

NCREIF PREA Reporting Standards Exposure Draft

Proposed Changes to Time-Weighted Return and Related Disclosures Requirement for Closed-End Funds

Utah Retirement Systems Response, Devon Olson

To whom it may concern:

Thank you for this well balanced proposal and the opportunity to reply. I appreciate that the PREA Institutional Investor Council Survey was made a part of this proposal. The survey demonstrates the overwhelming desire of investors to receive TWR to remain a requirement within the reporting standards. After eliminating those without an opinion, 83% of those investors desired that TWRs be reported by non-core managers. In an industry that promotes transparency and investor satisfaction, including TWR would seem to be obvious. However, many managers feel that TWR are misleading and the reason many do not contribute their data to indexes.

In an effort to compromise for the benefit of the industry and transparency, I support the recommendation of the TWR Task Force that investors who don't care for a TWR in their reports may opt out of receiving it and the managers will still be in compliance. Therefore, regarding the questions posed:

Question 1a: Do you agree that the Reporting Standards should change the requirement to the two requirements shown above?

1a. Yes, I agree the Reporting Standards should be changed to provide 1.) an offer of TWR gross and net of fees and 2.) and when reported to provide TWR gross and net of fees on a Quarterly basis.

Question 1b: If you answered yes to Question 1a, please indicate how you think TWR should be distributed (indicated "yes" or "no" to each of the following:

1b. Yes, Distribute TWR to all investors unless the investor specifically indicates that they do not want the TWRs. This protects the investor from legal miscues or inadvertently missing the opportunity by silence.

Question 1c: If you answered no to question 1a, do you think that the Reporting Standards should move the existing requirement for TWRs for closed-end funds to a recommendation?

1c. Not applicable

Question 2: Do you agree that the above disclosure be added as a required element within Handbook Volume I?

2. Yes on TWR

Question 3: Do you agree that the above disclosure be added as a required element within Handbook Volume I?

3. Yes on IRR start date

Question 4: Do you agree that the above disclosure be added as a required element within Handbook Volume I?

4. Yes on IRR end date

Question 5: Do you agree that the Council should pursue reporting standards for investor specific reporting?

5. Yes, this provides more transparency for investors.

Thanks for this opportunity to reply.