



State of New Jersey

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DIVISION OF INVESTMENT

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February 4, 2025

To: All Interested Bidders

Re: Request for Proposal – Real Estate Investment Consulting Services

Quote Submission Due Date: February 18, 2025

ADDENDUM #1

The following constitutes Addendum #1 to the above referenced Request for Quotes.

This Addendum is divided into the following parts:

Part 1: Answers to questions posed during the Q&A.

Part 2: Additions, deletions, or modifications to the Request for Quotes.

It is the sole responsibility of the Bidder to be knowledgeable of all the additions, deletions, clarifications and modifications to the Request for Quotes (RFQ) as set forth in this Addendum and any other addendum issued in connection with this RFQ.

All other instructions, terms and conditions of the RFQ shall remain the same.

PART 1
Answers to questions posed during the Q&A

Q#	RFQ Section	Question	Answer
1	1.2	What fees does the DOI currently pay to its real estate consultant?	This procurement is entirely independent of DOI's prior procurement.
2	1.2	Does the current real estate consultant provide all of the services outlined in the RFP scope?	This procurement is entirely independent of DOI's prior procurement.
3	1.2	What is the size of your senior staff? Do you have any dedicated staff to real estate?	DOI has two full time staff members that are dedicated to private real estate.
4	3.1	Are we required to submit (2) USB Drives (1) for the "read only" and (1) for the "editable and writable" electronic copy or are we able to put both documents onto (1) thumb drive?	One thumb drive is acceptable, so long as the "read only" and "writable" copies are clearly identified.
5	3.6	Can the DOI confirm that any forms uploaded to NJ Start do not need to be included in the hard copy or electronic submission?	Forms that are uploaded to NJ Start do not need to be included in the submittal.
6	3.6.9	Given the overlap between the EEOC Standard Form 100 (SF 100) and the New Jersey Form AA302, will you accept our most recent EEO-1 report in lieu of the New Jersey Certificate of Employee Information Report?	Bidders must submit either a Form AA302 or a letter of approval from the Federal government verifying that the bidder is operating under a federally approved or sanctioned affirmative action program.
7	3.6.10	Business Registration Certificate. This states that the selected firm must have a valid certificate "prior to award of the contract". Given that timing, confirming that firms can submit without that for now and can get a valid certificate if selected prior to award.	Yes, that is confirmed.
8	3.8.2	Can the DOI confirm that bidders should submit a sample real estate advisory contract with our submission?	DOI does not recommend that bidders submit a separate real estate advisory contract, but in the event that such a document is required, DOI requests

			that such agreement be submitted with its proposal.
9	3.8.6.B	Can the DOI please provide the date that staff would like the two-week portal trial to start? For log-in purposes, can the DOI provide the names and email addresses of those who require access?	DOI will request a date for access to the Bidder's portal as part of its evaluation process. Names and e-mail addresses will be provided at that time.
10	3.8.8.D	Who is the DOI's current risk aggregator and in what capacity do they provide services to the DOI? What type of data does the risk aggregator provide the DOI? Can you please confirm how your current real estate consultant verifies the data provided by the risk aggregator?	MSCI Caissa currently serves as DOI's risk aggregator. The Risk Aggregator provides detailed portfolio breakdowns, by holdings, sectors, and vintage, as well as performance and risk measurements. The Consultant verifies the information provided by the risk aggregator by comparing it to information provided by the fund manager and DOI's custodian.
11	3.9	Can you please share annual fees related to the real estate consultant role by year under the current contract?	This procurement is entirely independent of DOI's prior procurement.
12	3.9	Can you disclose what you are currently paying the real estate incumbent on an annual basis?	No. This procurement is entirely independent of DOI's prior procurement.
13	4.2.F	Please clarify the level of involvement that the DOI expects from the consultant with regard to secondary sales and purchases. How many secondary sales or purchases did the DOI initiate in each of the last three years?	Should DOI staff decide to pursue a secondary sale, the consultant would assist with identifying which investments are suitable to sell. DOI has not initiated any secondary sales or purchases in the last three years, but it reserves the right to do so in the future.

14	4.3.2.C	To what extent will co-investments be utilized?	DOI co-invests through separately managed accounts or co-investment sleeves or sidecars.
15	4.3.2.C	Does the DOI plan to make direct real estate co-investments, or will co-investments be executed exclusively through third party managers and separately managed accounts or co-investment sidecars?	DOI does not plan to make direct real estate co-investments. DOI co-invests through separately managed accounts or co-investment sleeves or sidecars.
16	4.3.2.C	If applicable, what is the expected involvement of the real estate consultant in the evaluation of direct co-investments?	N/A
17	4.3.2.C	If applicable, will the DOI seek to invest in direct co-investments only sponsored by GPs currently in the real estate portfolio?	N/A
18	4.3.2.C	How many direct co-investments did the DOI invest in each of the last 3 years? Are direct co-investments included in the assumed five to eight investments per year?	DOI has made no direct co-investments over the last three years and has not included any direct co-investments in its projections.
19	4.3.2.C	What do you expect to commit to real estate on an annual basis over the next three years? How many funds do you expect to commit to annually?	DOI expects to invest approximately \$1 to 2 billion over the next three years, and it expects to commit to 4-8 new real estate funds annually. The size and number of commitments will vary depending on factors such as DOI's current allocation versus target allocation and the relative attractiveness of real estate as an asset class.
20	4.3.2.C	Over the last three years, how many real estate managers have you committed to annually?	Between 1/1/2022 and 12/31/2024, DOI closed on 7 new commitments to real estate commingled funds and separately managed

