

List of Major Accomplishments:

Reengineered Equitable's Commercial Mortgage lending program which originated over \$2 billion over a three year period ('98 \$1 bils., '99 \$400 mils, '01 \$300 mils.)

Trizec Hahn Pkg.	289	Office
Embarcadero Center	100	Office
Olympic Tower	80	Office
9 West 57th St	72	Office
Plaza 440	63	Apt.
Willow Lakes	61	Apt.
Campbell Center	60	Office
Versaille 1,2	60	Apt.
Crow Pkg.	58	Retail
Double Tree	57	Hotel
2 Penn Plaza	55	Office
Galleria 300	52	Office
Irene Apts.	50	Apt.
Crow Pkg.	46	Industrial
Franklyn Ave.	42	Office
1225 Connecticut Ave.	40	Office
Village Center at Dulles	34	Retail
Shops at Oakbrook	30	Retail
Harbor Court	21	Office

Initiated a syndication program to diversify large loan risk among peer insurance companies
Team leader for agricultural portfolio sale of loans totaling half-billion dollars

Implemented enhanced return programs for Equitable's General Account including a REIT stock program which invests in both convertible and preferred securities; CMBS portfolio, mezzanine debt and limited partnership equity interests.

Equity portfolio team member, responsible for large portfolio dispositions, as well as structuring of complex real estate transactions. Including: 1285 Ave. of Americas, 1515 Broadway.

Negotiated Advisory Agreements with GMAC for the replacement of Lend Lease

LARGE LOAN PROGRAM

Commercial Mortgage Lending Program...

Establish a premier lending operation recognized for its underwriting expertise and efficient execution:

- **Competitive Landscape:** There are fewer traditional lenders in the marketplace, life insurance companies and other portfolio type lenders have been losing market share over the last cycle to CMBS lenders. Consolidation among banks and financial companies has created an ever stronger competitive environment for origination. A successful organization needs to address the two critical issues in order to compete effectively.
 - Pricing – has squeezed the profitability of traditional lending platforms
 - Execution - Traditional portfolio lenders have a longer more cumbersome execution as do many of the CMBS originators.
 - To develop a profitable large loan mortgage lending business which provides risk adjusted returns to the lender. Need to create momentum in order to maintain profitability.

Philosophy: Creative and nimble originators with strong track record of lending in the large loan arena. Strong expertise in evaluating real estate and credit risks with a long term view of credit markets. Customer base will eventually be consist of repeat customers whose experience brings with it an ongoing relationship.

Vision : Viewed by issuers and co-investors as a pro-active, value added, players that engage in sound and sophisticated market financings and whose participation is enthusiastically sought and often commands a premium or preferred position.

Financial Plans

Establishing a large loan lending operation will require approximately 6 months of significant marketing locally, as well as, on a national level in order to be recognized as a player.

3 Year Business Plan Assumptions-Commercial Mortgages					
<i>\$ in Mils</i>	Number of Loans	Average Loan Size	Total	Commitment Fees @ 50 bps	
2004 first 6 months	0	\$0.0	\$0.0	\$0.0	\$0.0
2004 last 6 months	5	\$50	\$250	\$250	\$1.3
2005	10	\$50	\$500	\$500	\$2.5
2006	15	\$50	\$750	\$750	\$3.8
2007	23	\$50	\$1,125	\$1,125	\$5.6

An ongoing operation will break even at a level of \$250 million. Initially may need to leverage some of the skills sets such as underwriting and analytics from a centralized group.

	Originators	Underwriters	Analysts	Total
Staffing Needs	3	2	1	6
Base Salary	\$150,000	\$100,000	\$60,000	\$710,000
Benefits @ 30%	\$135,000	\$60,000	\$18,000	\$213,000
Rent Allocation 90 SF/person *\$50 /SF				\$27,000
Travel/Entertainment/Marketing				\$250,000
Technology ? Existing organization				

Incentive Compensation

Establishing guidelines for a highly motivated origination staff essentially translates into profit sharing for the group as well as individual production performance.

Guidelines for Individuals tied to individual performance

Guidelines for group tied to group profitability

The Marketing Challenge

Marketing plan can be divided into three groups: New York, National Accounts, Regions.

