




# New York Retirement System Invests in NYC Affordable Housing

By Katie Cerulle

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Timetable N/A

## INVESTOR

New York City Employees' Retirement System	
Fund Size (m) (As of 08/31/2024)	USD 88,870.00 / GBP 70,150.42 / EUR 83,967.49
Country	USA
General Contact	
Address	335 Adams Street, Suite 2300 Brooklyn, NY 11201
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Primary Contact	
Name	Brad Lander
Job Title	Comptroller of the City of New York
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Social	
More (if applicable)	
Website	visit

## SUMMARY OF INVESTMENTS

### Breakdown

Actual allocation as of 03/31/2024: 10.5% Private Equity, 6.7% Real Estate Unspecified, 2.73% Infrastructure, 44.51% Equities Unspecified, 34.07% Fixed Income Unspecified, 1.48% Cash. Target allocation as of 11/15/2023: 10% Private Equity, 8% Real Estate Unspecified, 4.5% Infrastructure, 24.5% US Equities, 16.5% International Equities, 24.5% Core, 6.5% Fixed Income Unspecified, 5% High Yield Bonds, 0.5% Cash.

## INVESTMENT CONSULTANT

Callan	<div>Follow</div>
Contact	Not disclosed
More (if applicable)	

## MANAGER ROSTER

J.P. Morgan Asset Management (Property, Private Equity, Mortgages); Martin Currie Investment Management (Fund of Funds, International Equities); Baillie Gifford & Co. (Emerging Markets, International Equities); Permira (Private Equity); BlackRock (Emerging Markets, US Equities, Corporate Bonds, Domestic Bonds, Government Bonds, Infrastructure, Mortgages, TIPS); HarbourVest Partners (Private Equity); T. Rowe Price (Corporate Bonds, High Yield Bonds); Nordea Investment Management (Global Equities); State Street Global Advisors (International Equities, US Equities, Domestic Bonds, Government Bonds, International Bonds, TIPS); Legal & General Investment Management (US Equities); Oaktree Capital Management Ltd (High Yield Bonds); PanAgora Asset Management (US Equities); PIMCO (US Equities, Mortgages); Nomura Asset Management (High Yield Bonds); Marathon Asset Management (Hedge Funds); Morgan Stanley Investment Management (Global Equities); Dimensional Fund Advisors (Emerging Markets); Cinven

