 6/30/2019)	Net Equity Multiple (Since-Inception, as of 6/30/2019)
EIVF IV (2017)	Implementing	\$1,275 M	83	11.0%*	1.1x*
EIVF III (2014)	80% Realized	\$832 M	115	29.7%	1.9x
EIVF II (2011)	Realized	\$615 M	74	30.3%	2.1x
EIVF I (2007)	Realized	\$357 M	59	11.3%	1.9x

* Implementation underway on recent investments; Exeter currently estimates EIVF IV will ultimately generate a 16% Net Leveraged IRR and 1.7x Net Equity Multiple.

COMPETITIVE ADVANTAGE AND BARRIERS TO ENTRY

14 YEARS OF EXECUTION

MORE LOCAL » 19 North America offices

» 10 Europe offices

» 1 Asia office

MORE FOCUS » Expert real estate operator

» 165 professionals

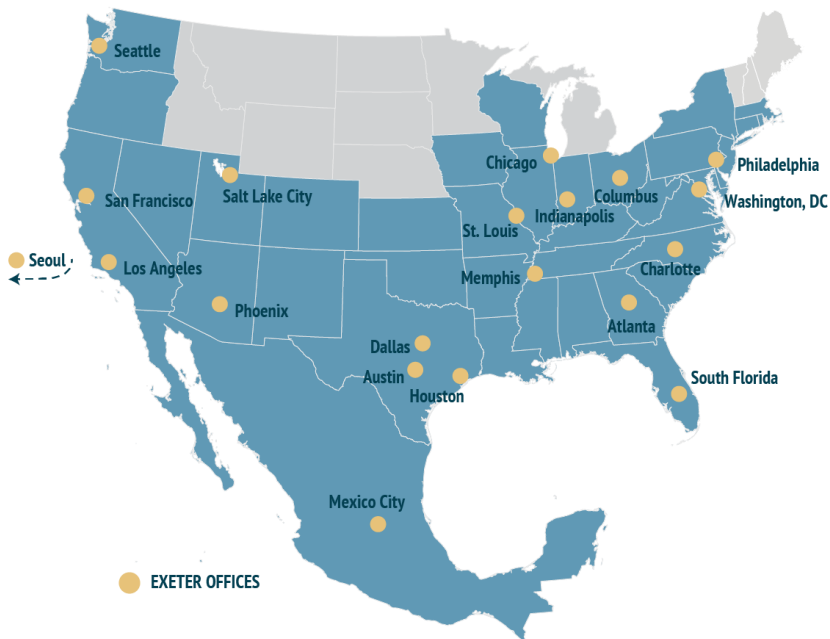
MORE SCALE » Buyer: 500+ transactions

» Landlord: 1,200+ tenants

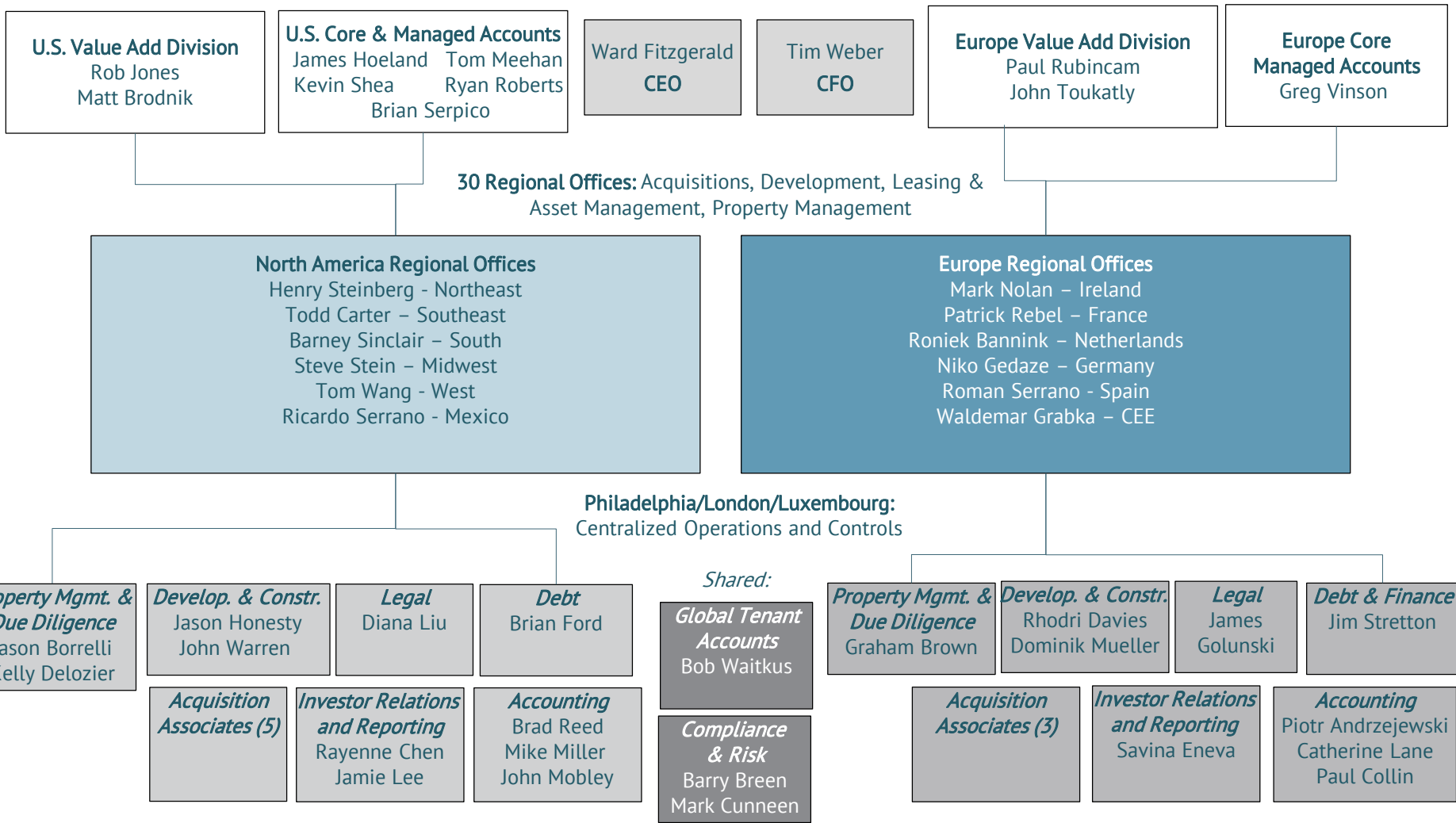
» Seller: Manufacturer of core portfolios

MORE SCOPE » U.S. and Europe

» Value add and Core



