



PSERS CORE OPEN-END REAL ESTATE PROGRAM

**Recommendation for Investment in
Cornerstone Patriot Fund, L.P.**

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Cornerstone Patriot Fund, L.P.

EXECUTIVE SUMMARY

Cornerstone Patriot Fund, L.P. (the “Fund”) will be established by Cornerstone Real Estate Advisers LLC (“Cornerstone” or the “Advisor”). The Fund will acquire the portfolio of assets currently held by and continue the business of Cornerstone Property Fund (“Existing CP Fund”) and its subsidiaries and assume the corresponding liabilities (the “Pre-Specified Portfolio”). Such acquisition of the Pre-Specified Portfolio and the related transactions described herein are referred to hereinafter as the “Conversion Transaction.” This offering is being made to existing contractholders who have entered into a pension plan contract or a group annuity contract (a “Contract”) with Massachusetts Mutual Life Insurance Company (“MassMutual”) with respect to Existing CP Fund (“Existing Contractholders”) and to prospective investors (the “Prospective Investors” and collectively with the Existing Contractholders the “Investors”) who are considering an investment in the Fund. The Existing Contractholders are being offered the opportunity to terminate the current Contracts and acquire Units in the Fund, and the Prospective Investors are being offered the opportunity to acquire Units in the Fund. The Fund also expects to offer additional Units to new investors from time to time after the first closing. MassMutual will be responsible for all expenses related to the Conversion Transaction.

Underlying the strategy of the Fund is Cornerstone’s experience of sub-advising its predecessor, the Existing CP Fund. The same core team of professionals that has managed the Existing CP Fund as a statutory insurance company separate account sponsored and maintained by MassMutual and advised by Cornerstone under an advisory agreement with MassMutual will manage the Fund.

The Existing CP Fund currently consists of sixteen properties or joint venture interests as well as three commitments to fund investments upon completion of construction held directly or through special purpose vehicles with a gross market value of approximately \$893 million and a value net of all property level financing of approximately \$753 million as of June 30, 2006.

INVESTMENT STRATEGY

The investment strategy of the Fund is to invest primarily in stabilized, well-leased real estate assets intended to provide steadily growing income with the opportunity for appreciation over the long-term. Investments of the Fund may include, without limitation, office, apartment, retail, industrial and hotel properties. The Fund’s investments are primarily wholly-owned stabilized equity real estate assets and are intended to contain attributes generally associated with core portfolios:

- diversification by property type and location;
- a predominance of infill locations in “barrier markets”;
- a diversified tenant base; and
- an expected smooth lease rollover schedule.

Additionally, the Fund may pursue, on a limited basis, strategies that in the General Partner’s opinion are targeted to achieve returns which are significantly in excess of the returns generally targeted from core assets, such as lease-up, development, repositioning and to-be-built ventures. Investments pursuing such strategies will be structured to minimize construction risk and limit financial exposure to the Fund. The Fund will generally hold title to investments through single-member limited liability companies except that any development properties will be undertaken as joint ventures.

The Fund will strive to invest the majority of its assets for the long term in “barrier markets”, generally defined as markets where substantial development is unlikely due to political or physical limitations. Cornerstone’s internal research group believes that assets of all property types in “barrier markets” should achieve returns over time that exceed the benchmark’s total returns for that property type. To a lesser degree the Fund will periodically invest in “lower barrier markets” or “rotational markets”, but only when market conditions appear stronger than average, and rents are at a level where substantial new development appears unprofitable.

The Fund generally intends to invest over the long term but may make investments with a variety of holding periods if it is believed that such investments are consistent with the Investment Objective. Based on gross market value as of June 30, 2006, the Pre-Specified Portfolio is diversified by property type into Apartment 34.2%, Hotel 9.5%, Industrial 2.0%, Land 0.4%, Retail 22.8% and Office 31.1%. It is geographically diversified in ten different Metropolitan Statistical Areas (“MSA’s”) based on gross market value as of June 30, 2006 with Boston 9.9%, Philadelphia 6.6%, Washington DC 30.4%, Atlanta 2.4%, Chicago 8.2%, Minneapolis 4.9%, Sacramento 7.2%, San Francisco 10.5%, Los Angeles 8.6%, and Orange County 11.3%. The Existing CP Fund has also made commitments to fund three investments upon completion of construction. Two investments are industrial properties located in Riverside, California, and the third investment is an office building in Raleigh, North Carolina. The Fund intends to acquire additional complementary properties after the first closing.