(Private Equity); LaSalle Investment Management (Property); MacKay Shields (High Yield Bonds); Blackstone (Property, Private Equity); GoldenTree Asset Management (Fixed Income Unspecified); Acadian Asset Management (Emerging Markets, International Equities); Artemis Investment Management (Property); Apax Partners (Private Equity); William Blair & Company (US Equities); Grosvenor Capital Management (Property, Fixed Income Unspecified, Private Equity); Lexington Partners (Private Equity); Nordic Capital (Private Equity); CVC Capital Partners (Private Equity); Heitman Real Estate Investment Management (Property); Prologis (Property); Carlyle Group, The (Property, Private Equity); Bridgepoint Group (Private Equity); KKR (Kohlberg, Kravis, Roberts & Co) (Property, Infrastructure); BC Partners (Private Equity); Cerberus Capital Management (Property); Warburg Pincus (Private Equity); Bain Capital (Loans); Mesiroow Financial (Property); Intermediate Capital Group (ICG) (Fixed Income Unspecified); Sands Capital Management (Emerging Markets); Stone Harbor Investment Partners (High Yield Bonds); First Reserve Corporation (Private Equity); Lindsay Goldberg & Bessemer (Buyout); Olympus Partners (Private Equity); TJC (formerly The Jordan Company) (Private Equity); Fortress Investment Group (Fixed Income Unspecified); Pramerica Investment Management (Property); New Mountain Capital (Private Equity); Pzena Investment Management LLC (Emerging Markets, US Equities); AQR Capital (Emerging Markets); Brookfield Asset Management (Property); Eaton Vance Management (Emerging Markets, High Yield Bonds); Onex Partners (Private Equity); Platinum Equity (Private Equity); CarVal Investors (Fixed Income Unspecified); H/2 Capital Partners (Property); American Securities Capital Partners (Private Equity); TPG Angelo Gordon (Fixed Income Unspecified); USAA Real Estate Company (Property); Global Infrastructure Partners (Infrastructure); Aubrey Capital Management (Fund of Funds, International Equities); Actis (Infrastructure); Ares Management (Property, Fixed Income Unspecified, Private Equity); MFS Investment Management (US Equities); LM Capital Group (Core Plus); DRA Advisors (Property); Walton Street Capital (Property); Wellington Management (US Equities, Mortgages); Westfield Capital Management (US Equities); Avenue Capital Group (Distressed Debt); Levine Leichtman (Private Equity); Nautic Partners LLC (Private Equity); Palladium Equity Partners (Private Equity); Starvest Partners, L.P. (Private Equity); Thoma Bravo (Private Equity); Vista Equity Partners (Private Equity); Welsh, Carson, Anderson & Stowe (Private Equity); Earnest Partners (US Equities); Westbrook Partners (Property); Landmark Partners (Private Equity); Lone Star Funds (Property); Aisling Capital (Private Equity); Cypress Group (The) (Buyout); Fairview Capital (Private Equity); Freeman Spogli & Co. (Private Equity); Markstone Capital Group (Private Equity); Paladin Capital Group (Private Equity); INVESCO (Loans); Harrison Street (Property); MidOcean Partners (Private Equity); Causeway Capital Management (International Equities); Pine Brook Capital Partners, LLC (Private Equity); Capri Capital Partners, LLC (Property); Exeter Property Group (Property); Leading Edge Investment Advisors, LLC (Fund of Funds, International Equities); Legato Capital Management (US Equities); Redwood Investments, LLC (Fund of Funds, International Equities); Shenkman Capital (High Yield Bonds); Bivium Capital Partners (International Equities, US Equities, Fixed Income Unspecified, Emerging Manager); Divco West (Property); GI Partners (Private Equity); Advent Capital Management (Convertible Bonds); Deutsche Bank (Including Deutsche Asset & Wealth Management) (Property); Pugh Capital (Core Plus); Wells Fargo (Mortgages); Montreux Equity Partners (Private Equity); Yucaipa Companies (Private Equity); Cooke & Bieler (US Equities); Credit Suisse (Loans); FDG Associates (Private Equity); Avista Capital Partners (Private Equity); Centerbridge Partners (Private Equity); Catterton Partners (Private Equity); Crestview Partners (Private Equity); Quaker BioVentures (Venture Capital); Sprucegrove Investment Management (International Equities); Wellspring Capital Management (Private Equity); AFL-CIO HIT (Fixed Income Unspecified); GF Capital Management & Advisors, LLC (Private Equity); SCP Vitalife (Venture Capital); Leeds Equity (Private Equity); Black Diamond Capital (Private Equity); Wasatch Advisors, Inc. (US Equities); PRISA Group (Property); Victory Capital Management (US Equities, Convertible Bonds); Lisanti Capital Growth (Fund of Funds, US Equities); Ativo Capital Management (Fund of Funds, International Equities); Contrarian Capital Management, LLC (Hedge Funds); Pegasus Capital Advisors (Private Equity); Luxor Capital Group, LP (Hedge Funds); Lincolnshire Management (Private Equity); Blue Wolf Capital Management, LLC. (Private Equity); Constellation Growth Capital (Private Equity); FTV Management Co. (Private Equity); NGN Capital (Private Equity); RRE Ventures (Private Equity); Snow Phipps & Guggenheim (Private Equity); Thomas McNerney & Partners (Private Equity); Thor Equities (Property); Halyard Capital (Private Equity); RLJ Equity Partners (Private Equity); Clearlake Capital Group (Buyout); Valor Equity Partners (Private Equity); PineBridge Investments (Corporate Bonds, High Yield Bonds); Neuberger Berman (Corporate Bonds, High Yield Bonds); MetLife (Metropolitan Life Insurance Company) (Property); Essex Investment Management (Fund of Funds, US Equities); LBA Realty (Property); Green Equity Investors (Private Equity); NB Alternatives (Buyout); Smith Group