New York:

The New York market is relatively unique, consisting of wealthy individuals, institutions and REIT's. To some extent relationship lending with direct borrower contacts exists, however, more and more reliance has been placed on the brokerage community to evaluate and place loans always with an aim towards a cost effective and certain execution. The major New York banks have generally abandoned direct non recourse lending, placing more emphasis on their conduit operations. The gap has been filled by non NY banks such as Fleet, WAMU, and Key Bank.

A direct calling program aimed at both the brokerage community and direct borrowers would be appropriate

National Accounts:

National Accounts would include national owners and operators, such as REIT's, institutions, funds. A direct calling program would also be appropriate for these borrowers as well.

Regions:

Regional owners would generally be covered by approaching the brokerage community, and correspondents. The loan size will generally be smaller and of a differing quality.

In addition sourcing new business from established banking clients will be an important contributor to new mortgage production.

Competitive Landscape

Competition consists of major money center banks as well as the investment banking community. Both have established relationships and track record

New York : Morgan Stanley, Goldman, Lehman, Merrill, Bear. Primarily target jumbo loans with an add on advisory assignment to increase fee base.

Major Money Center Banks: Fleet, Wachovia, UBS, Deutsch. Each of these have established large loan departments with a securitization exit.

Regional Banks/Insurance Cos. : Although regional banks and insurance companies have established local contacts, it is doubtful they will be direct competitors. This is primarily attributable to the exit strategy. A securitization client has different investment criteria.

In order to differentiate ourselves, there are three basic criteria which have already been established: Pricing, Process and Proceeds. A mezzanine debt facility will enable both the highest proceeds and the most favorable pricing. Empowered principals will establish the most efficient process to ensure a successful execution.

The origination team is well seasoned each having an established track record in both debt and equity investments for institutions.

Investment Philosophy

Focused on liquidity and more leveraged use of a balance sheet.....

<i>Investment Focus</i>	Yield & Structuring Flexibility	⇒	Yield enhanced through distribution, & liquidity
<i>Underwriting Focus & Criteria</i>	Real Estate/Borrower	⇒	Borrower/Real Estate Strong underwriters of real estate fundamentals, appropriate LTV, DSC, sponsor strength, exit strategy through securitization Increased emphasis on up front analysis and checking
<i>Origination Objective</i>	Securitization/Syndication	⇒	Syndicate/Sell/Package/ Retain enhanced yield and Portfolio hold/Co-Invest
<i>Deal Sourcing</i>	Broker/Direct	⇒	Direct/Broker(70/30) at first Market/Stabilization is probably 50/50
<i>Credit/Underwriting Checks & Balances</i>		⇒	Interactive, early stage credit review (Centralized Staff?)

Investment Profile

Desired Loan Profile

PROPERTY TYPE: Primary emphasis on stabilized properties primarily investment grade properties:

Urban apartments, CBD office, market dominant retail

Limited CBD hotels in gateway cities

Secondary emphasis on : suburban office,apartments, retail properties Limited industrial in major distribution markets, major SMA's with strong demand characteristics

BORROWER PROFILE: Emphasize strong national and super regional names, well capitalized public companies, opportunity funds & private individuals

Middle market borrowers require extensive borrower credit analysis and checking/personal knowledge a plus.