Underlying the strategy of the Fund is Cornerstone’s experience of sub-advising its predecessor, the Existing CP Fund. The same core team of professionals that has managed the Existing CP Fund as a statutory insurance company separate account sponsored and maintained by MassMutual and advised by Cornerstone under an advisory agreement with MassMutual will manage the Fund.

MANAGEMENT OF THE FUND

Cornerstone Patriot Fund GP, LLC, is the general partner of the Fund. The General Partner will engage Cornerstone, an indirect, wholly-owned subsidiary of MassMutual that is engaged in the business of providing real estate investment management services for institutional investors as the Advisor of the Fund. Cornerstone is organized as a limited liability company under the laws of Delaware and is registered under the Investment Advisers Act. Cornerstone currently manages the equity real estate assets of MassMutual.

Background of Cornerstone

Cornerstone was founded in 1994 and is headquartered in Hartford, Connecticut. As of June 30, 2006, Cornerstone managed approximately \$7.9 billion of equity real estate assets located throughout the United States, with one real estate asset located in Canada. Cornerstone employs an active management style based on well-informed purchases of real estate, utilizing investment fundamentals and a focused strategy supported by research and local market knowledge. Real estate securities portfolio management services are provided by Cornerstone’s Stamford, Connecticut office.

Cornerstone maintains regional offices in Chicago, Glastonbury (Connecticut) and Los Angeles that provide on-the-ground local and regional knowledge for the apartment, industrial, office and retail property types. Hotel asset management is centralized and operates on a national basis out of Cornerstone’s Glastonbury office.

Cornerstone’s three regional offices are responsible for executing the tactical decisions necessary to achieve the Investment Strategy. The regional office structure provides local presence, market knowledge and timely response which Cornerstone believes to be

indispensable to successful real estate investing, and facilitates access to markets and properties. Each regional office is led by a Regional Director who reports to the Chief Executive Officer of Cornerstone, and each office includes professionals in acquisitions, asset management, dispositions and legal, as well as consulting engineers and other resources as needed.

Cornerstone's hotel asset management group is centralized, recognizing the unique operational characteristics of this asset type. The hotel group executes the tactical decisions necessary to implement the investment strategies for the hotel properties. To do so, it maintains a high profile and strong relations with key players in the hospitality business and a keen knowledge of hotel market dynamics and opportunities.

Cornerstone's Hartford headquarters houses a team dedicated to portfolio management, market research, business development, client service, engineering, client accounting and reporting, valuation review, and client treasury and fiduciary services. In addition, all corporate operations are administered through Cornerstone's headquarters including corporate finance, corporate accounting, management information systems, human resources management, and corporate legal services.

Cornerstone's Strategy Group

The Strategy Group is the core decision making body within Cornerstone and serves as the investment committee for the Fund. The Strategy Group is designed to leverage the wealth of experience of Cornerstone's senior management in a way that efficiently provides insight to the level of risk for every decision of the Fund.

The Strategy Group will consider and must approve all major decisions of the Fund, which are subject to the concurrence of the Fund's Portfolio Manager. Major decisions include acquisitions, sales and major capital events. The Strategy Group, together with the Portfolio Manager (as defined below), will also meet at least quarterly to review Fund performance and will be involved in from portfolio construction, investment strategy, to asset acquisition to the annual budgeting and hold/sell discussions.

Portfolio Manager

The Portfolio Manager is the advocate for the client's interests. The Portfolio Manager develops the overall strategy for the Fund taking into consideration sales, acquisitions and operating items in order to meet the goals and objectives of the Fund. Supporting the Portfolio Manager is a team of professionals representing the various disciplines within Cornerstone, including asset management, research, legal, accounting and reporting. Each discipline brings a unique perspective to the table with its many years of real estate experience and insight to the discussion of any given asset or investment strategy. The regional offices are responsible for the initial sourcing of acquisitions. The Portfolio Manager for the Fund has the unilateral right to determine if a property is to be considered for the Portfolio and is consistent with the Portfolio's overall diversification and investment strategy; however, the full Strategy Group, which includes the Portfolio Manager, must ultimately approve the investment.