COMPETITIVE ADVANTAGE THAT DRIVES PERFORMANCE: VERTICALLY INTEGRATED TEAM OF 165 PROFESSIONALS



OPERATOR PLATFORM DRIVES VALUE-ADD PERFORMANCE

ACQUISITIONS

- » As design experts, understand functional and physical attributes that meet tenant needs
- » Select best buildings in submarket, or
- » Renovate, redevelop and develop

LEASING AND ASSET MANAGEMENT: "FILL THE SEATS"

- » Executed by in-house, local market-makers
- » Competitive advantage in lease negotiations due to keen local market intelligence

DISPOSITIONS: "MANUFACTURE" CORE PORTFOLIOS

- » Acquire single assets and small, one-off packages
- » Realize pricing premium when investments are stabilized, aggregated, and sold as large portfolios

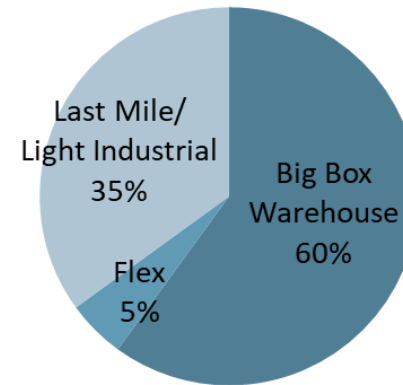


Value Add in the "bricks and sticks": Enhanced curb appeal by updating entrance feature and extending glass lines.

