RETIREMENT COMMISSION MINUTES

The Retirement Commission met on Wednesday, October 26, 2022. The following members were present: Chris Cullinan, Jason Vandever, Scott Hendrix, Al Elias, Markell Henderson, Ben Cullop, Ashley Marshall, David Hughes, Lindsay Ideson, Mary Ann Hardie. Absent: Brian Pinkston, Michael Rogers. Others present: Sara Butler, Lisa Burch, Krisy Hammill, David Plunkett, William Dowd, William Reid, Dan Homan, Tony Verdelotti.
This meeting was held virtually via Zoom.

Call to Order
Jason Vandever called the meeting to order at 8:32 AM.

Approval of Minutes
The minutes from the September 2022 meeting were approved unanimously.

Retirement Commission Training
Jason Vandever updated the Commission members regarding the upcoming training on November 16, 2022 at City Space.

Annual Actuarial Review
Bill Dowd and Bill Reid from SageView Consulting reviewed the July 1, 2022 Valuation Report and provided the Commission with the next actuarially determined contribution rate. Dan Homan reviewed the Post-Retirement Benefit Plan experience and provided the Commission with the next annual contribution rate.

Financial Update
Jason Vandever updated the Commission on the RFP process for the Fund's Large Cap Growth assets.

New Business
There was no new business discussed.

Adjournment
The meeting adjourned at 9:16 AM.

PGIM REAL ESTATE

U.S. CORE FUND & U.S. CORE PLUS FUND

City of Charlottesville

December 14, 2022

For Professional Investors only. All investments involve risk, including the possible loss of capital.

THE PURSUIT OF OUTPERFORMANCE

Table of Contents

PGIM REAL ESTATE REPRESENTATIVES

KELLY WHITMAN

Americas Investment Research

JACKIE BRADY

Business Development

JUAN SEBASTIAN AGUDELO

Business Development

U.S. MARKET UPDATE AND OUTLOOK

01

PGIM REAL ESTATE

Market News and Outlook – Summary

Value Losses on the Horizon, Recession Now Expected

- Economic growth is slowing as monetary policy tightens, compounded by fading fiscal stimulus.
- Aggressive interest rate hikes due to persistent inflation make a Fed-induced recession in 2023 the likeliest outcome, pressuring consumers and weakening labor markets.
- Tenant demand is moderating across several property types due to affordability constraints and delayed business expansions.
- Pressure on NOIs is intensifying and expectations are being revised lower across property types. The additional impact of interest rate hikes on cap rates will induce value declines beginning in the latter months of 2022.

Investors Staying on the Sidelines

- Pace of transaction activity has dropped significantly as investors digest changing environment.
- Debt availability is declining. Spreads have widened and debt service coverage ratios have risen, reducing available proceeds even for stabilized assets.
- Rising interest rates have caused transactions cap rates to rise, particularly for industrial, apartment and other residential sectors.

NOI Growth Expectations Being Revised Lower

- **Apartment:** Vacancies are rising from historic lows, renter demand easing as rent growth outstrips incomes.
- **Industrial:** Demand easing from record pace while supply pipelines have surged. Dense, coastal markets remain best positioned.
- **Office:** Tenant demand subdued and net downsizing likely, pressuring effective rents lower.
- **Retail:** Pace of recovery to slow as consumer spending abates amid economic slowdown.
- **Senior Housing:** Demand and occupancies have firmly turned the corner, driving recovery in rents and NOIs.
- **Storage:** Rent growth moderating but conditions remain healthy.

Source: PGIM Real Estate. As of October 2022.

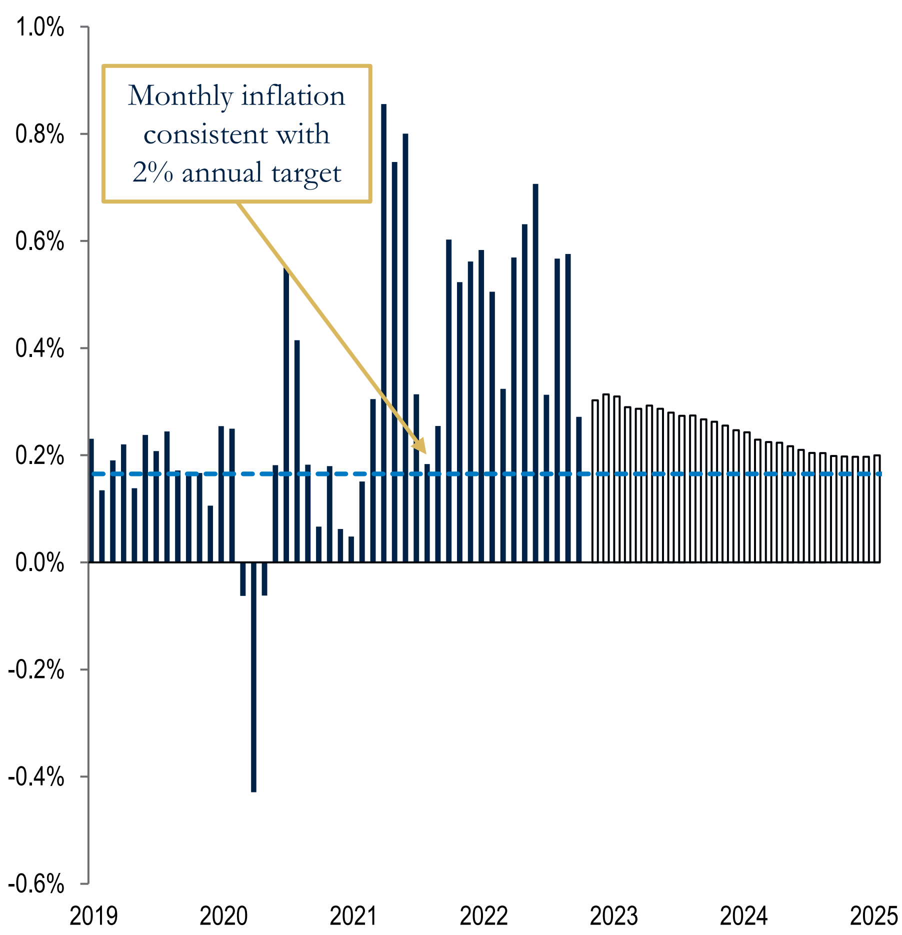
Navigating a Turbulent Real Estate Market

Recession is the only plausible base case scenario for real estate	Expect property incomes to decline moderately over the near term...	...with a bigger hit to values as interest rates stay high	A few opportunities to invest now at attractive returns, most coming next year

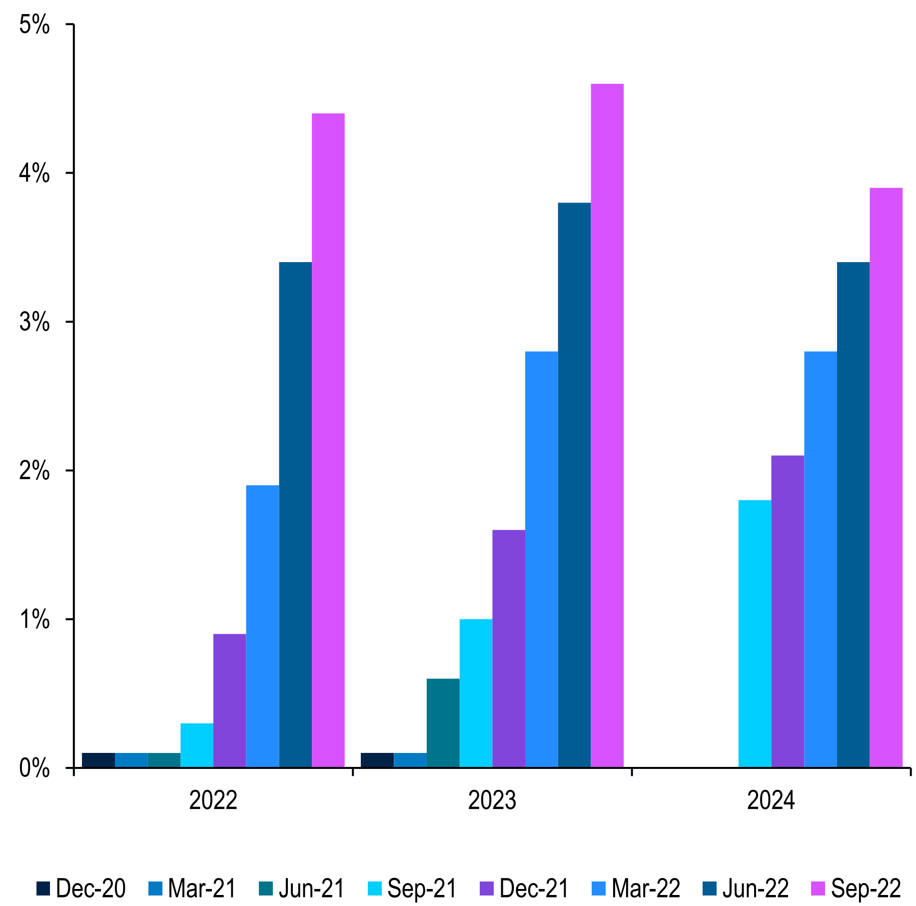
Source: PGIM Real Estate.