The Portfolio Manager is responsible for carefully monitoring and assessing portfolio performance and communicating relevant portfolio events. The Portfolio Manager works closely with the Regions in the review of major lease proposals and quarterly property valuations. Annual business plans including hold/sell analyses and in evaluating, from a risk/reward perspective, whether to undertake any major, strategic value creation activities are reviewed by the Strategy Group, including the Portfolio Manager.

Research

Cornerstone Research is an integral part of all decision-making at Cornerstone and takes the lead in developing investment strategies, identifying asset types, and targeting markets for consideration by accounts managed by Cornerstone. Cornerstone Research works closely with Cornerstone's acquisitions officers, disposition officers, asset managers and the Portfolio Manager to infuse Cornerstone's decision-making with research insight.

Cornerstone Research, headquartered in Hartford, has developed a state-of-the-art proprietary database incorporating real estate and economic data from national providers such as Torto-Wheaton, PPR, Dodge, Economy.com and Smith Travel Research as well as most national and regional brokerage firms. Cornerstone Research acquires and "scrubs" this data by calling vendors and speaking with regional investment professionals in an attempt to eliminate errors and discover omissions. In addition to well-known national data sources, Cornerstone Research focuses significant attention on more localized sources of data, analyzing the connections and discrepancies between local data, national data and overall trends. Regular dialogue with Cornerstone's regional offices and the hotel group provides "real-time" feedback on current trends, enabling timely adjustments to research conclusions. Cornerstone Research integrates this insight into its real-time report writer, the Analyst, which features a user-friendly format available throughout the Cornerstone organization.

Cornerstone also believes that a research-based investment strategy is dynamic and interactive. Cornerstone Research subjects its strategic insight to regular review, challenge and refinement. Data is updated quarterly, including market ratings and other economic and capital market findings to provide current tactical information. Periodically, Cornerstone Research "back tests" the accuracy of its efforts to confirm data.

EXECUTIVE BIOGRAPHIES

David J. Reilly, President and Chief Executive Officer. As President and Chief Executive Officer of Cornerstone, Mr. Reilly is responsible for all facets of Cornerstone's operations, including chairing the Strategy Group. His career in real estate spans more than thirty years with extensive experience in asset and portfolio management, acquisitions and dispositions, and operations. His experience includes all institutional property types, including hotels, office, industrial, residential and retail.

Prior to joining Cornerstone in 1995, Mr. Reilly was President of Mellon/McMahan, a real estate pension fund advisor managing portfolios of wholly owned and leveraged properties valued at approximately \$2 billion. In this capacity, Mr. Reilly was responsible for the operations of the company, including asset management, acquisitions and dispositions. From 1978 through 1992, Mr. Reilly was a Managing Director for Aetna Realty Investors, a wholly owned subsidiary of Aetna Life & Casualty. While at Aetna Realty Investors, he was responsible for asset management and dispositions for portfolios of real estate valued in excess of \$3 billion. He was also a senior member of the Investment Committee. Prior to joining Aetna Realty Investors, Mr. Reilly served as Vice President of HNC Mortgage and Realty Investors REIT.

Mr. Reilly received his BS in Business from Boston College. He has been a member of the Urban Land Institute, the International Council of Shopping Centers, and served on the Board of Directors of the National Association of Real Estate Investment Managers.

Thomas G. Dudeck, Executive Vice President. Mr. Dudeck oversees the Eastern regional office, located in Glastonbury, Connecticut. He is responsible for supervising all activities in connection with a diversified regional portfolio of commercial properties, including acquisitions, asset management, and dispositions. Mr. Dudeck is also a Co-Chair of Cornerstone's Strategy

Group and plays a key role in creating and implementing investment strategies on behalf of clients.

Mr. Dudeck joined Cornerstone in 1998 and was formerly a Managing Director of the Aetna Real Estate Group, where he was responsible for asset management and dispositions involving a national portfolio of commercial real estate assets. Previously, Mr. Dudeck served as Counsel in Aetna's Law Department, where he provided legal services and advice to Aetna's International Division and to its Real Estate Investment Group.

Mr. Dudeck received a BA in Political Science from Allegheny College, an MPA from the University of Hartford, and a JD from the University of Connecticut School of Law. He is admitted to practice law in Connecticut. He is a member of the National Association of Real Estate Investment Managers, the Pension Real Estate Association, and the American Bar Association.

Mark S. Higgins, Executive Vice President. Mr. Higgins oversees Cornerstone's Western regional office, located in Santa Monica, California. He is responsible for supervising all activities in connection with a diversified regional portfolio of commercial properties, including acquisitions, asset management and dispositions. Mr. Higgins is also a Co-Chair of Cornerstone's Strategy Group and plays a key role in creating and implementing investment strategies on behalf of clients.

