

Key Facts – Fund

INVESTMENT ADVISOR:	PGIM Real Estate
FUND CATEGORY:	Specialty-Other Real Estate
PRIMARY BENCHMARK:	PRREF Benchmark
NET ASSETS:	\$1,209.9 Million
INCEPTION DATE:	03/31/2006
NET EXPENSE RATIO: (Before Contract Charges)	1.50%
OVERALL MORNINGSTAR RATING™:	★★★
OVERALL # OF FUNDS IN MORNINGSTAR CATEGORY:	225
PORTFOLIO MANAGER(S):	Leonard Kaplan David Skinner

OVERALL MORNINGSTAR RATING as of quarter ending 03/31/2019. The Morningstar Rating shown is for this expense ratio only and assumes no contract charges are imposed. Other expense ratios may have different performance characteristics. ©2018 Morningstar, Inc. All Rights Reserved. Additional Morningstar information is available in the User Guide.

Morningstar Volatility Rank As of 03/31/2019



In the past, this investment has shown a relatively small range of price fluctuations relative to other investments. Based on this measure, currently more than two thirds of all investments have shown higher levels of risk. Consequently, this investment may appeal to investors looking for a conservative investment strategy.

Asset Class Mix As of 03/31/2019

The Fund's allocations are as follows:



Annual Performance

	Fund	Primary Benchmark
2018	5.09%	5.81%
2017	7.23%	8.76%
2016	6.07%	7.85%
2015	10.64%	11.21%
2014	12.25%	13.04%

Benchmark: For the period of 3/31/2006 to 3/31/2018, the aggregate benchmark was comprised of 75% of the NCREIF Open-End Diversified Core Equity Fund Index, and 25% of the S&P Developed Property Index. PRREF transitioned its REIT component to the Vanguard US REIT ETF effective 4/1/2018. Due to a transition of the benchmark used by the issuer which represents the portfolio's allocation to US-only REIT ETF from the MSCI US REIT Index to the MSCI US Investable Market Real Estate 25/50, a transition index was used for the period of 4/1/2018 to 6/30/2018. As of 7/25/2018, the aggregate benchmark will be comprised of 75% of the NCREIF Open-End Diversified Core Equity Fund Index, and 25% of the MSCI US Investable Market Real Estate 25/50.

DESCRIPTION/OBJECTIVE

The Separate Account is a real estate Fund of funds that allows investors to gain exposure to portfolios of direct real estate investments. The Fund will invest primarily in existing private real estate funds, publicly traded real estate securities, including REIT (Real Estate Investment Trust) securities, and other real estate related investments. These portfolios are comprised of institutional quality commercial real estate across a broad range of real estate asset types. The Fund's objective is to exceed, over a complete market cycle, the Fund's customized benchmark return. There is no assurance the objective of the Fund will be met. The Fund will invest most of its assets in private, quarterly-traded, real estate funds, including funds with conservative and enhanced return real estate investment strategies. The manager seeks to provide maximum exposure to private real estate funds while maintaining liquidity for the purpose of meeting withdrawal requests through a combination of cash and cash equivalents as well as investments in marketable real estate securities and may, to the extent available in the market on reasonable terms, obtain a line of credit.

The Fund is subject to the risks of any real estate investment, such as, fluctuations in property values, local or regional economic conditions, overbuilding, increased competition, environmental contamination, natural disasters and interest rate risk.

Risks

- The Real Estate Funds and real estate securities in which the Fund may invest may use leverage at the investment level, such as mortgages or mezzanine loans, or at the fund and/or portfolio level (both secured and unsecured), in accordance with their leverage guidelines and limitations. The use of leverage may cause a fund or REIT to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations. Leverage may cause a fund or REIT to be more volatile than if the fund or REIT had not been leveraged, thus indirectly affecting the volatility of the Fund. Also, to the extent that operating income is not sufficient to pay all costs and expenses, the Fund may need to sell investments or increase the Fund's leverage to pay such costs and expenses.
- The value of an investment in the Fund will vary depending on the performance of the Fund's real estate investments, which fluctuate depending on market and general economic conditions. Daily valuation is based on a number of factors, including projected values of underlying real estate funds, which are valued quarterly. Effective July 1, 2012, the Fund transferred responsibility of daily valuation to an independent third party firm.
- The ability to make daily withdrawals from the Fund is not guaranteed. Withdrawals from the Fund could be delayed from time to time if the Fund does not have sufficient cash available, which, under unusual market circumstances could potentially be for an extended period of time. The Fund has the ability to use an available line of credit to meet cash needs, for which all associated costs are charged to the Fund.
- The Fund may, with advance notice, temporarily suspend new deposits into the Fund if the manager believes it will not be able to invest new deposits appropriately. If that happens, participant allocations to the Fund during the suspension period would be changed to the default fund for your plan.