Fed tightening aggressively as inflation persists

Core Consumer Price Index (Monthly Percent Change)



FOMC Federal Funds Rate Projections

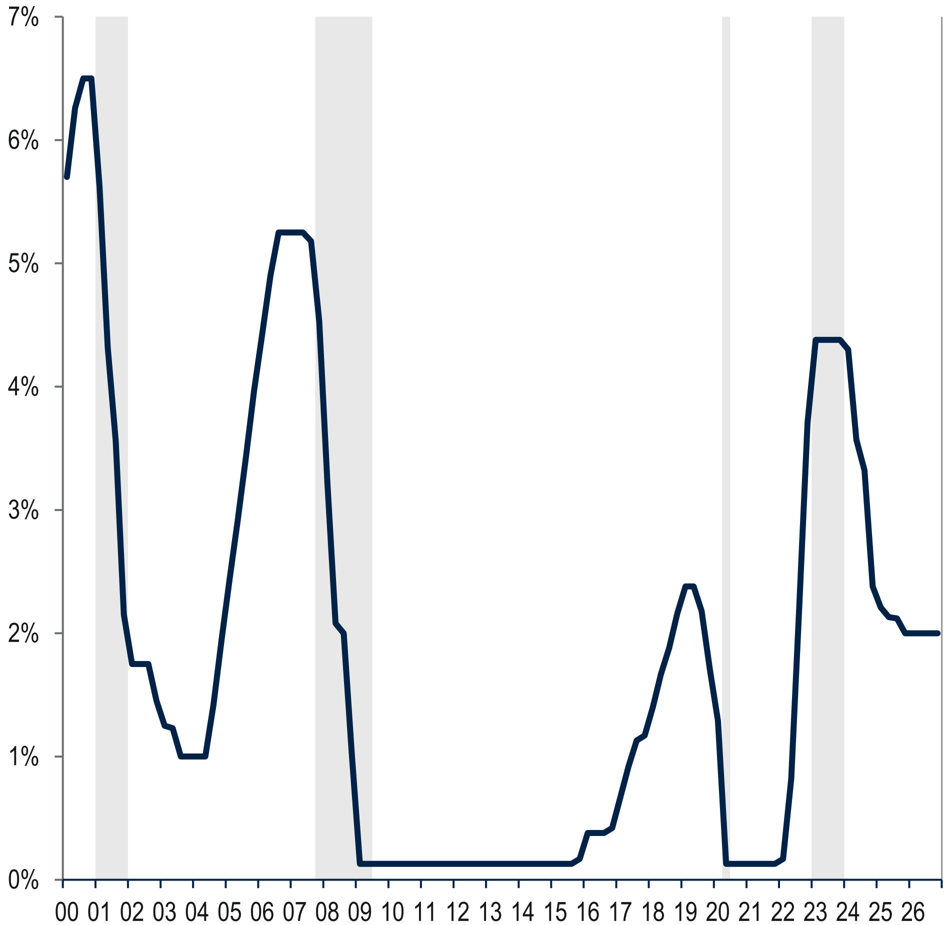


Source: U.S. Bureau of Labor Statistics, Federal Reserve Moody's Analytics, PGIM Real Estate. As of November 2022.

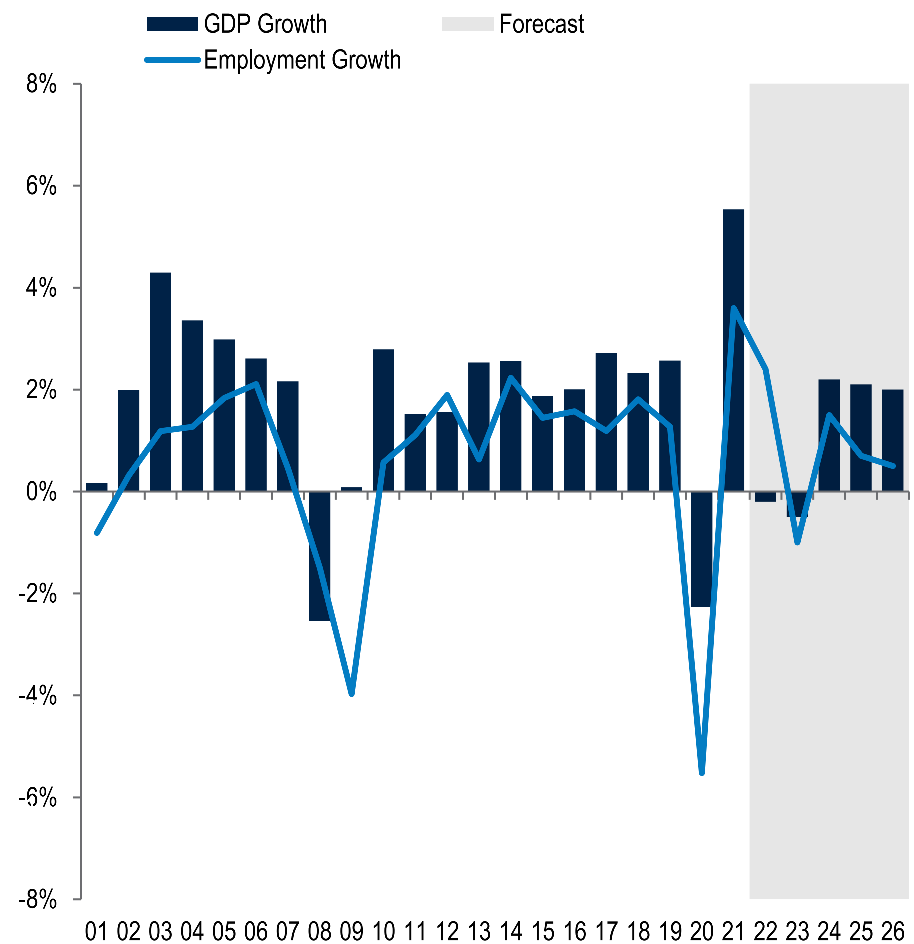
REF: 006488

…which will likely induce a recession

Fed Policy Rates with Oxford Economics Forecasts



Real GDP and Employment Growth

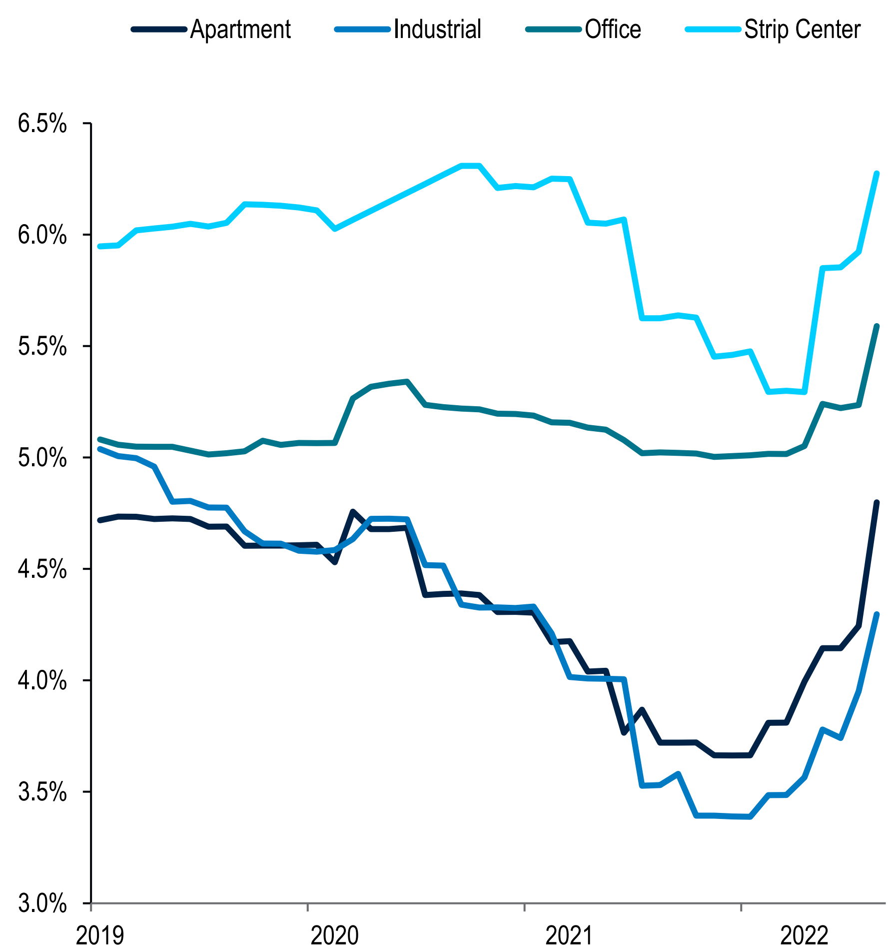


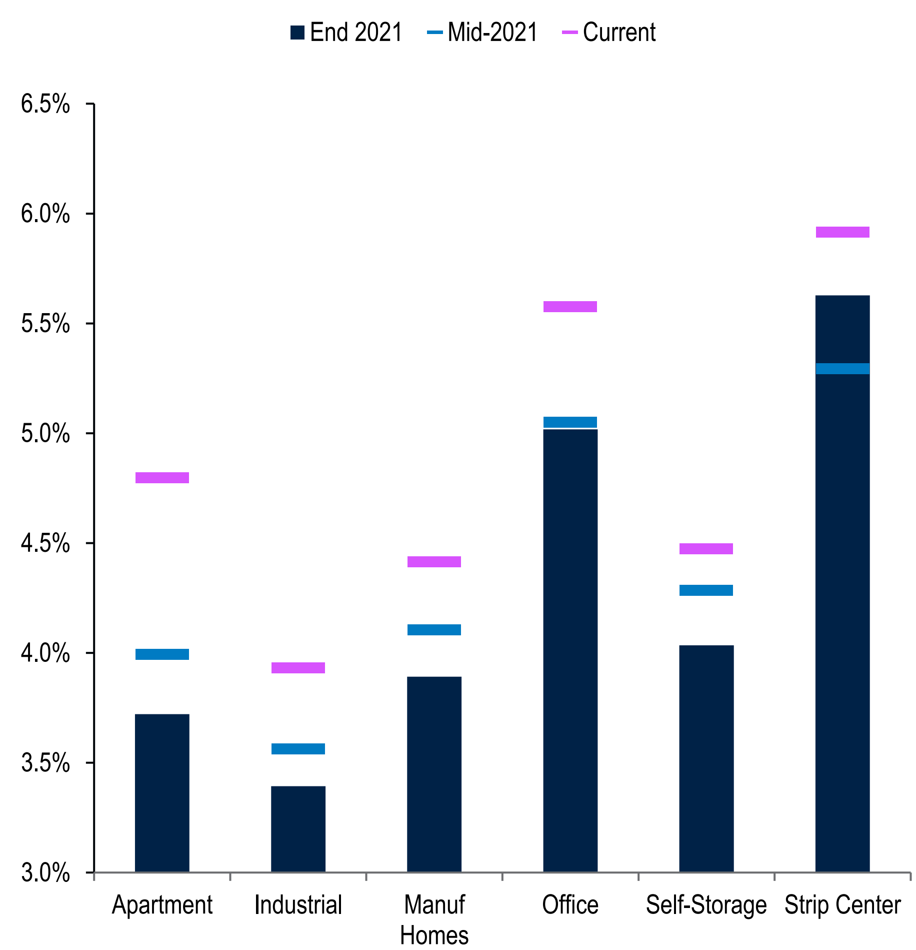
Source: Oxford Economics, PGIM Real Estate. As of November 2022.