			accounts. Each was with a unique manager.
21	4.4	<p>Regarding Scope of Work on Portfolio Monitoring and Reporting:</p> <ol style="list-style-type: none"> Can an example be provided of the Quarterly Portfolio Monitoring Report and Fiscal-Year-End Performance Report? Can screenshots be provided of the current on-line portal used for providing basic fund profile information, performance, key terms, etc.? Can a redacted example be provided on the ODD refresh report? Can an example be provided on the cash flow and fee review? Is the consultant considered book of record for performance reporting? If not, please describe the entity that is considered book or record for performance purposes. What reporting is currently associated with the MWBE tracking as part of the portfolio monitoring and reporting? What is the expected timeframe for report delivery for the Quarterly and Fiscal-Year-End Performance reports? Will historical data sets be provided with the investments, composites, and total portfolio level? How will the data be delivered? Is reporting to be sent to a general consultant after producing performance reporting and does that include support files? Will partnership agreements and other legal documents be provided to the consultant for the current investment managers for evaluation and recommendation of LPA amendments, LPAC consents, etc.? How many individual fund investments are contained within the real estate and real assets portfolios? Are there any separately managed accounts? If so, how many? 	<p>A. DOI will not be providing a sample of quarterly or fiscal year-end reports at this time.</p> <p>B. DOI will not be providing a screenshot of the current on-line portal at this time.</p> <p>C. DOI will not be providing a sample of an ODD refresh report at this time.</p> <p>D. DOI will not be providing a sample of a cash flow and fee review report at this time.</p> <p>E. No. DOI's custodian serves as its book of record.</p> <p>F. MWBE ownership is currently tracked and reported.</p> <p>G. As soon as possible post quarter- and fiscal year-end.</p> <p>H. Yes. Portfolio information will be provided by DOI's custodian.</p> <p>I. No</p> <p>J. Yes, to the extent necessary and to the extent legally permitted.</p> <p>K. DOI's private real estate portfolio contained approximately 57 individual fund investments as of 9/30/2024. Of these investments, 9 were</p>

			separately managed accounts.
22	4.4	Could you please provide a sample(s) of the quarterly reporting items referenced in Section 4.4 (Scope of Work)	DOI will not be providing a sample of quarterly reports at this time.
23	4.4	How many private estate funds are currently in your portfolio?	DOI's private real estate portfolio included 57 active commitments as of 9/30/2024. These include commingled funds and separately managed accounts.
24	4.4.A	With regard to "Provide written reports upon request," can the DOI clarify what specific information would be required in the written reports?	Written reports would contain a summary of the Consultant's analysis and monitoring of fund managers.
25	4.4.H	How many LPAC seats does the DOI currently hold in the real estate portfolio? Please provide a list if possible.	DOI currently holds LPAC seats in over 30 private real estate funds. DOI will not be providing a list of funds with LPAC seats at this time.
26	4.4.J	Will the DOI require quarterly fee reporting or fee reconciliation?	The Consultant's quarterly cash flow reports should include all fees and expenses. If Consultant would like to offer fee reconciliation as an additional service, it should provide that service in its Quote.
27	4.4.N	Can the DOI clarify what its ESG scoring would entail and if the scoring element is referring to quantitative assessments?	DOI will not be disclosing its internal ESG scoring at this point.
28	4.6.C	How many Advisory Board seats does the DOI hold in the real estate portfolio? Please provide a list if possible.	DOI currently holds LPAC seats in over 30 private real estate funds. DOI will not be providing a list of funds with LPAC seats at this point.
29	4.6.C	How many Advisory Board meetings did the current real estate consultant attend on behalf of the DOI in each of the last 2 years?	DOI attended more than 55 Advisory Board meetings,

			both in-person and virtually, over the past 2 years.
30	4.7	Can the DOI specify or provide examples of projects or services that would qualify as special services?	Not at this time.
31	8.4	What is the DOI's definition of an ideal partnership with the selected consultant for the mandate?	DOI is unwilling to define an "ideal partnership" at this time.

PART 2

Additions, deletions, or modifications to the Request for Quotes

#	RFQ Section	Additions, deletions, or modification language
		none