There is no assurance the objectives will be met.

Performance (%)

As of 03/31/2019

	CUMULATIVE RETURNS		AVERAGE ANNUAL TOTAL RETURNS				
	Quarter	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Fund	4.61	4.61	9.01	6.94	8.67	7.97	NA
Primary Benchmark	5.30	5.30	10.81	8.24	9.83	9.55	—
Morningstar Rating™			★★★★★	★★★★★	★★★★★	★★★★★	★
# of Funds in Category			225	193	139		

Fund Fees Reflected in Performance. The Separate Account was established 3/31/2006. All performance results are net of the highest management fee for this Fund (1.50%). The fee will include all separate account expenses except for interest expense, if any, incurred on the line of credit. The interest expense will be charged to the Separate Account. Actual Fund performance is also net of other Fund operating expenses including REIT charges (0.0%) for the prior calendar year. In addition, expenses related to the underlying investments was 0.12% for the prior calendar year. These underlying expenses have already been reflected in the gross returns of the underlying funds. Such Fund operating expenses may reflect the benefit of a commission recapture program. Fee waivers of 0.00% are in place for this Fund. Actual performance shown reflects the imposition of the foregoing expenses and the benefit of any fee waivers and commission recaptures.

The Separate Account. Your retirement plan purchases units of a Separate Account established 03/31/2006 and made available as investment option under group variable annuity contracts issued by Prudential Retirement Insurance and Annuity Company ("PRIAC"), Hartford CT. The Separate Account holds the investment securities, and associated voting rights belong to the Separate Account. Pursuant to CFTC Rule 4.5, PRIAC has claimed an exclusion from registration as a commodity pool operator with respect to the Fund.

Possibility of Contract Charges. Your retirement plan may have agreed to contract charges. If so, these would reduce the performance (and possibly the Morningstar ratings) shown above. Any contract charges are included in the expense ratio shown in your statement and in the performance shown in your statement. The Fund fees and contract charges compensate us for the distribution and servicing associated with your plan. Other plan investment options may generate more or less revenue for us than the fees associated with this Fund. If the aggregate revenue from your plan exceeds our associated costs, we earn a profit. Otherwise, we incur a loss. Other plans investing in the Fund may have lower fees, but these are not available to your plan in order to compensate us for distribution and plan servicing.

Performance Risks. Before investing, investors should carefully consider the investment objectives, risks, charges and expenses of this Fund and other plan investment options. The performance quoted represents past performance. The investment value and return will fluctuate so that an investment, when redeemed, may be worth more or less than original cost. Past performance does not guarantee future results. Current performance may be lower or higher than the performance data quoted. For performance data current to the most recent month end, please call 1-877-778-2100. It is possible to lose money investing in securities.

Miscellaneous. Frequent exchanging of investment options may harm long-term investors. Your plan and/or the Fund may have policies to detect and deter potentially abusive exchanges. The policies may require us to modify or terminate investment exchange privileges. Benchmarks are unmanaged and cannot be invested in directly. See User Guide for benchmark definitions and refer to the section entitled "Separate Account or Custom Plan Investment Options" for a description of PRIAC's role related to the type of fund described in this Fact Sheet.

Prudential Retirement's Role. This fund is not part of Prudential Retirement's Manager of Managers Program and Prudential Retirement does not assume any responsibility for the plan's decision to invest in the funds, to monitor their performance or to provide information regarding the funds. Each of those is the sole responsibility of the plan. To the extent Prudential Retirement provides such information, it makes no warranty as to the accuracy of such information and makes no undertaking to continue to provide such information unless Prudential Retirement agrees to continue to provide such information in writing.

For more information, go to www.prudential.com or call toll-free 1-877-778-2100.

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