A repricing is already underway…

PGIM REAL ESTATE

U.S. Transaction Market Cap Rates*



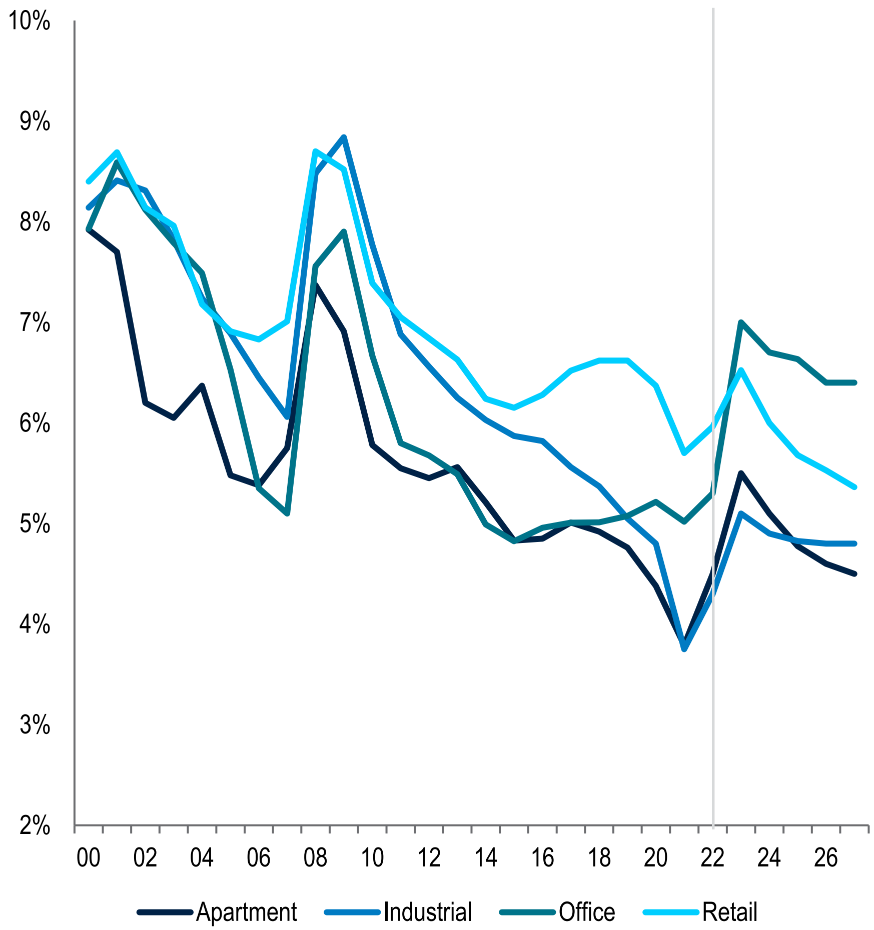


Source: Green Street Advisors, PGIM Real Estate. As of November 2022.

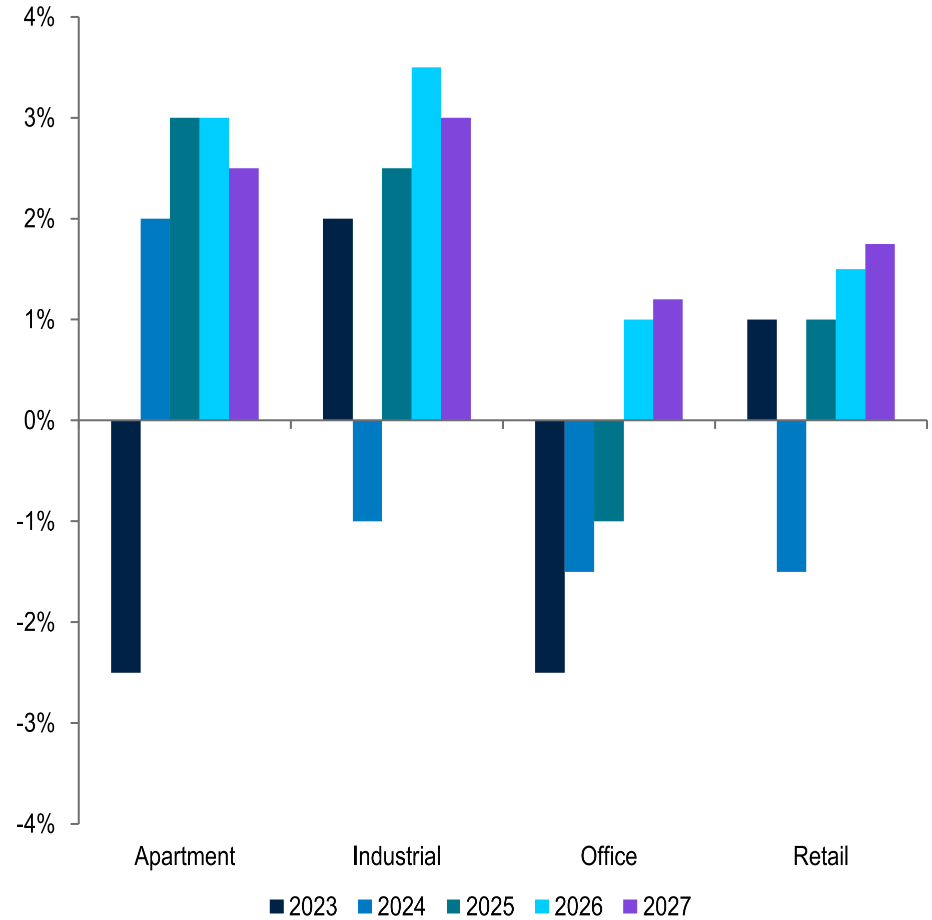
REF: 006488

...and values and property incomes will fall further...

Cap Rates by Sector



Annual Change in Market Revenue*

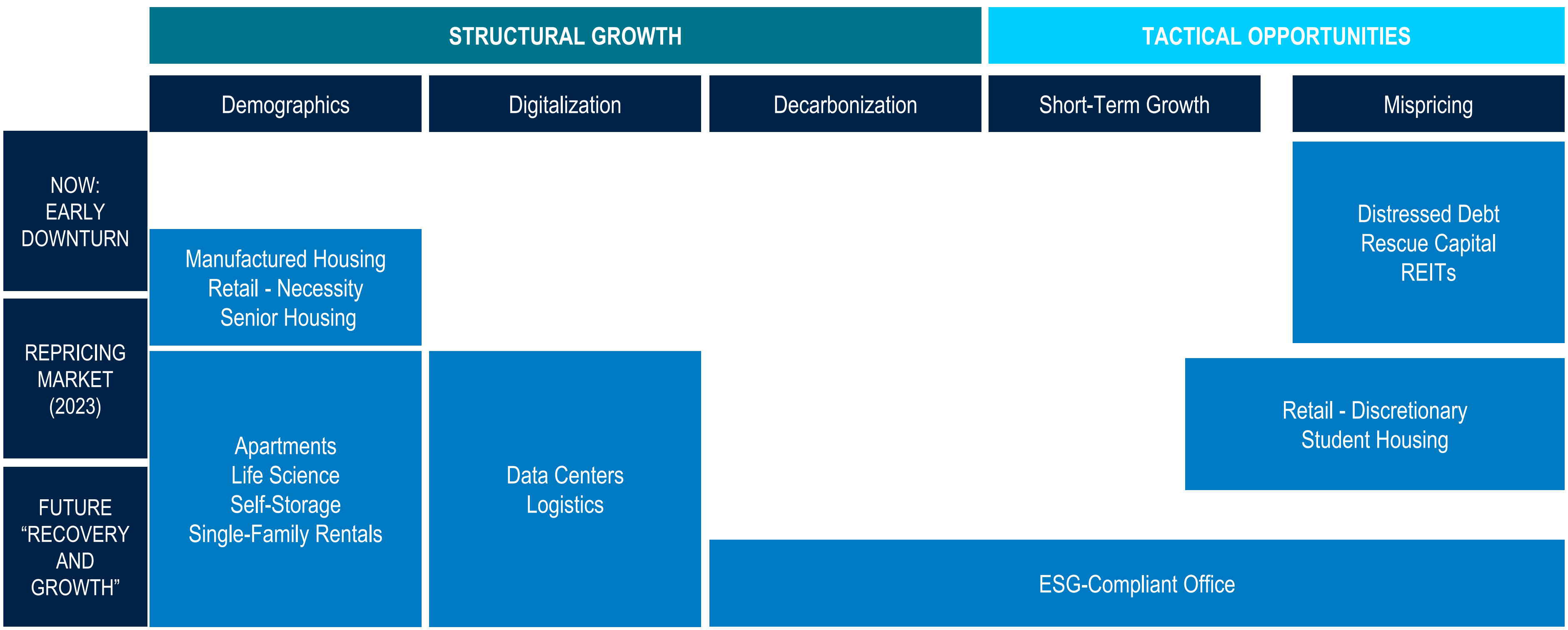


Note: Market revenue is a combined measure of rent and occupancy.

Source: Green Street Advisors, NCREIF, PGIM Real Estate. As of November 2022.

REF: 006488

Investment opportunities will evolve in 2023



Source: PGIM Real Estate. As of November 2022.

U.S. CORE FUND

02

U.S. Core Fund Composite[1] Snapshot

$36.9B
Gross Asset Value

$30.0B
Net Asset Value

$991M
Cash Balance

93%
Leased Portfolio[2]

291
Investments

RISK METRICS[3]	3Q22	GUIDELINE
Stabilized Properties	91.3%	≥ 75%
Leverage Ratio	19.5%	≤ 35%

TRANSACTIONS[4]	3Q22	YTD
Acquisitions	$59M	$1,740M
Dispositions	$174M	$528M

CLIENT ACTIVITY[5]	3Q22	YTD
Contributions	$507M	$1,857M
Withdrawals	$257M	$560M
Distributions	$113M	$334M

QUEUES	3Q22
Unfunded Commitments	$229M
Redemption Queue	$1,716M

Property image featured for illustrative purposes only. Data as of September 30, 2022.
[1] "Gross Asset Value," "Net Asset Value" represents the value of the assets held by U.S. Core Fund SA and the U.S. Core Fund LPs without netting out U.S. Core Fund SA's respective interest therein. The U.S. Core Fund LPs' net asset value is $13,404M. [2] Includes all properties that have a certificate of occupancy. [3] Stabilized properties are a percentage of Fund GAV at U.S. Core Fund's effective ownership share. Leverage ratio is based on T-1 leverage. [4] Represents combined activity held by U.S. Core Fund SA and the U.S. Core Fund LPs. Transactions based on Composite's share of gross activity. [5] Dividends reinvested as Contributions totaled $87M for the quarter and $259M YTD. Total available Cash for Distribution totaled $201M for the quarter and $593M YTD.