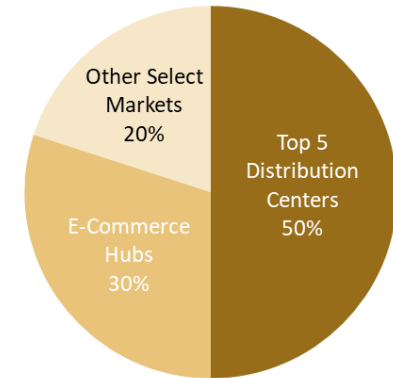
WHAT WE WILL DO: FUND V INVESTMENT FOCUS

- » **PRODUCT** Class A, regional (“big box”) and last mile warehouses and related business park assets
- » **MARKETS** Primary distribution markets, e-commerce hubs, and high-growth cities
- » **STRATEGIES** Balanced across risk-return spectrum:
 - Well-occupied, short term leased assets
 - Immediate cash flow; enhance by renewing at higher rents and longer terms
 - Vacant assets
 - High returns for lease-up risk
 - Development
 - Own best product without exceeding replacement cost
- » **DEBT** Enhance equity with prudent, 65% leverage

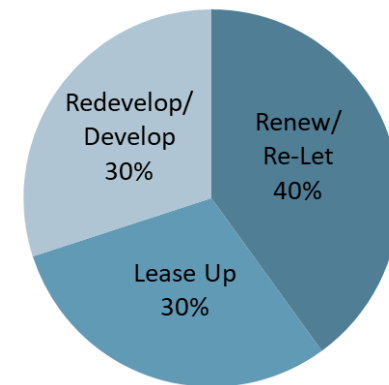
BUILDING TYPES



GEOGRAPHY: FOCUS ON TOP 30 MARKETS



STRATEGY



3370 ENTERPRISE DRIVE INLAND EMPIRE, CALIFORNIA

FEATURES

- » 32' clear, last mile warehouse at I-10 & I-215, 3 miles from Union Pacific intermodal
- » 4 short-term tenants in jigsaw layout

SOURCE Under-capitalized initial buyer unable to close; Fund assumed contract at favorable price


VALUE ADD Create single-tenant, core logistics asset

EXECUTION

- » Upon 2018 expirations, secured new 3PL tenant on full building, 6-year lease at 70% rent increase
- » Yes, you CAN get yield in SoCal!



Equity \$4.13 M **Size** 112,609 SF **Acquired** Aug. 2017

	AT ACQUISITION 	ACTUAL EXECUTION
Occupancy	100%	100%
WALT years	0.8	6
Cost PSF	\$104	\$110
Rent, NNN PSF	\$3.85	\$6.67
Yield on Cost	3.7%	6.1%
Projected Sale Price PSF		\$142
Cap rate		4.75%
Projected Gross Leveraged IRR		20.8%
Equity Multiple		2.2x

CARLISLE DISTRIBUTION CENTER CENTRAL PENNSYLVANIA

FEATURES 85-acre site on I-81, the “distribution backbone” of the Northeastern U.S.

SOURCE Acquired from thinly capitalized merchant builder who spent 3 years entitling site, but was unable to secure equity funding

VALUE ADD Opportunistic land purchase enabled immediate commencement of construction

EXECUTION

- » Developed 1.1 million SF, best-in-market warehouse
- » Executed full-building lease with repeat tenant



Equity \$22.8 M **Size:** 1,138,320 SF **Acquired** Dec 2017

	EXECUTION
Land Cost PSF	\$12
Total Cost PSF	\$61
Rent, NNN PSF	\$4.25
Yield on Cost	7.0%
Projected Sale PSF	\$77
Projected Gross Leveraged IRR	27.3%
Equity Multiple	1.7x

U.S. INDUSTRIAL MARKET



TARGET MARKETS

TOP 5 CONSUMPTION CENTERS

- » Northeast Corridor (NYC/PA/DC)
- » Atlanta
- » Chicago
- » Texas Triangle
- » Los Angeles

