


**Commonwealth of Pennsylvania
Public School Employees' Retirement System**

DATE: June 11, 2013
SUBJECT: Incline Equity Partners III, L.P.
TO: PSERS Finance Committee/Board
FROM: Charles J. Spiller 
Managing Director, Private Markets and Real Estate

At the August 2011 Board meeting, the Board approved a \$50 million commitment not to exceed 25% to Incline Equity Partners III, formerly PNC Equity Partners located in Pittsburgh, PA.

The Fund has a hard cap of \$300 million with a final close at June 30, 2013. They have raised \$285 million. To date they have made four investments all of which look promising.

I am recommending that PSERS increase our commitment by \$15 million. This would bring PSERS commitment to \$65 million and the fund size to its' hard cap of \$300 million.