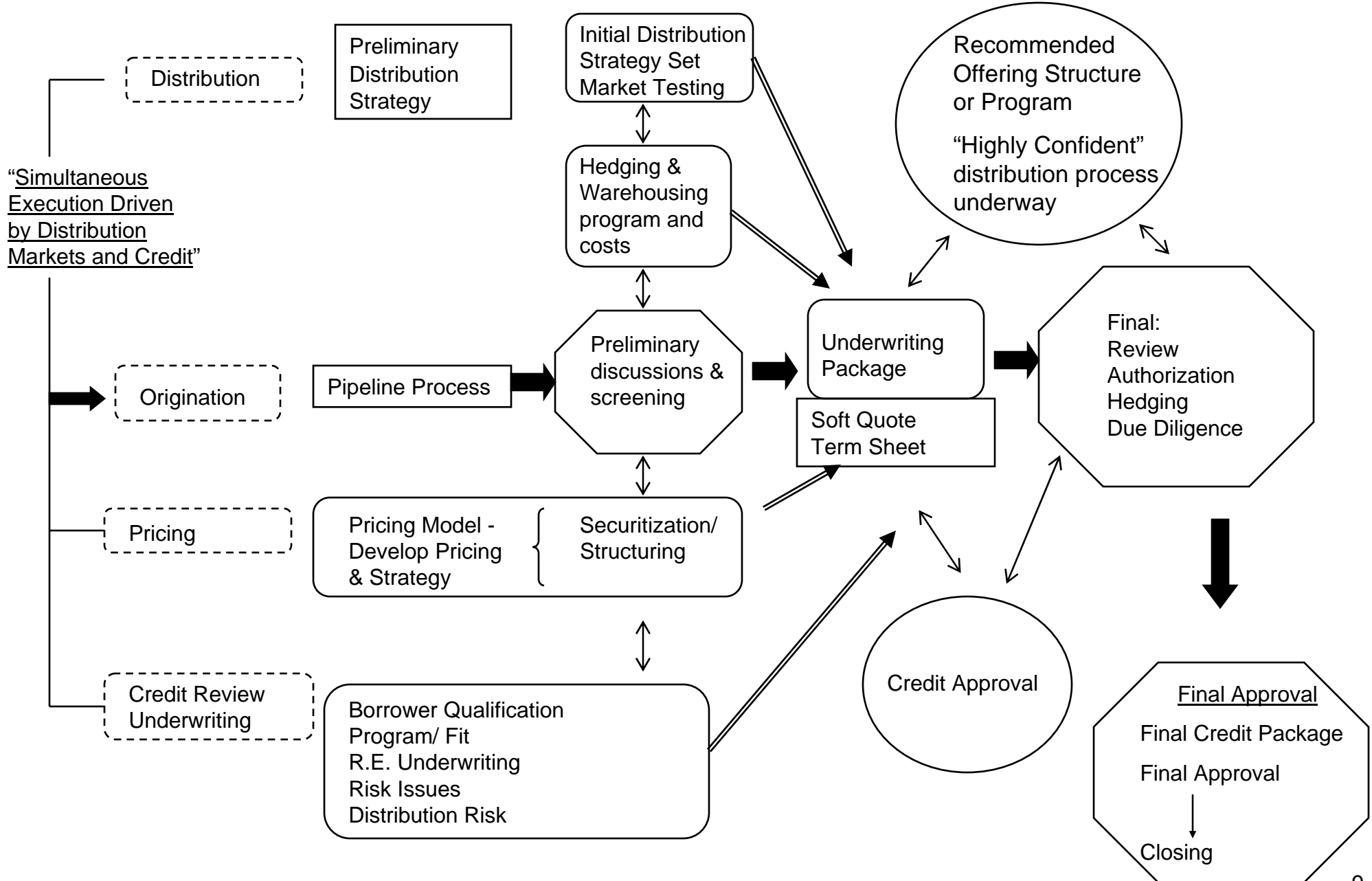
Borrower liquidity critical

LOAN SIZE: Borrower & project quality will drive us toward larger transactions, initially aiming at an average loan size of \$50 million with a minimum of \$25 million. The mortgage originators have an extensive background towards closing large loans. A target of \$50 is conservative with the goal of increasing the target over time.

Mortgage Loan Origination Process

Process questions need to be discussed further.

Distribution & Credit Driven Model.....



Model Whole Loan Origination Plan ~ *Distribution Strategy*

Securitization

Single Asset, large loan securitization
or
pooled securitization

Contribute to another's pool

- Yield enhancement as holder of BBB or "BIG" tranches
- Warehouse hedge and mark to market
- Warehouse funding requirement

Mortgage/Brokerage/Correspondent Relationships

- | Primary | Secondary | Tertiary |
|--|--|--|
| <ul style="list-style-type: none">• Ackman Ziff• Cohen Financial• CB Richard Ellis• Cooper Horowitz• Cushman Wakefield• Eastdil Realty• GMAC• Grubb/Ellis• Heller Financial (GE)• Holiday Fenoglio• Insignia Douglas Elliman• Jones Lange LaSalle• LJ Melody• Legg – Mason• Marcus & Millicap• Estrich &Co.• Singer Bassick• Sonnenblick Goldman• Secured Capital• Trammel Crow | <ul style="list-style-type: none">• GMAC - Brokerage Network
(45 Nationwide Offices) | <ul style="list-style-type: none">• Local Correspondents |