U.S. Core Fund's Team and Platform Resources

Complementary and Diverse Team with Scaled Platform

U.S. Core Fund's Portfolio Management Team

JOANNA MULFORD
Managing Director
Senior Portfolio Manager
RE Experience: 25

JAMES GLEN
Managing Director
Portfolio Manager
RE Experience: 22

KAYA MURRAY
Executive Director
Assistant Portfolio Manager
RE Experience: 17

LEXI WOOLF
Vice President
Assistant Portfolio Manager
RE Experience: 12

HERNAN CARREIRA
Executive Director
Portfolio Analytics
RE Experience: 18

INVESTMENT RESOURCES[1]

80	52	14
Asset Management[2]	Transactions[2]	Research

Additional Resources: Portfolio Analytics, Risk & Compliance, Investment Committee, Advisory Councils, Client Services, Fund Operations

[1] Investment Professionals headcount as of June 30, 2022. [2] These figures represent U.S. Real Estate Equity.

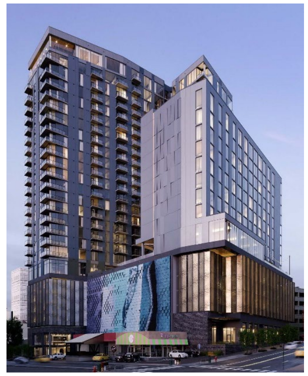
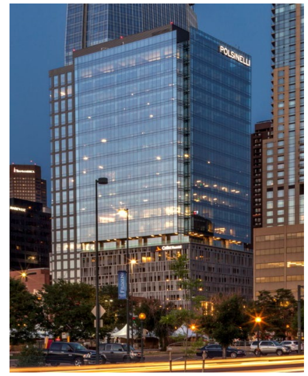
REF: 006488

Active Property Type Allocation

Within or Very Near Strategic Ranges for All Property Types

PGIM REAL ESTATE

Portfolio Construction


	INDUSTRIAL	MULTIFAMILY	OFFICE	ALTERNATIVES[1]	RETAIL
3-Year Change in Exposure[2]	+1,540 bps	+190 bps	-1,180 bps	+60 bps	-550 bps
3Q22 Exposure[3]	30.1%	26.9%	21.6%	10.7%	9.6%
3Q22 ODCE Exposure[4]	30.7%	28.3%	23.5%	~6%[6]	10.0%
Strategic Direction[5]	◀▶ 25-30%	◀▶ 25-30%	▼ 15-20%	▲ 10-20%	◀▶ 10-15%

There is no guarantee that these targets will be achieved. Property images featured are for illustrative purposes only. [1] Includes Life Science / Lab Space, Storage, Manufactured Housing, and Senior Housing. Life Science / Lab Space may currently be included in Office for NCREIF reporting. [2] Based upon U.S. Core Fund's share of GMV in properties and debt investments. [3] Other is not shown, which includes Harbor Garage, land, and tax incentive notes connected to real estate investments. Other totaled 1.2% as of September 30, 2022. [4] Based on NFI-ODCE gross market value in the preliminary NCREIF Performance Attribution Report as of 3Q22. Life science / lab space is included in the office allocations for ODCE. [5] Projected movement and target over the 2023-2025 time period. [6] Estimated Weighting. NFI-ODCE currently only reports exposure to Storage. Storage accounted for 3.3% of the benchmark as of September 30, 2022, based upon gross market value in the NCREIF Performance Attribution Report. NFI-ODCE is expected to reclassify property types in 2023, which will provide more clarity on the benchmark's exposure to alternative property types. Data is preliminary and subject to change.

REF: 006488

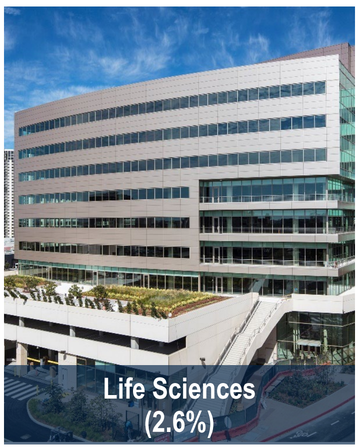
Beyond the Conventional Property Types

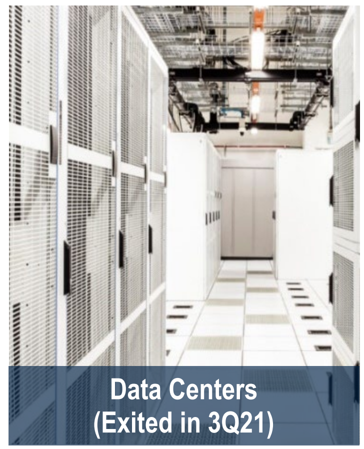
Alternative Property Types Generating Higher Returns for Lower Risk[1]

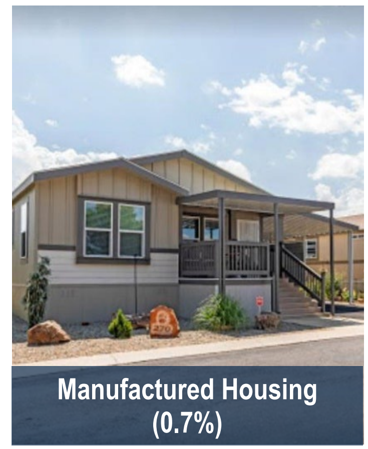
PGIM REAL ESTATE

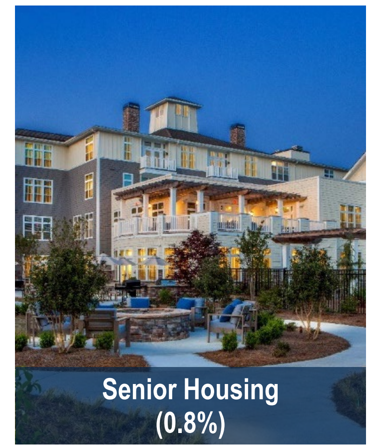
Portfolio Construction

10.7% ALLOCATION









2004: INVESTED | **2005: INVESTED** | **2013: INVESTED** | **2021: INVESTED** | **2021: INVESTED**

Strategies Incubated Across the Platform to Build Expertise

Past performance not a guarantee or reliable indicator of future results. The above information and the image represent a property that U.S. Core Fund is currently invested in as of 9/30/22 that is representative of the sector for illustrative purposes only. Property image featured for Data Centers is for illustrative purposes only. There can be no assurance that U.S. Core Fund will be able to acquire similar properties in the future or the future acquisitions will be profitable or on similar terms. Please see Recent Acquisition Activity and Recent Disposition Activity for lists of acquisitions and dispositions for the one-year period ending 9/30/22. A complete list of PRISA's investments is available upon request. Note: Data as of September 30, 2022, unless otherwise noted. [1] Based on historical NCREIF returns. Allocations are subject to change .No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment.

U.S. CORE PLUS FUND

03

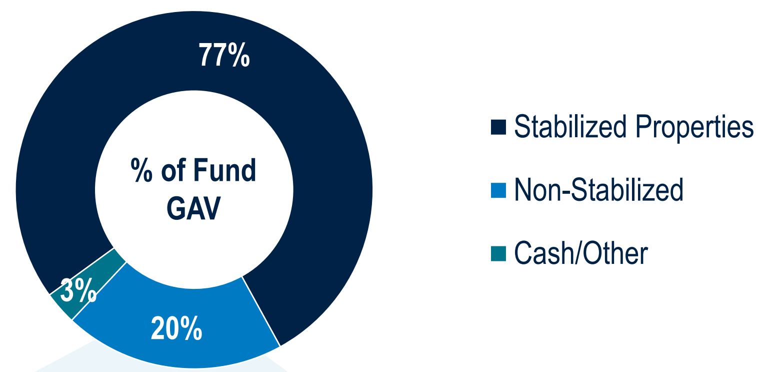
U.S. Core Plus Fund Profile

As of September 30, 2022

Inland Empire, CA

FINANCIAL HIGHLIGHTS	
Gross Assets	**$18.0B**
Net Assets	**$11.3B**
Leverage Ratio	**32.3%**
Cash	**$162.5M**

INVESTOR FLOWS	3Q22	YTD
Deposits[1]	**$33.5M**	**$426.8M**
Withdrawals	**$100.0M**	**$370.7M**
Cash Flow Distributions	**$41.2M**	**$128.4M**
Redemption Queue	**$121.4M**	**N/A**
Eligible Q422 Redemption Requests	**N/A**	**$932.4M**



NON-STABILIZED PROPERTIES[2]

9% Lease-up

7% Development

4% Pre-Development

<1% Preferred Equity

[1] Dividends reinvested as contributions total $33.5M for 3Q22 and $100.5M YTD. [2] Based on U.S. Core Plus Fund's share of gross market value. Non-Stabilized assets are less than 75% leased. Note: Property image featured for illustrative purposes only.

U.S. Core Plus Fund's Team and Platform Resources

U.S. Core Plus Fund's Portfolio Management Team

DARIN BRIGHT

Managing Director
Senior Portfolio Manager
RE Experience: 31

JUSTIN GLEASON

Managing Director
Portfolio Manager
RE Experience: 20

CAITLIN O'CONNOR

Executive Director
Portfolio Manager
RE Experience: 17

MATTHEW MEYERS

Vice President
Assistant Portfolio Manager
RE Experience: 11

MATTHEW KERR

Executive Director
Portfolio Analytics
RE Experience: 18

AMANDA BODINE

Associate
Portfolio Analytics
RE Experience: 5

INVESTMENT RESOURCES[1]

80	52	14
Asset Management[2]	Transactions[2]	Research

Additional Resources: Portfolio Analytics, Risk & Compliance, Investment Committee, Advisory Councils, Client Services, Fund Operations

[1] Investment Professionals headcount as of June 30, 2022. [2] These figures represent U.S. Real Estate Equity.