Mr. Higgins joined Cornerstone in 1996 and was formerly a Principal with HPI Realty Partners, a San Francisco based firm which he co-founded in 1991. HPI Realty Partners provided real estate investment management and consulting services to institutional clients. Prior to forming HPI Realty Partners, Mr. Higgins was Senior Vice President of Piedmont Realty Advisors, a private real estate investment firm that merged with The RREEF Funds in 1990. While with Piedmont Realty Advisors, he was responsible for real estate acquisitions, joint ventures, and mortgages in the Western United States. Mr. Higgins has also served as Vice President for Aetna Realty Investors where he was responsible for originating acquisitions, joint ventures, and mortgages, including structuring the financing for Aetna's Apartment Development Funds.

Mr. Higgins obtained his BS in Finance from the University of Denver and his MBA from J.L. Kellogg School of Management at Northwestern University. He is a member of the Urban Land Institute, the National Association of Real Estate Investment Managers and the Pension Real Estate Association.

Andrew C. Williams, Executive Vice President and General Counsel. Mr. Williams serves as the General Counsel for Cornerstone and is responsible for overseeing the legal affairs of the Company. A team of three attorneys (one of whom is located in each of Cornerstone's regional offices) assists Mr. Williams. In addition, Mr. Williams is responsible for overseeing Cornerstone's Hotel Group. Prior to joining Cornerstone in 1994, Mr. Williams served as Assistant Vice President and Counsel for MassMutual, where, for eleven years, he was responsible for providing legal advice and services to MassMutual's Real Estate Investment Division.

Mr. Williams received his B.A. from the University of California, Santa Barbara, and his JD, from Temple University School of Law. He is admitted to practice in Connecticut, California and Massachusetts, and is a member of the State Bar of California. He is a member of the American College of Real Estate Lawyers, has lectured on the subject of joint ventures and hotels at the Practising Law Institute, is active in the senior legal officer group of the National Association of Real Estate Investment Managers and has served on various committees of the American Council of Life Insurers.

Joseph A. Dolben, Managing Director, Portfolio Management. Mr. Dolben is responsible for portfolio analysis and investment reporting including development of systems supporting portfolio and asset management. Prior to joining Cornerstone in 1994, Mr. Dolben was Second Vice President for MassMutual where he served as the head of the Asset Management Department of the Real Estate Investment Division for eleven years. Mr. Dolben has also served as Vice President, Property Operations, for Marsh & McLennan Real Estate Advisors and Assistant Vice President, Real Estate Operations, for Arkwright - Boston Insurance.

Mr. Dolben received an AB from Dartmouth College and an MBA from Harvard Business School. He is a member of the National Council of Real Estate Investment Fiduciaries and the National Association of Real Estate Investment Managers.

Marc A. Louargand, Ph.D., Managing Director, Investment Strategy, Research & Securities. Dr. Louargand's responsibilities for Cornerstone include macro and micro economic research, investment strategy, and public market investments. Dr. Louargand has been with Cornerstone since its founding. Prior to that he was a professor of real estate finance at Massachusetts Institute of Technology, as well as being a consultant to institutional investors, industrial and financial corporations, and domestic and foreign governments. Dr. Louargand's research, teaching, and publications over his twenty year academic career were directed at the integration of real estate investment markets and mainstream financial theory. He has published books and articles on finance, real estate, and market efficiency. Dr. Louargand has served as Editor of the Journal of Real Estate Portfolio Management, Associate Editor of the Journal of Real Estate Literature, and a member of the editorial boards of the Journal of Corporate Real Estate, Briefings in Real Estate Finance, and the Journal of Real Estate Research.

Dr. Louargand received his BA from the University of California at Santa Barbara, his MBA and Ph.D. degrees from the University of California at Los Angeles. He is the founding director of the Pension Real Estate Association Institute for senior managers in the institutional real estate investment community. He is a Director, Fellow, Vice President and 2006 Program Chair of the American Real Estate Society and a Fellow of the Homer Hoyt Institute. He has served as Chairman of the Portfolio Strategy Committee of the National Council of Real Estate Investment Fiduciaries. He also is active in the Pension Real Estate Association, the National Association of Real Estate Investment Managers, and the Counselors of Real Estate.