INLAND EMPIRES & E-COMMERCE HUBS

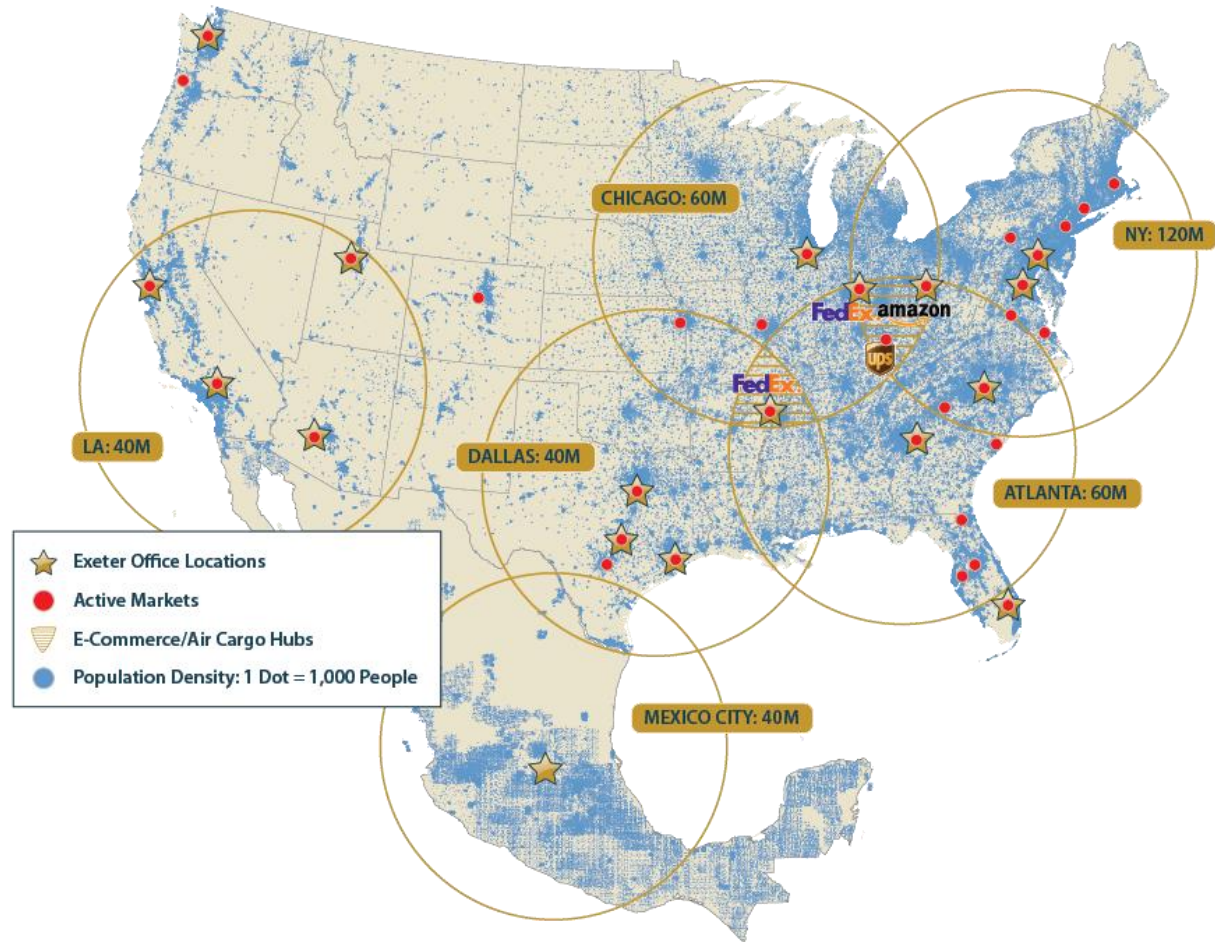
- » Inland Empire (SoCal), Lehigh Valley (NYC), Joliet (Chicago)
- » Mid-South air cargo hubs (Memphis, Louisville, Indianapolis, Cincinnati)

