

Arkansas Teacher Retirement System  
Real Estate Investment  
Executive Summary

<b>Investment</b>	AxInfra NA II LP
<b>Managing Party</b>	AXIUM NA II PARTNER LLC.
<b>ATRS Legal Interest</b>	ATRS will be a limited partner.
<b>Report Date</b>	October 2019
<b>Expected Closing Date</b>	December 2019
<b>ATRS Commitment &amp; Reason for Entry</b>	The \$50 million investment is to help achieve the 15% target allocation to real assets. The fund was recommended by the ATRS real assets consultant, Aon Hewitt Investment Consulting.
<b>Placement Agent</b>	None
<b>Key Terms</b>	<p><u>Management Fee</u>: 140 bps (1.40%) on invested capital.</p> <p><u>Carried Interest</u>: 15% of profits after ATRS receives an 8% IRR preferred return for the 1st 10 years.</p>
<b>Justification of Investment Duration Term &amp; Anticipated Termination Date</b>	The fund is an open-end variety and in theory has a perpetual life. AxInfra NA II LP has a quarterly redemption option subject to available capital.
<b>Investment Strategy</b>	Axium Infrastructure focuses on core middle-market assets both in operating and late-stage greenfield development opportunities. Axium Infrastructure seeks assets supported by robust market demand, under long-term contract with creditworthy counterparties, within concession-based structures or protected under an established regulated framework. Axium Infrastructure invests in joint or majority control situations.
<b>Management Team</b>	Axium Infrastructure's investment team (the "Investment Team") is led by Pierre Anctil, Stephane Mailhot, Juan Caceres and Thierry Vandal and comprises 19 investment professionals and ten asset management professionals. In addition, the Firm employs 28 other members in support functions (finance, compliance, investor relations and legal). While the Investment Team is spread across Montreal, Toronto, and New York offices, the support staff is primarily based in Montreal.

**Historical  
Performance**

AxInfra NA II LP has a net IRR of 10.5% since November 2013.  
Historical returns are not indicative of future performance.