Robert Mahoney, Managing Director, Chief Financial Officer. Mr. Mahoney has overall responsibility for the financial administration of Cornerstone's corporate operations as well as all separate account, joint venture, and commingled fund client real estate equity portfolios. Mr. Mahoney joined Cornerstone at its inception in 1994 from MassMutual, where he served as Assistant Director of Real Estate Investment in the equity investment department, and was responsible for portfolio level analysis and reporting. Mr. Mahoney began his career with The Colebrook Group, a regional real estate development and management company, serving as its Manager of Accounting and Finance, with responsibility for financial analysis of equity and joint venture real estate transactions and all financial operations of the company.

Mr. Mahoney holds a BS in Accounting from American International College and an MBA in Finance from Western New England College.

Brian T. Murdy, Managing Director, Portfolio Manager. Mr. Murdy is a member of the firm's Strategy Group and the Portfolio Manager of Cornerstone Property Fund, Cornerstone's open-end real estate equity fund. He also serves as the Portfolio Manager of a separate account for a state public retirement system. Mr. Murdy joined Cornerstone in 1999, and was the Portfolio Manager of the \$600 million Cornerstone Apartment Fund I and the \$450 million Cornerstone Apartment Venture I from their inceptions through March 2005. Mr. Murdy previously worked at

Henderson Global Investors (formerly Phoenix Realty Advisors) in several positions over twelve years. For the last seven years he served as a Portfolio Manager responsible for various institutional portfolios, including Henderson Global Investors' apartment portfolio and the \$900 million Phoenix Home Life separate account. Prior to his employment with Henderson Global Investors, Mr. Murdy worked at the public accounting firms of DiSanto Bertoline & Co. and KPMG.

Mr. Murdy received his BS in Accounting from Central Connecticut State University. He is a Certified Public Accountant and a NASD General Securities Registered Representative and is a member of the National Multi-Housing Council, American Institute of Certified Public Accountants, and the Connecticut Society of Certified Public Accountants.

Anthony J. Pierson, Managing Director, Portfolio Management. Mr. Pierson joined Cornerstone in 2004 and is responsible for overseeing Cornerstone's Portfolio Management Group. Mr. Pierson previously worked for CIGNA Real Estate Investments where he was a member of the Senior Management Group and managed various responsibilities including Head of Real Estate Research and Strategy, Head of Client Relations and Managing Director of the \$1.4 billion CIGNA Charter Open-End Real Estate Fund. Prior to his employment with CIGNA Real Estate Investments he held a position with Aetna Realty Investors, Inc. where he directed Aetna's equity market and strategic research in addition to playing a major role in the Investment Committee and Strategy Team leadership.

Mr. Pierson received his B.S. in Analytical and Descriptive Economics from the London School of Economics, and his MBA in Finance from the Aetna Institute with the University of Hartford. He is a Board member of National Council of Real Estate Investment Fiduciaries and a Homer Hoyt Fellow, Real Estate Research Institute Fellow and past Board member of the Real Estate Finance Association, MIT Center for Real Estate and the Real Estate Research Institute.

William L. Ramseyer, Managing Director, Business Development. Mr. Ramseyer is responsible for working with clients in the development and distribution of new investment strategies offered by Cornerstone. Joining the firm in 2002, Mr. Ramseyer brings to Cornerstone thirty years of experience in the institutional real estate investment business including investment consulting and formation of investment strategies in the private market and public REIT sectors of real estate. Early in his career he formed Pension Realty Advisors, Inc., which was retained by major institutional investors to assist in the development of investment objectives and strategy, selection of investment managers, and reporting of investment performance. He later formed PRA Securities Advisors, Inc., which was dedicated to the management of public REIT portfolios. The firm was acquired by JMB Realty Corporation concurrently with Mr. Ramseyer joining JMB Institutional Realty Corporation, which was later acquired and merged into Heitman Capital Management (HCM). Mr. Ramseyer managed the firm's real estate securities practice (Heitman/PRA Securities Advisors) and was a member of HCM's Investment Committee and Board of Directors. Throughout his career, Mr. Ramseyer has worked closely with institutional and high net worth clients in the structuring and marketing of a wide variety of real estate investment strategies.