Direct Deal Source: Funds - 2003

Value-Added Funds*

Sponsor	Fund	Projected Equity Size (\$Mil.)
Beacon Capital Partners	Beacon Capital Strategic Partner II	\$740
Bernstein Cos.	Consortium Capital II	110
Berwind Property	BPG Investment Partnership VI	384
Brascan Corp.	Brascan Real Estate Finance Fund	500
Brookdale Group	Brookdale Investors Four	270
Buchanan Street Partners	Buchanan Fund II	100
CB Richard Ellis Investors	Strategic Partners III	600
Cornerstone Real Estate Advisors	Cornerstone Apartment Fund III	150
Coventry Real Estate Advisors	Coventry Real Estate Fund II	300
Crow Holdings	Crow Holdings Realty Partners II	500
DRA Advisors	DRA Growth & Income Fund IV	350
eRealty Fund	eRealty Fund I	200
Essex Property Trust	Essex Apartment Value Fund	250
Faison Capital Advisors	Stonewall Partners Fund I	75
Fidelity Management Trust	Fidelity Real Estate Growth Fund II	400
Fremont Realty Capital	Fremont Strategic Property Partners II	400
Hampshire Cos.	Hampshire Partners Fund VI	150
Heitman	Heitman Central Europe Property Partners	175
Henderson Global Investors	CASA Partners II	200
Hines	U.S. Office Value-Added Fund	500

Source: Real Estate Alert

*Value Added is defined as properties of any type that can be developed, redeveloped, or repositioned to provide above-average returns for the property class. Alternatively, core properties with 50% or more leverage are classified as value added.

Direct Deal Sources: Funds

Value-Added Funds*

Sponsor	Fund	Projected Equity Size (\$Mil.)
Hutensky Group	HRI Fund	80
Intercontinental Real Estate	Intercontinental Real Estate Investment Fund IV	250
John Buck Co.	JBC Opportunity Fund II	225
Johnston Group	Johnston Realty Funding	22
Kennedy-Wilson International	KWI Property Fund II	100
LaSalle Investment Management	LaSalle Canadian Income and Growth Fund	150
	LaSalle Euro Growth II	354
	LaSalle Income and Growth Fund III	350
	LaSalle Medical Office Fund	150
Lend Lease Real Estate Investments	Tactical Office Partners	150
	Value Enhancement Fund V	334
Menlo Equities	Menlo Realty Partners	50
Morgan Stanley	Special Situations Program II	270
New Boston Fund	New Boston Investment Fund VI	350
Normandy Realty Partners	Normandy Real Estate Fund	100
Oaktree Capital Management	OCM Real Estate Opportunities Fund III	500
Parmenter Fund Management	Parmenter Realty Fund II	225
Quadrangle Development	National Capital Properties Trust II	75
RockBridge Capital	RockBridge Real Estate Fund II	100

Source: Real Estate Alert

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Direct Deal Source: Funds

Value-Added Funds*

Sponsor	Fund	Projected Equity Size (\$Mil.)
Rockwood Capital	Rockwood Capital Real Estate Partners Fund IV	366
	Rockwood Capital Real Estate Partners Fund V	400
Rothschild Realty	Five Arrows Realty Securities Fund IV	300
RREEF	RREEF America III	2,000
Shorentstein	Shorentsein Realty Investors Six	609
SSR Realty Advisors	SSR Apartment Value Fund II	100
Sterling Equities	Sterling American Property Fund IV	300
Talcott Realty Investors	Talcott Realty III	168
TimesSquare Real Estate Investors	Apartment Alliance Separate Account II	50
Transwestern Investment	Asian Realty Partners II	680
Tuckerman Group	Multifamily Development Program III	86
UrbanAmerica	UrbanAmerica 2	250
	UrbanAmerica 3	250
Urdang & Assoc.	Urdang Value-Added Fund	250
UBS Realty Investors	Allegis Value Trus	300
Waterton Associates	Waterton Residential Fund VII	95
William E. Simon & Sons	William E. Simon & Sons Realty Partners II	400
Total		\$16,793

Source: Real Estate Alert

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Direct Deal Source: Funds

Core-Plus Funds*

Sponsor	Fund	Projected Equity Size (\$Mil.)
AEW Capital Management	AEW Direct Property Fund	\$250
Angelo, Gordon & Co.	Nutmeg Core Plus Realty Partners	85
	AG Core Plus Realty Fund	500
Bricks & Mortar Capital	Bricks & Mortar Real Estate Income Fund	25
Douglas Emmett Realty Advisors	Douglas Emmett Realty Fund	250
Forum Partners	Forum European Realty Income	300
Goldman Sachs	GS core-Plus Real Estate Income Fund 2002	191
Intercontinental Real Estate	Intercontinental Real Estate Investment Fund III	225
Layton-Belling & Associates	LBA Industrial Fund	85
Lend Lease Real Estate Investments	Arch Street Fund IV	100
Sentinel Real Estate Advisors	Sentinel Realty Partners VI	500
	Sentinel Realty Partners VII	500
SSR Realty Advisors	SSR Apartment Value Fund III	200
TimesSquare Real Estate Investors	California Industrial Alliance Separate Account	100
Velasco Group	San Jacinto Fund	100
Total		\$ 3,411