OTHER PRIME MARKETS

- » High population and job growth
- » San Francisco, Seattle, Phoenix, Charlotte, Florida

MANUFACTURING CENTERS

- » Mexico



WHY INDUSTRIAL REAL ESTATE? SUSTAINABLE LONG TERM TENANT DEMAND

CONSUMPTION

- » U.S. population expected to add 23 million in 10 years¹, expanding baseline demand for goods

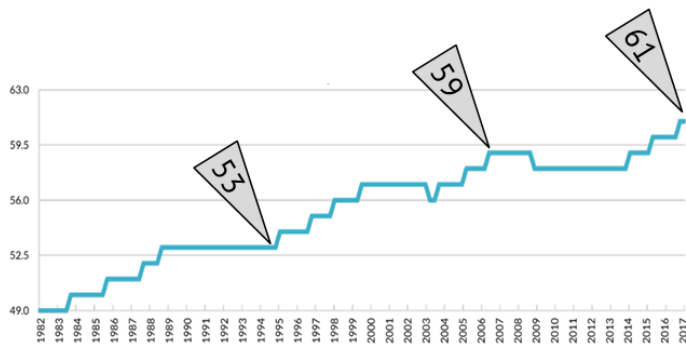
E-COMMERCE AND TRADE

- » E-commerce to grow 9% annually 2017-2020², driving ~40 million SF new warehouse demand per year³
- » Trade, which drives growth in warehouse demand across national logistics hubs, has been outpacing overall growth on historic and projected basis⁴

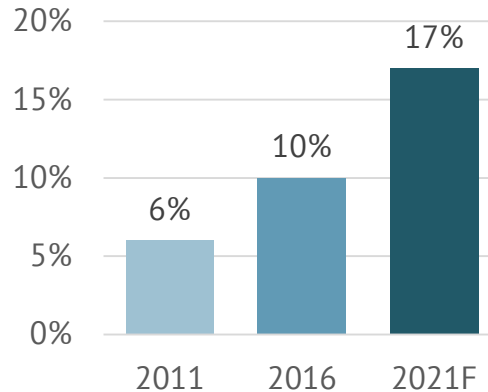
OBSOLESCENCE

- » Obsolescence due to logistics innovations decreases supply
- » Drives migration to “Big and New” product

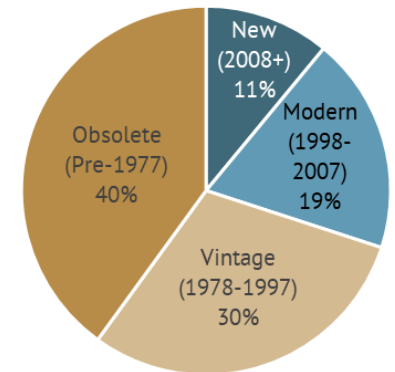
Square feet of warehouse per capita in U.S.⁶
Per-person warehouse demand has grown 15% since 1995, the start of the modern warehouse era



