



Two pension systems commit to Harrison Street and Quantum

October 1, 2014

Reg Clodfelter

The \$24.5 billion Texas County & District Retirement System and the \$6.5 billion District of Columbia Retirement Board have both committed to Harrison Street Real Estate Capital and Quantum Energy Partners.

The Washington, D.C.–based retirement board committed \$20 million each to Harrison Street Real Estate Partners V and Quantum Energy Partners VI, according to meeting minutes from the DCRB's Sept. 17 meeting. As of June 30, the retirement board has \$348.4 million, or 5.3 percent of its fund, invested in real assets, with \$249.1 million of that made up by real estate and \$13.1 million made up by private energy. The retirement board's target allocation to real assets is 7 percent.

Texas C&D committed \$40 million to Harrison Street Real Estate Partners V-A and \$45 million to Quantum Energy Partners VI, according to a report on the system's website. As of June 30, TCDRS had \$408 million, or 1.7 percent of its total fund, tied up in real estate, and \$182 million committed to commodities including energy. The real estate portfolio has performed quite well of late, returning 18.1 percent for the year ended June 30.

QEP VI launched earlier this year with a reported fundraising goal of \$2.5 billion. Its predecessor had a \$2.5 billion close in September 2009, and used the same strategy Quantum has used since its founding in 1998, targeting investment opportunities between \$100 million and \$400 million with a primary focus on the oil and gas upstream, midstream and power sectors, while still considering opportunities across the entire energy industry.

Harrison Street's previous fund, REP IV, closed in July 2013 after exceeding its \$600 million fundraising target by bringing in \$750 million. The opportunistic fund series specializes in investing in niche property types such as the medical office, student housing, self-storage and senior housing/assisted living sectors.

There has been no official announcement of Fund V's launch. Harrison Street declined to comment on the fund.