Asset Management (Fund of Funds, International Equities); Oak Hill Advisors (Hedge Funds); Siris Capital Group (Buyout); TPG (Property); Jamestown Properties (Property); Clarion Partners (Property); Dean Investment Associates (Fund of Funds, US Equities); Nicholas Investment Partners (Fund of Funds, US Equities); Silverpeak (Property); Apollo Global Management (Property, Fixed Income Unspecified, Buyout); Bridge City Capital (Fund of Funds, US Equities); Almanac Realty Investors (Property); Stockbridge Capital Group (Property); Brightwood Capital (Fixed Income Unspecified, Private Debt); Foresight Group (Fund of Funds, International Equities); Fiera Capital (Global Equities); BentalGreenOak (Property); Torchlight Investors (Credit); Trilantic Capital Partners (Private Equity); Rialto Capital Management (Property); Osmosis Investment Management (Fund of Funds, International Equities); Dundas Global Investors (Fund of Funds, International Equities); Royal Bank of Canada (Emerging Markets); Tristan Capital Partners (Property); 400 Capital Management (Buyout); Ardian (Infrastructure); Vistria Group (Private Equity); Walter Scott & Partners (International Equities); One Rock Capital Partners (Private Equity); Raine Group (Private Equity); Voya (Corporate Bonds); FCO MA MI Advisors (Fixed Income Unspecified); Stellex Capital Partners (Private Equity); IFM Investors (Infrastructure); Gia Partners (Core Plus); Belay Investment Group (Property); Barings (Loans); EQT Group (Infrastructure, Private Equity); HgCapital (Private Equity); ElmTree Funds (Property); Algert Global (International Equities); Reverence Capital Partners (Private Equity); Aermont (Property); Axiom Infrastructure (Infrastructure); Basalt Infrastructure Partners (Infrastructure); Change Global Investments (Fund of Funds, International Equities); Basis Investment Group (BIG) (Property); LightBay Capital (Private Equity); UBS (Property, Emerging Markets); AltraVue Capital (Fund of Funds, US Equities); Cortland Partners (Property); The Rise Fund (Private Equity); Infravia Capital Partners (Infrastructure); Global Alpha Capital Management (Fund of Funds, International Equities); ARGA Investment Management (Fund of Funds, International Equities); RVX Asset Management (Fund of Funds, International Equities); Insight Partners (Buyout); Solstein Capital (Fund of Funds, International Equities); Kennedy Lewis (Distressed Debt); Xponance (International Equities); Grain Communications (Private Equity); Ampersand Capital Partners (Private Equity); Blackcrane Capital (Fund of Funds, International Equities); Brookfield Infrastructure Partners (Infrastructure); Ballast Equity Management (Fund of Funds, US Equities); Promethos Capital (Fund of Funds, International Equities); Radin Capital Partners (Fund of Funds, International Equities); Henry James International Management (Fund of Funds, International Equities);

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## PREFACE

The \$85.9bn New York City Employees Retirement System has agreed to invest up to \$60mn into a property loan portfolio that will preserve rent-stabilized loans impacted by the collapse of Signature Bank in March 2023.

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## REPORT

Brad Lander, comptroller for New York City and trustee of NYCERS, said that the \$60mn investment made into Community Stabilization Partners will go towards securing 1,140 buildings and 35,000 rental units across New York City.

The units were previously owned by Signature Bank within its rent-stabilized loan portfolio. The Federal Deposit Insurance Corporation was appointed receiver for the portfolio following the bank's collapse.

CSP, a joint venture between housing providers Community Preservation Corporation, Related Fund Management and Neighborhood Restore, purchased a 5 per cent equity interest in Signature's rent-stabilized loan portfolio, which represents the 35,000 units. Over 80 per cent of the 35,000 units are rent controlled, and represent approximately 3 per cent of the entire rent regulated housing stock in New York City.

The remaining 95 per cent of the portfolio will remain with the FDIC.

Through its \$60mn investment, NYCERS is now a 25 per cent partner in CSP. Other members are Community Preservation Corporation, Neighborhood Restore and Related Fund Management.

Including this investment, Lander said that NYCERS has invested nearly \$700mn in rental apartments in the city with 17 different real estate managers.

When asked if the system would examine other opportunities to invest in affordable housing, Lander said, "of course, we will absolutely be looking."

In a statement, he said: "Protecting and expanding our affordable housing supply through sound investment decisions is a major priority of my office."

This investment was made as a part of the Economically Targeted Investment program, which has a 2 per cent target across all five New York City retirement systems.

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