E-Commerce Growth in the U.S.
Online penetration in 5-year increments⁵



Age of U.S. Industrial Stock
14 Bn SF, but only 30% is New or Modern⁷



WHY INDUSTRIAL NOW: REAL ESTATE FUNDAMENTALS DRIVE NOI GROWTH

DEMAND

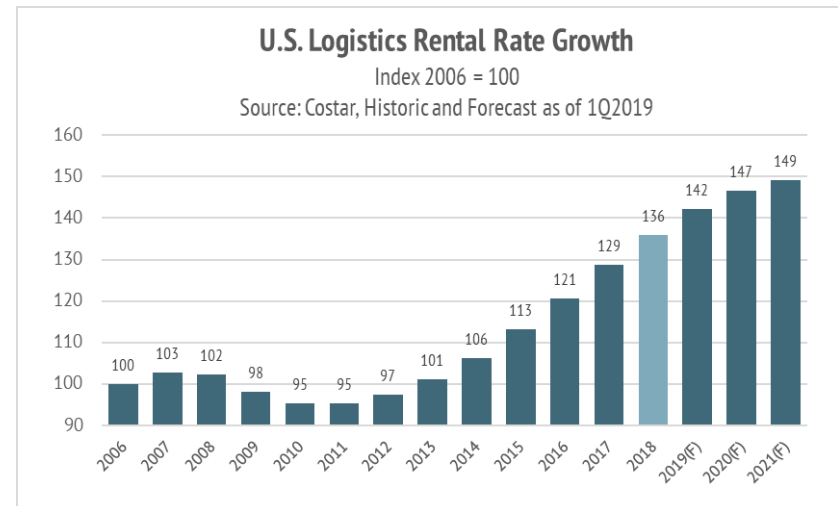
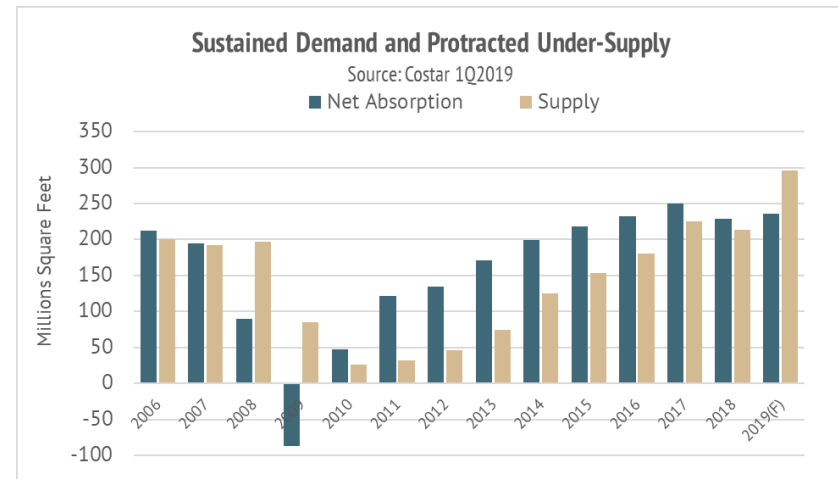
- » 200-250 M SF annual absorption, strong across all markets
- » Occupancy 95% after 9 years of demand outpacing supply

SUPPLY

- » Finally attained prior peaks, but
 - Class A scarce, vacancy lower than 2007
 - Greater financing and permitting barriers
- » Obsolescence deducts supply

RESULT: EXTRAORDINARY RENTAL RATE GROWTH

- » Rates regained prior peak in 2014
- » Above-average growth forecast for 2018+
- » Driving growth in income *and* asset values



IN CLOSING...

WHY EXETER?

- » Strong sponsorship through cohesive management team comprised of professionals who have successfully navigated many market cycles
- » Proven operational skills and value-add expertise
- » Experienced and transparent institutional fiduciaries
- » Close manager alignment through Exeter team investment, single promote structure, and clean, fee simple real estate ownership
- » Track record of strong performance across multiple U.S. industrial investment funds

THANK YOU FOR YOUR PARTNERSHIP AND FOR CONSIDERING FUND V

QUESTIONS?

EXETER INDUSTRIAL VALUE FUND V, L.P.

INDICATIVE TERMS

Investment Objective:	To acquire, develop, redevelop, reposition, operate, lease, and sell industrial properties (including big box, last mile and light industrial warehouses) and related flex/office-warehouse properties throughout the United States
Targeted Return:	The Fund will seek to achieve a gross leveraged annual compounded internal rate of return of 16% to 18% on its investments over a three- to five-year anticipated holding period, equating to a 13-14% IRR net to the Limited Partners*
Target Fund Size:	\$1.6 billion
Commitment Period:	Three years from the initial closing, subject to a one-year extension with advisory committee consent
Term:	Eight years from the final closing, subject to a maximum of two consecutive one-year extensions with advisory committee consent
Target Leverage:	65% of investment value on a portfolio basis as of the end of the Commitment Period
Preferred Return:	9% compounded annual return
Performance Fee:	20%
Management Fee:	1.5% per annum