U.S. CORE PLUS FUND

Fund Positioning

SECTOR ALLOCATION

- ~40% GAV in Inflation Hedged Properties
  - ~ 540 bps overweight housing
  - ~ 165 bps underweight Gateway CBD office
- 14% GAV in growth alternative sectors
- No malls
- Large industrial development pipeline

MARKET SELECTION

- Tech market emphasis
  - ~ 28% GAV exposure
- Demographic growth focus
  - ~510 bps overweight sunbelt
  - ~590 bps overweight suburban[1]

Tempe, AZ

Past performance is not a guarantee or a reliable indicator of future results. This is a projection based upon management expectations of future events, which are subject to change and not guaranteed.

[1] References exposure to office, lab and residential. Note: Property image featured for illustrative purposes only.

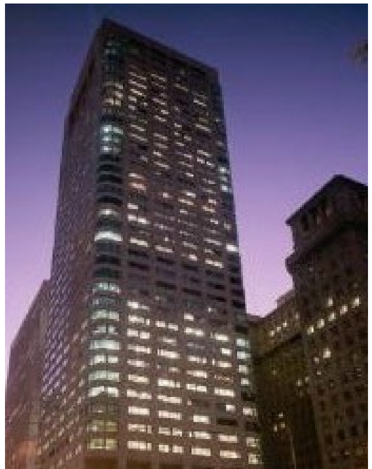
PGIM REAL ESTATE

U.S. Core Plus Fund Portfolio Construction

Diverse Asset Exposure

Residential – 31%

41%	High-Rise
33%	Mid-Rise
15%	Suburban Middle Market
11%	Workforce Housing



Office – 23%

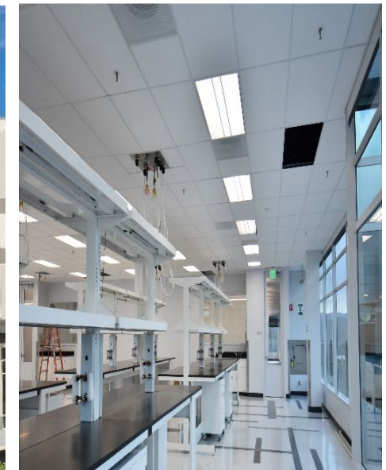
56%	Suburban
33%	CBD: Gateway
11%	CBD: Non-Gateway

Retail – 14%

78%	Grocery Anchored
22%	Non-Grocery Anchored

Industrial – 14%

$800M	Pipeline
>18%	Exposure as Fully Built



Alternatives – 14%

49%	Self-Storage
35%	Life Science/Lab
16%	Student Housing

The composition of the portfolio involves risk and cannot be guaranteed.

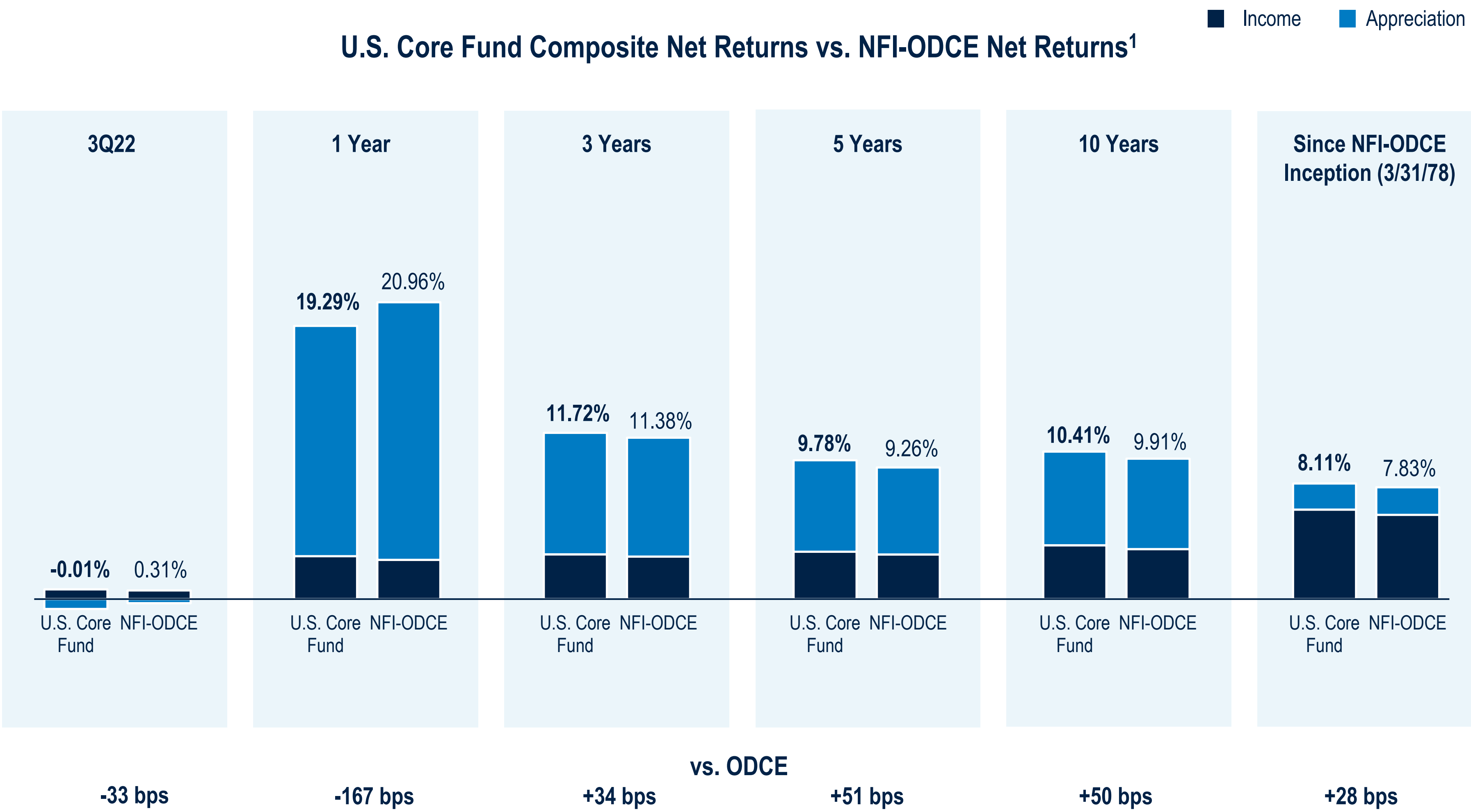
Note: The above information and the images represent properties that U.S. Core Plus Fund is currently invested in as of 9/30/22 that is representative of the sector for illustrative purposes only.

REF: 006488

APPENDIX

U.S. CORE FUND COMPOSITE

Total Returns After Management Fees

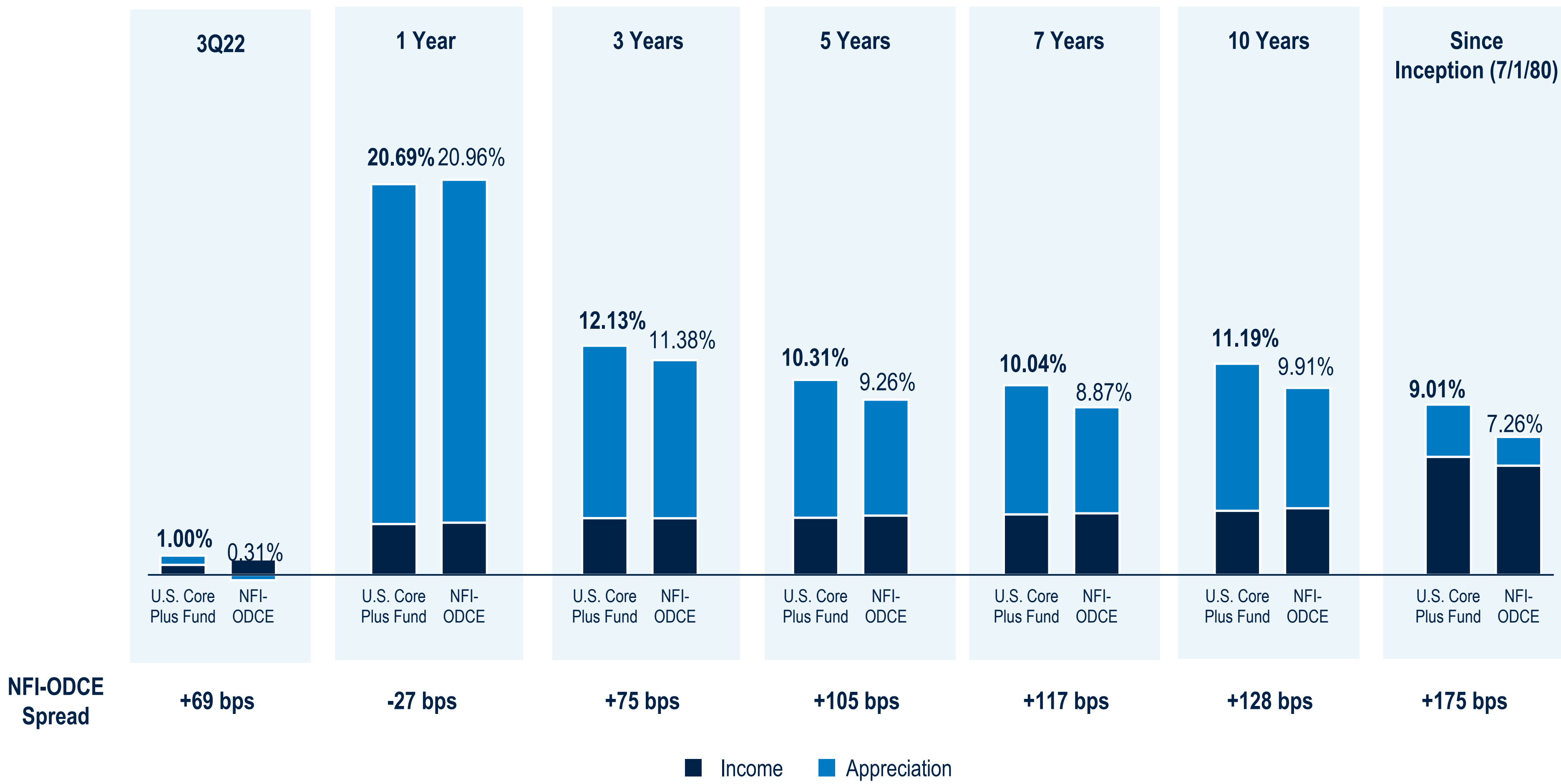


Past performance is not a guarantee or a reliable indicator of future results. Note: Returns for NFI-ODCE are based on the final report published by NCREIF on October 31, 2022. Returns shown are time-weighted rates of return after deduction of Manager Compensation/Fees. Please see page 2 for important information regarding U.S. Core Fund Composite. As of September 30, 2022. [1] Returns shown prior to January 1, 2013 are based upon U.S. Core Fund SA only.