Source: Real Estate Alert

*Core is defined as Class A office space, super regional malls, new-age industrial research parks, and apartment complexes in high-income neighborhoods all quality as core real estate. Typically, core properties are newer, larger, better located, filled with higher-credit tenants, and are held free and clear or carry modest debt (under 30%).

Direct Contacts:

Real Estate Owners

- Benenson Capital (Richard Kessler/Lawrence Benenson)
- The Brodsky Organization (Daniel Brodsky)
- Fisher Brothers (Richard Fisher)
- The Lefrak Org. (Richard Lefrak)
- Glenwood Mng. (Gary Jacobs/Leonard Litwin)
- Brookfield Properties (John Zucotti/Richard Clark)
- Loeb Realty Partners (Joe Lesser)
- Louis Dreyfus (Jeffrey Sussman)
- The Macklowe Org. (Harry Macklowe)
- Millenium Partners (Phil Aarons)
- Milstein Properties (Howard Milstein)
- Newmark & Co. (Jeffrey Gural)
- The Related Companies (Steve Ross)
- Jack Resnick & Sons) (Burton Resnick)
- Rockrose Development (Henry Elghanyan)
- Rose Associates (William Sandholm)
- Rudin Management (William Rudin)
- Silverstein Properties (Larry Silverstein)
- Tishman Speyer (Steve Wechsler)
- Witkoff Group (Steve Witkoff)
- Mall Properties (Morton Olshan)
- The Durst Org. (Douglas Durst)
- Solow Org. Sheldon (Solow/Steve Cherniak)
- EJM (Edward Miskoff)
- Forrest City Ratner (Howard Klein)
- Helmsley Spear (Peter Malkin)
- Hines (Ken Hubbard)

Direct Contacts:

REIT Contacts:

- AMB Properties
 - AMLI
 - Boston Properties
 - Brookfield
 - Carr America
 - Catellus
 - CBL
 - Cousins
 - DDR
 - EOP
 - Essex
 - Federal Realty
 - Forest City
 - Home Properties
 - Kimco
 - Lexington
 - Macerich
 - Mack Cali
 - New Plan Excel
 - Parkway
- PREIT
Rouse
SL Green
Trizec
Wellsford

Law Firms:

Securitization:

- Thacher Proffitt
- Cadwalader

General Real Estate:

- Simpson Thacher Bartlett
- Fried Frank
- Gibson Dunn
- Proskauer
- Paul Weiss

Local Counsel:

- California: Pillsbury Winthrop
- DC: Piper Marbury Rudnick & Wolf
- Florida: Shutts & Bowen
- Georgia: Alston & Bird
- Illinois: Katen Muchin jZavis
- Massachusetts: Nutter, McClennan & Fish
- Michigan: Miller Canfield Paddock and Stone
- Pennsylvania: Wolf, Block, Schorr and Solis-Cohen
- Texas: Stutzman & Bromberg

Large Loans

Organization:

Identify Team Members - Originators, Underwriters, Analytical support

Marketing Plan:

Develop Marketing Plan and Calling Program

Individual Borrowers, Institutions, REIT's, Funds

Brokerage Community

Origination Process:

Develop Lending Guidelines (Property Types/Term/Amort)

General Loan Parameters (DSC/LTV/Market Information)

Pricing Procedures:

General Pricing Guidelines to be fine tuned with changes in the market

Underwriting Criteria:

Develop Loan Sizing and Underwriting Template

Credit/Investment Ctte Submissions

Closing Process

Standardized Term Sheet/Commitment Letter

Standardized Loan Documents

Due Diligence Contracts (Third Parties)

Legal/Environmental/Appraisal/Title Insurance

Closing/Funding

Standardized Closing Checklists\

Funding Procedures

Servicing

Identify/Negotiate Servicing Contracts