Mr. Ramseyer is a graduate of the University of Puget Sound and the Advanced Management Program at the Harvard Business School. He was a founding board member of the National Association of Real Estate Investment Managers, Past Chairman of the Pension Real Estate Association, and Past Chairman of the Counselors of Real Estate. Mr. Ramseyer is a Fellow of The Royal Institution of Chartered Surveyors and a Fellow of the Homer Hoyt Institute.

Robert A. Staley, Managing Director, Business Development. Mr. Staley is responsible for Cornerstone's Marketing, Product Development and Client Service. Mr. Staley joined Cornerstone in 1999. He began his institutional real estate investment career at the State of

Connecticut Trust and Retirement Funds in 1981, where he served as the senior real estate portfolio manager for nearly a decade. In that capacity, he was responsible for investment decisions for two commercial real estate portfolios, which he built from inception. They were a \$1.5 billion commercial real estate equity portfolio and a \$500 million commercial mortgage portfolio. His work was recognized by his peers when he was ranked second in a poll conducted by Pensions and Investments Magazine to determine the “Best and Brightest” pension real estate executives.

After leaving Connecticut, he served as Chief Operating Officer of the Pension Real Estate Association, where he established PREA’s first in-house staff, co-founded the PREA Quarterly and led development of the annual PREA Plan Sponsor Real Estate Conference. He was also instrumental in the development of industry information standards by PREA, NAREIM, and NCREIF. Most recently, he was Senior Vice President of Hart Advisers, where he served on the Management, Acquisitions and Asset Management Committees, directed the firm’s research activities and conducted client relations and marketing.

Mr. Staley is a graduate of Boston College and has done graduate work in Economics at Trinity College. He is a member of the Pension Real Estate Association.

Steven P. Wallace, Managing Director, Central Region. Mr. Wallace is the Managing Director of Cornerstone’s Central regional office, located in Chicago, Illinois. He is responsible for supervising all activities in connection with a diversified regional portfolio of commercial properties, including acquisitions, asset management and dispositions. Prior to joining Cornerstone in 1994, Mr. Wallace was Second Vice President of MassMutual, where, for ten years, he served in MassMutual’s Chicago and Atlanta regional real estate investment offices. He formerly served as the Regional Director of the Atlanta office, where he was responsible for all equity and debt related real estate activities for MassMutual in the Southeast. Prior to MassMutual, Mr. Wallace was Vice President of Underwriting at Norwest Funding, one of the first HUD co-insurance lenders under the 223 F Co-insurance Rehabilitation Program.

Mr. Wallace received his BBA in Finance from the University of Iowa and his MBA in Finance from DePaul University. He is a member of the Urban Land Institute and the National Association of Industrial and Office Parks.

Scott C. Westphal, CFA, Managing Director, Portfolio Manager, Securities. Mr. Westphal is the Managing Director of Cornerstone’s Real Estate Securities Investment Management unit and is responsible for the creation and management of real estate securities portfolios for the firm’s institutional clients. Prior to joining Cornerstone in 1999, Mr. Westphal served as Executive Vice President and Portfolio Manager for JLW Capital Management, a wholly owned subsidiary of Jones Lang LaSalle. His principal responsibilities were the creation and management of real estate securities portfolios for institutional clients. Previously, Mr. Westphal served as Senior Vice President for Cohen & Steers Capital Management, the largest dedicated U.S. real estate securities investment manager, where he spent four years developing portfolio strategies for institutional investors and served as a member of the Investment Committee. Prior to his position at Cohen & Steers, Mr. Westphal was a portfolio manager for the IBM Retirement Fund’s \$2.5 billion real estate portfolio, where his responsibilities included investments in direct properties, joint ventures and REITs. Mr. Westphal was also responsible for the first property for share exchange negotiated with a publicly traded U.S. REIT.

Mr. Westphal received his BS in Corporate Finance and Accountancy from Northern Illinois University. Mr. Westphal is Chartered Financial Analyst and a Certified Public Accountant. Mr. Westphal is a member of the CFA Institute, American Institute of Certified Public Accountants, New York Society of Securities Analysts and the National Association of Real Estate Investment Trusts.

CONCLUSION/RECOMMENDATION

Based upon the successful track record and experience of the principals and the recommendation of PSERS' consultant, Courtland Partners, Ltd., staff recommends that the Board invest an amount not to exceed \$100 million plus reasonable normal investment expenses, in Cornerstone Patriot Fund, L.P. The final terms and conditions of the investment must be satisfactory to the Investment Office, the Office of Chief Counsel, and the Executive Director.