U.S. CORE PLUS FUND COMPOSITE

Total Returns After Management Fees

U.S. Core Plus Fund Composite Net Returns vs. NFI-ODCE Net Returns[1]



Past performance is not a guarantee or a reliable indicator of future results.

[1] Returns for periods prior to January 1, 2018 are based upon U.S. Core Plus Fund SA only.
Note: Returns shown are time-weighted rates of return calculated in conformity with performance reporting standards and are after the deduction of Manager Compensation/Fees. Returns for NFI-ODCE are based on the final report published by NCREIF on October 31, 2022. As of September 30, 2022..

ENDNOTES

U.S. Core Fund

- **U.S. Core Fund Separate Account ("U.S. Core Fund SA")** is the original U.S. Core Fund fund structured as an insurance company separate account with an inception date of July 1970.
- **U.S. Core Fund LP** is an investment vehicle that held its initial closing on January 1, 2013, and was formed to invest in substantially all of the existing portfolio of U.S. Core Fund SA assets (as of December 31, 2012) as well as all assets that PICA, on behalf of U.S. Core Fund SA, elects to invest in going forward. **U.S. Core Fund PF LP is an investment vehicle formed as a parallel fund to U.S. Core Fund LP. U.S. Core Fund PF LP held its initial closing on June 30, 2022, and invests alongside U.S. Core Fund LP and U.S. Core Fund SA.**
- **U.S. Core Fund LPs are U.S. Core Fund LP and U.S. Core Fund PF LP, collectively. U.S. Core Fund or U.S. Core Fund Composite** reflects the combined performance of all assets held by U.S. Core Fund SA and the U.S. Core Fund LPs. Although this is not an actual fund in which any client is invested, it is indicative of the overall performance of the U.S. Core Fund investment strategy and, therefore, the U.S. Core Fund Composite returns and portfolio metrics will be provided to NCREIF for inclusion in the NFI-ODCE and other NCREIF Indices. U.S. Core Fund may also refer to the U.S. Core Fund portfolio and asset management teams. U.S. Core Fund Composite information is provided for illustrative purposes and should not be relied upon by investors for any reason.
- **U.S. Core Fund REIT** is the entity through which the U.S. Core Fund LPs will make all of its investments. As of September 30, 2022, the U.S. Core Fund LPs and U.S. Core Fund SA own approximately 46% and 54% of U.S. Core Fund REIT, respectively, respectively. Any reference to U.S. Core Fund LP's dollar exposure throughout this document refers to that of U.S. Core Fund REIT, unless otherwise noted.
- **Important Note on Historical Information:** Economic terms and other portfolio metrics reported for U.S. Core Fund , U.S. Core Fund SA, or the U.S. Core Fund LPs that include periods to the formation of U.S. Core Fund LP reflect information for U.S. Core Fund SA for those periods prior to January 1, 2013. Prior to the formation of U.S. Core Fund LP, U.S. Core Fund and U.S. Core Fund SA were one and the same.

U.S. Core Plus Fund

- **U.S. Core Plus Fund Separate Account ("U.S. Core Plus Fund SA")** is the original U.S. Core Plus Fund fund structured as an insurance company **separate account with an inception date of July 1980.**
- **U.S. Core Plus Fund LP or U.S. Core Plus Fund** is the new investment vehicle formed on January 1, 2018 to invest in substantially all of the existing portfolio of U.S. Core Plus Fund SA assets (as of December 31, 2017) as well as all assets that PICA, on behalf of U.S. Core Plus Fund SA, elects to invest in going forward.
- **U.S. Core Plus Fund Composite** reflects the combined performance of all assets held by U.S. Core Plus Fund SA and U.S. Core Plus Fund LP. Although this is not an actual fund in which any client is invested, it is indicative of the overall performance of the U.S. Core Plus Fund investment strategy and, therefore, the U.S. Core Plus Fund Composite returns and portfolio metrics will be provided to NCREIF for inclusion in the NFI-ODCE and other NCREIF Indices. U.S. Core Plus Fund may also refer to the U.S. Core Plus Fund dedicated portfolio and asset management teams.
- **U.S. Core Plus Fund REIT** is the entity through which U.S. Core Plus Fund LP will make all of its investments. As of September 30, 2022, U.S. Core Plus Fund LP and U.S. Core Plus Fund SA own approximately 21.3% and 78.7% of U.S. Core Plus Fund REIT, respectively. Any reference to U.S. Core Plus Fund LP's dollar exposure throughout this document refers to that of U.S. Core Plus Fund REIT, unless otherwise noted.
- **Important Note on Historical Information:** Economic terms and other portfolio metrics reported for U.S. Core Plus Fund , U.S. Core Plus Fund SA or U.S. Core Plus Fund LP that include periods to the formation of U.S. Core Plus Fund LP reflect information for U.S. Core Plus Fund SA for those periods prior to January 1, 2018. Prior to the formation of U.S. Core Plus Fund LP, U.S. Core Plus Fund and U.S. Core Plus Fund SA were one and the same.

BENCHMARK DEFINITIONS

NCREIF Fund Index-Open End Diversified Core Equity (NFI-ODCE): The NFI-ODCE, short for NCREIF Fund Index — Open End

Diversified Core Equity, is a capitalization-weighted, gross of fee, timeweighted return index with an inception date of December 31, 1977. Other supplemental data such as equal-weight and net of fee returns are also provided by NCREIF for informational proposes and additional analysis. To be eligible for NFI-ODCE membership, each member fund must be marketed as an open-end fund with a diversified core investment strategy primarily investing in private equity real estate. All members funds must adhere to the following index inclusion criteria:

At least 80% of the fund gross asset value must be invested in private direct real estate equity; (2) At least 95% of real estate gross market value assets must be located in U.S. markets; (3) At least 75% of fund gross market value must be invested in office, industrial, apartment and retail property types; (4) At least 75% of the fund gross asset value must be invest in "stabilized" properties (75% leased); (5) Fund loan-to-value ratio (LTV) must be less than 35%; (6) No more than 60% of real estate gross market value in one property type with greater than 5% of gross market value in 3 of the 4 major property types; and (7) No more than 65% of real estate gross market value in one NCREIF defined region.

Each member fund must also comply with the NCREIF PREA Reporting standards. Note: A benchmark Index is not professionally managed. Investors cannot invest directly in an index.

VALUATION POLICY

Properties held by the Fund are accounted for at fair value in accordance with applicable contractual requirements and in compliance with authoritative accounting guidance ("U.S. GAAP"). Property level debt is also accounted for at fair value based on the amount at which the impact of the liability could be measured in a current transaction exclusive of direct transactions costs. The Fund's current valuation procedure is as follows:

PGIM Real Estate's Global Chief Real Estate Appraiser (the "Chief Appraiser"), who has an independent reporting line from the business (reporting to Investment Risk), is responsible for the valuation process of the Fund's investments and approves final gross real estate values. The Chief Appraiser retains an independent Appraisal Management Firm ("AMF") to run the day-to-day operation of the appraisal process. The AMF is responsible to assist with the selection, hiring, oversight, rotation and/or termination of third-party appraisal firms. Third-party appraisers are typically rotated on a three-year cycle and are selected from the Chief Appraiser's Approved Vendor's List through a competitive bid process. To be included in the list, individual experts are interviewed, referenced and a sampling of their work is reviewed to understand capabilities and competencies of the appraiser. In addition to the administrative services, the AMF collects asset manager comments and provides independent reviews of the appraisal reports and opines on the reasonableness of the value conclusions in order to maintain documentation and monitoring of the independence and accuracy of the valuations. The reported fair values are based on the external appraisal conclusions following the completion of the formal internal and external reviews and sign-offs. However, in the rare instance a material fact or error be identified and considered unresolved during the AMF review process, the AMF is responsible to provide the substantiation and compelling evidence to make an adjustment to the appraised value and it would be reported to the Fund investors.

Values as of September 30, 2022 have been determined by our third-party appraisers overseen by the independent AMF. No value adjustments have been required to the external appraisal conclusions as the appraisers have made valuation adjustments based on the specific sectors and competitive position of the properties. The cash flow adjustments continue to be focused on short-term (1 to 3 years) income collections for all assets as well as further adjustments for specific properties that are not stabilized, those that have near-term lease expirations, located in gateway cities, and large retail assets. Further, market rents, yield rates and operating expenses have been adjusted depending on the specific property performance and overall market conditions.

GRESB DEFINITIONS

For 2020, GRESB introduced structural reporting changes with the introduction of the separate Management, Performance and Development Components.

The Management Component measures the entity's strategy and leadership management, policies and processes, risk management and stakeholder engagement approaches, comprising of information collected at the organizational level. Starting in 2020, the Management Component was restructure into five aspects: Leadership, Policies, Reporting, Risk management, Stakeholder engagement

The Performance Component measures the entity's asset portfolio performance, comprising of information collected at the asset and at the portfolio level. It is suitable for any real estate company or fund with operational assets. Starting in 2020, the Performance Component was restructured into 10 aspects:

- Portfolio-level aspects: Risks Assessment, Data Review, Targets, Tenants and Community
- Asset-level aspects: Energy, GHG Emissions, Water, Waste, Efficiency Measures, Building Certifications

The Development Component measures the entity's efforts to address ESG issues during the design, construction, and renovation of buildings. This component is suitable for entities involved in new construction (building design, site selection and/or construction) and/or major renovation projects, with on-going projects or completed projects during the reporting period. Starting in 2020, the Development Component was restructured into seven aspects:

ESG Requirements, Materials, Building Certifications, Energy, Water, Waste, and Stakeholder Engagement
Portfolios with both standing investments and development projects (such as U.S. Core Fund) submit:

Management, Performance and Development Components to receive two Benchmark Reports:

Standing Investments Benchmark Report including a GRESB Score and a GRESB Rating (GRESB Score = 30% Management Component Score + 70% Performance Component Score)

Development Benchmark Report including a GRESB Score and a GRESB Rating (GRESB Score = 30% Management Component Score + 70% Development Component Score)

Additional information may be found at: www.gresb.com.

Disclosures

PGIM is the primary asset management business of Prudential Financial, Inc. PGIM Real Estate is PGIM's real estate investment advisory business and operates through PGIM, Inc., a registered investment advisor. Registration as a registered investment adviser does not imply a certain level or skill or training. Prudential, the Prudential logo, PGIM Real Estate and the Rock symbol are service marks of Prudential Financial, Inc. and its related entities, registered in many jurisdictions worldwide.

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These materials do not take into account individual client circumstances, objectives or needs. No determination has been made regarding the suitability of any securities, financial instruments or strategies for particular clients or prospects. The information contained herein is provided on the basis and subject to the explanations, caveats and warnings set out in this notice and elsewhere herein. Any discussion of risk management is intended to describe PGIM Real Estate efforts to monitor and manage risk but does not imply low risk.

All performance and targets contained herein are subject to revision by PGIM Real Estate and are provided solely as a guide to current expectations. There can be no assurance that any product or strategy described herein will achieve any targets or that there will be any return of capital. Past performance is not a guarantee or a reliable indicator of future results. No representations are made by PGIM Real Estate as to the actual composition or performance of any account.

U.S. Core Fund: The basis for the performance target set forth within this presentation is based on a fund that is a broadly diversified, core portfolio that invests primarily in existing, income-producing properties with strong cash flow that is expected to increase over time and thereby provide the potential for capital appreciation. Target returns are expected to be achieved over a complete market cycle which can be defined as a period of time whereby valuations have bottomed (hit a trough), rose to a peak and then declined to the trough point again. PGIM Real Estate has based this investment objective on certain assumptions that it believes are reasonable. There is no guarantee, however, that any or all of such assumptions will prove to be accurate in the face of actual changes in the market or other material changes in regional or local markets specific to this strategy. Factors necessary to achieve this performance target include a property type and geographic diversification strategy, which is intended to reduce risk and maintain a broadly diversified portfolio. Property selection and performance impact the ability to achieve the target returns, including asset location, asset class, and property type assets, investment strategy and the capitalization of investment. Property and Fund performance are subject to healthy economic conditions in the U.S. market and sub-markets where investments are located. Factors that would mitigate against achieving this performance target would include, but are not limited to, unforeseen sudden and drastic changes in economic and capital markets and/or demographic trends affecting the U.S. or a particular market or sub market that could impact property performance and/or investors' demand for commercial real estate. There can be no guarantee that this target will be achieved.

The financial indices referenced herein as benchmarks are provided for informational purposes only. The holdings and portfolio characteristics may differ from those of the benchmark(s), and such differences may be material. Factors affecting portfolio performance that do not affect benchmark performance may include portfolio rebalancing, the timing of cash flows, credit quality, diversification and differences in volatility. In addition, financial indices do not reflect the impact of fees, applicable taxes or trading costs which reduce returns. Unless otherwise noted, financial indices assume reinvestment of dividends. You cannot make a direct investment in an index. The statistical data regarding such indices has not been independently verified by PGIM Real Estate.

References to specific securities and their issuers are for illustrative purposes only and are not intended and should not be interpreted as recommendations to purchase or sell such securities. The securities referenced may or may not be held in portfolios managed by PGIM Real Estate and, if such securities are held, no representation is being made that such securities will continue to be held.

Net returns shown herein are time-weighted rates of return after deduction of manager compensation. Actual manager compensation schedules and other expenses are described in the individual U.S. Core Fund SA contracts and the governing documents of the U.S. Core Fund LPs and its subsidiaries. Please see Part 2 of the PGIM Inc. Form ADV, for more information concerning manager compensation.

These materials do not purport to provide any legal, tax or accounting advice. These materials are not intended for distribution to or use by any person in any jurisdiction where such distribution would be contrary to local law or regulation.

The information contained herein is provided by the PGIM Real Estate, a business unit of PGIM. PGIM is the investment manager of U.S. Core Fund SA and the U.S. Core Fund LPs.

In addition to this document, PGIM Real Estate or its agent may distribute to you an offering memorandum (the "PPM") and the constitutional documents of the U.S. Core Fund LPs (including a limited partnership agreement and/or other governing fund document and a subscription agreement for the U.S. Core Fund LPs and constitutional documents of U.S. Core Fund LPs together with the PPM, the "Memorandum"). You should review and carefully consider these documents, especially the risk factors explained within them, and should seek advice from your legal, tax, and other relevant advisers before making any decision to subscribe for interests in the Fund. If there is any conflict between this document and the Memorandum and constitutional documents of the Fund, the Memorandum and constitutional documents shall prevail. You must rely solely on the information contained in the Fund's Memorandum and constitutional documents in making any decision to invest.

There can be no assurance that the Fund will meet any performance targets referenced herein. An investor could lose some or all of its investment in the Fund. Investments are not guaranteed by the Fund, PGIM Real Estate, their respective affiliates, or any governmental agency.

Certain securities products and services are distributed by Prudential Investment Management Services LLC, a Prudential Financial company and member of SIPC.

Disclosures (continued)

Risk Factors: Investments in commercial real estate and real estate-related entities are subject to various risks, including adverse changes in domestic or international economic conditions, local market conditions and the financial conditions of tenants; changes in the number of buyers and sellers of properties; increases in the availability of supply of property relative to demand; changes in availability of debt financing; increases in interest rates, exchange rate fluctuations, the incidence of taxation on real estate, energy prices and other operating expenses; changes in environmental laws and regulations, planning laws and other governmental rules and fiscal policies; changes in the relative popularity of properties risks due to the dependence on cash flow; risks and operating problems arising out of the presence of certain construction materials; and acts of God, uninsurable losses and other factors which are beyond the control of the Manager and the Fund. As compared with other asset classes, real estate is a relatively illiquid investment. Therefore, investors' withdrawal requests may not be satisfied for significant periods of time. Other than its general fiduciary duties with respect to investors, PGIM Real Estate has no specific obligation to take any particular action (such as liquidation of investments) to satisfy withdrawal requests. In addition, as recent experience has demonstrated, real estate is subject to long-term cyclical trends that give rise to significant volatility in real estate values.

The Interests have not been and will not be registered under the U.S. Securities Act and are being offered and sold in compliance with Regulation D under the U.S. Securities Act. The Interests are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under Regulation D under the U.S. Securities Act and the applicable state, foreign and other securities laws, pursuant to registration or exemption therefrom. The transferability of Interests will be further restricted by the terms of the Partnership Agreement of the Fund. Prospective Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

These materials are for informational or educational purposes. In providing these materials, PGIM (i) is not acting as your fiduciary and is not giving advice in a fiduciary capacity and (ii) is not undertaking to provide impartial investment advice as PGIM will receive compensation for its investment management services.

PGIM Real Estate is in the process of implementing the applicable requirements as per the EU's Sustainable Finance Disclosures Regulation ("**SFDR**") as specified by the commission delegated regulation, which supplements the SFDR with regard to regulatory technical standards ("**RTS**") specifying the content, methodologies and presentation of information in relation to sustainability indicators and the promotion of environmental or social characteristics and sustainable investment objectives in pre-contractual documents, websites and periodic reports. On 30 September 2022 the European Supervisory Authorities published their Final Report (JC2022 42), containing draft RTS which would amend the RTS made under the SFDR in respect of information to be provided in pre-contractual documents, on websites, and in periodic reports. The SFDR entered into force as at 10 March 2021 and is applicable from that day on.

The RTS set out further rules and guidance regarding the disclosures under the SFDR and the EU Regulation on the establishment of a framework to facilitate sustainable investment (the "**Taxonomy Regulation**"). The RTS are due to apply from 1 January 2023. As a consequence PGIM Real Estate may need to adopt its implementation to meet the requirements as they enter into force by 1 January 2023. PGIM Real Estate is also in the process of implementing the applicable requirements as per Taxonomy Regulation, which entered into force as at 1 January 2023 and is applicable from that day on. Further amendments due to additional guidance from the European Commission regarding the implementation of the SFDR and the Taxonomy are to be expected.

The U.S. Core Fund LPs does not have as its objective sustainable investment and does not promote environmental or social characteristics for the purposes of the SFDR. The Fund is therefore not subject to the additional disclosure requirements for financial products referred to in Article 8 or Article 9 SFDR. For the same reason, the Fund is not subject to the requirements of the Taxonomy Regulation. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Coronavirus: Occurrences of epidemics, depending on their scale, may cause different degrees of damage to national and local economies that could affect the value of the Fund and the Fund's underlying investments. Economic conditions may be disrupted by widespread outbreaks of infectious or contagious diseases, and such disruption may adversely affect real estate valuations, the Fund's investments, and the Fund and its potential returns. For example, the continuing spread of COVID-19 (also known as novel coronavirus) may have an adverse effect on the value, operating results and financial condition of some or all of the Fund's investments, as well as the ability of the Fund to source and execute target investments. The progress and outcome of the current COVID-19 outbreak remains uncertain.

U.S. Core Plus Fund: The basis for the performance target set forth within this presentation is based on a fund that is a broadly diversified equity real estate portfolio that seeks to structure investments to enhance risk-adjusted returns. Target returns are expected to be achieved over a complete market cycle which can be defined as a period of time whereby valuations have bottomed (hit a trough), rose to a peak and then declined to the trough point again. PGIM Real Estate has based this investment objective on certain assumptions that it believes are reasonable. There is no guarantee, however, that any or all of such assumptions will prove to be accurate in the face of actual changes in the market or other material changes in regional or local markets specific to this strategy. Factors necessary to achieve this performance target include a diversification strategy, which is intended to reduce risk and maintain a broadly diversified portfolio. Property selection and performance impact the ability to achieve the target returns, including asset location, asset class, property type of asset, investment strategy and the capitalization of investment. Property and Fund performance are subject to healthy economic conditions in the U.S. market and sub-markets where investments are located. Factors that would mitigate against achieving this performance target would include, but are not limited to, unforeseen sudden and drastic changes in economic and capital markets and/or demographic trends affecting the U.S. or a particular market or sub market that could impact property performance and/or investors' demand for commercial real estate.

Investment Policy Statement

City of Charlottesville 401(a) Plan
City of Charlottesville -Lead Team 401(a)
City of Charlottesville 457 Plan

May 2020

Contents

-1- Statement of Purpose

The primary purpose of the City of Charlottesville 401(a) Plan, City of Charlottesville - Lead Team 401(a) and City of Charlottesville 457 Plan (the "Plans") are to provide a retirement benefit for Plan participants and their beneficiaries by offering the opportunity for long-term capital accumulation.

The Plan is structured to offer participants and their beneficiaries a core set of reasonably priced investment options with different risk and return characteristics, which, when combined, will allow for the construction of a portfolio intended to match most participants' unique retirement investment objectives.

Assets within the Plan may consist of contributions made by both participants and by City of Charlottesville (the "City"). All assets are subject to the investment direction of eligible participants or their beneficiaries.

-2- Policy Goals & Objectives

The IPS is designed to provide meaningful direction for the Investment Fiduciaries of the City and the designated Investment Consultant in the management of Plan investment options. The policies within the IPS are not binding but serve as guidelines for the Investment Fiduciary in fulfilling their responsibility to exercise considered judgment in acting solely in the long-term interest of Plan participants and their beneficiaries. The IPS is designed to serve as a general guideline. There may be specific circumstances that the Investment Fiduciary determines warrant a departure from the guidelines contained herein. In general the IPS:

- Establishes the roles and responsibilities of the Plan's Investment Fiduciary and the Investment Consultant hired to assist in the fulfillment of the Investment Fiduciary's duties;
- Identifies appropriate investment asset classes for inclusion in the Plan's menu of investment options;
- Establishes a prudent process for selecting appropriate investment options to be made available for participant direction;
- Designates an investment option to which all assets will be directed by the Plan Sponsor in the absence of a positive election by a participant or beneficiary, which will either serve as the Plan's default or Qualified Default Investment Alternative;
- Establishes a prudent process by which selected investment options generally will be monitored for compliance with this IPS; and

- Develops methods for adding new investment options and for replacing existing investment options that do not comply with the terms of the IPS.

-3- Roles & Responsibilities

The Company or Plan Committee as Investment Fiduciary:

Although it is intended that participants will direct the investment of their accounts under the Plan, the Organization, as Investment Fiduciary, will select the array of investment options to be made available for participant investment, and then provide on-going oversight of those investment options.

The City has chosen to appoint a Plan Investment Committee (the "Committee") to assist in the fulfillment of its fiduciary responsibilities. (In contemplation of the continued appointment of a Committee, the words "Committee" and "Investment Fiduciary" are used interchangeably in this IPS.) The Committee will be formed and governed either by a separate document, or according to the Organization's governance structure. If the City disbands the Committee, the City shall have the ability to exercise all authority granted to the Committee.

The Committee normally will review, at least on an annual basis, the acceptability of the universe of investment options made available within the Plan's chosen administrative environment, e.g. the Plan's record-keeper and trustee / custodian. The Committee will review the Plan's investment options following the regimen outlined later in this IPS.

The Committee intends to discharge its fiduciary responsibilities with respect to the Plan with the assistance of an independent Investment Consultant.

Investment Consultant:

Responsibilities of the Investment Consultant include:

- Educating the Committee on issues concerning the selection of investment options for the Plan;

- Assisting in the analysis and initial selection of investment options to be made available for participant investment;

- Assisting the Committee with the on-going review of the investment universe made available within the Plan's chosen administrative environment;

- Assisting the Committee with the review of the performance of the selected investment options, on at least an annual, but more often a quarterly basis, in comparison to their stated objectives and their relative performance and pricing as compared to their peers and designated benchmarks;

- Providing specific investment advice to the Committee with respect to the Plan on a regular basis, pursuant to a mutual understanding with the Committee that the advice will serve as a primary basis for the Committee's investment decisions, and that the advice will be individualized based on the needs of the Plan. Such advice may relate to the advisability of investing in, purchasing, holding, and selling securities or other property;

- Assisting the Committee in the selection of additional or replacement investment options to be made available for participant investment;

- Bringing information to the Committee, on an ad hoc basis as appropriate, that the Investment Consultant feels may alter the Committee's assessment of a given investment option, asset class or strategy.

-4- Plan Investment Asset Classes

The Plan's investment menu is structured in accordance with modern portfolio theory, which holds that the asset allocation decisions among a broad range of investment alternatives is the most critical determinant of a portfolio's long-term success or failure. The Committee's goal is to offer a core set of diversified investment options that represent a broad range of different asset classes with different risk and return characteristics.

The Plan's investment menu may include, but are not limited to, options from the following broad asset classes: Capital Preservation, Fixed Income, Asset Allocation, including Balanced, Target Risk, Life Cycle and/or Target Date, Domestic Equity, International Equity and Specialty. These asset classes are described in more detail in CAPTRUST's Investment Policy Monitoring Methodology document.

-5- Investment Selection

As mentioned, the Committee has structured the Plan to offer participants and their beneficiaries a core set of reasonably priced investment options with different risk and return characteristics. Selection of these investment options is done in the context of the Plan's administrative environment which may impact the number, type and cost of investment options available to the Plan. The Committee may also consider the method and payment of Plan expenses, which may be altered by investment-related decisions.

Once the Committee has selected the range of asset classes to be represented within the Plan, the following screening criteria will be among those applied to the available actively managed options:

FEES – All investment options must charge "reasonable" fees to investors. The expense ratio for a given investment should generally fall below the average expense ratio for the peer group. Exceptions may be made for investment options that the Committee feels may produce performance that would justify higher than average fees.

STYLE CONSISTENCY – Since each investment option is chosen to fulfill a specific part of the Plan's overall investment menu, investment options should have demonstrated a consistency in investment style and performance. Some variation may be allowed when an investment option's given style moves in and out of favor, or when an investment option's successful investments outgrow their initial investment classification.

VOLATILITY AND DIVERSIFICATION – Unless chosen to deliver investment performance that is characteristic of a specific industry or sector of the investment spectrum, investment options generally will be broadly diversified portfolios and will avoid unreasonable overweighting in a given investment, industry or sector. Volatility, as measured by Standard Deviation of returns, should be within reasonable ranges for the given peer group. Other risk measures and ratios, including Sharpe ratio, information ratio and beta, may be used as well.

PERFORMANCE – With few exceptions, all actively managed investment options should rank in the top 50% of their given peer group for the 3 or 5 year annualized period at the time of their selection. While past performance is not indicative of future returns, peer-relative performance offers the Committee perspective on how the investment option has performed over a reasonably demonstrative period of time relative to other choices. In addition to performance, the Committee should consider other variables including (but not limited to) fees, investment style purity, and risk management practices, in order to develop a holistic view about a strategy and its appropriateness within the Plan. Passively managed options do not need to meet the same ranking criteria; rather, measures such as tracking error to the stated benchmark are more important measures of performance for these options.

MANAGEMENT & ORGANIZATION – Manager tenure and industry experience are values to be emphasized, as is the strength and expertise of an investment option's sponsoring organization. Sponsoring organizations are generally expected to adhere to accepted standards of ethical practice and to comply with all appropriate securities regulations. When necessary, preference will be given to investment management organizations with a proven commitment to the interests of long-term investors.

ADDITIONAL FACTORS – In addition to the above outlined factors, the Committee will also consider other factors, which may be less tangible, including fund specific situations and anomalies in the capital markets or in the Plan's unique situation.

After inclusion in the Plan each investment option is expected to maintain a high level of acceptability as described in the Investment Evaluation section of this IPS.

-6- Investment Evaluation

With the assistance of the Investment Consultant, the Committee will monitor the investment options made available within the Plan to ensure they remain compliant with the criteria used to initially select them for inclusion in the Plan under this IPS or such other or additional criteria as appropriate. As part of that process, the Committee may consider the ranking of investment options relative to their peers using a comprehensive Scoring System proprietary to the Investment Consultant. (See CAPTRUST's Investment Policy Monitoring Methodology document.)

The following criteria provide an outline for the evaluation process:

- On a quarterly basis, the Plan's Investment Consultant will provide the Committee with a comprehensive report of each investment option's relevant performance and relative rankings against appropriate indexes, and within appropriate peer groups. The Investment Consultant will review the report with the Committee at least annually, or more often as necessary and appropriate.

- The Investment Consultant will also communicate with the Committee on an ad hoc basis, as appropriate, concerning any material changes affecting any of the selected investment options. Material changes may include management changes, changes to the investment option's pricing structure or significant changes in the investment option's fundamental policies and procedures that the Investment Consultant feels warrant Committee review.

- The Committee normally will meet with the Investment Consultant, at least annually, to evaluate each investment option as well as the overall status of the Plan's IPS, if necessary.

- If the Investment Consultant's proprietary Scoring System indicates that a given investment option may no longer meet the appropriate and reasonable standards required to remain included in the Plan's menu, the Committee will take appropriate steps.

-7- Replacement of Selected Investment Options

Since the intention of the Plan is to provide opportunities for long-term asset accumulation for participants and beneficiaries, it is not expected that either the investment asset classes or specific investment options will be changed or deleted frequently.

It is possible that changes may become desirable or necessary, however, based upon factors such as:

- The addition of a new asset class or investment alternative that was not a part of the Plan's initial menu. Such an addition will be subject to a similar selection regimen to that outlined earlier in the IPS;

- The elimination of a given asset class from the Plan's menu; and

- The desire to replace one of the Plan's investment options with another investment option that the Committee feels will more successfully deliver the desired asset class characteristics. Reasons may include, for example, the availability of options that were not initially open for Committee consideration, or a change in the performance or fee structure of a competing option. It may also be true that a given investment option is no longer available through the Plan's chosen administrative environment. Investment options can be removed or changed after a thorough comparative review using the regimen outlined earlier in the IPS; and

- The need to replace or eliminate one of the Plan's investment options after noncompliance with this IPS has been established, or appears likely.

-8- Conclusion

It is understood that the guidelines set forth in this statement are meant to serve as a general framework for prudent management of the assets of the Plan. Changing market conditions, economic trends or business needs may necessitate modification of this IPS. Until such modification, this document will provide the investment objectives and guidelines for the Plan's assets, subject to the caveats stated herein. This IPS may be modified by written approval of a majority of the Committee members or, if no such Committee exists, by the Plan Sponsor.

Approved by City of Charlottesville, and adopted on this __________ day of ______________, 2020.

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Signature, Title	*Signature, Title*
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Witnessed by CAPTRUST Financial Advisors & adopted on this ______________ day of ______________________________, 2020.

____

Signature, Title

Qualified Default Investment Alternative Addendum

Qualified Default Investment Alternatives (QDIAs) are specific investment vehicles that are used when a plan participant or beneficiary fails to make affirmative investment elections. After reviewing the demographics of the Plan, the Committee has decided to use a series of Target Date Funds to function as the Plan's QDIA.