

PARKMADISON PARTNERS

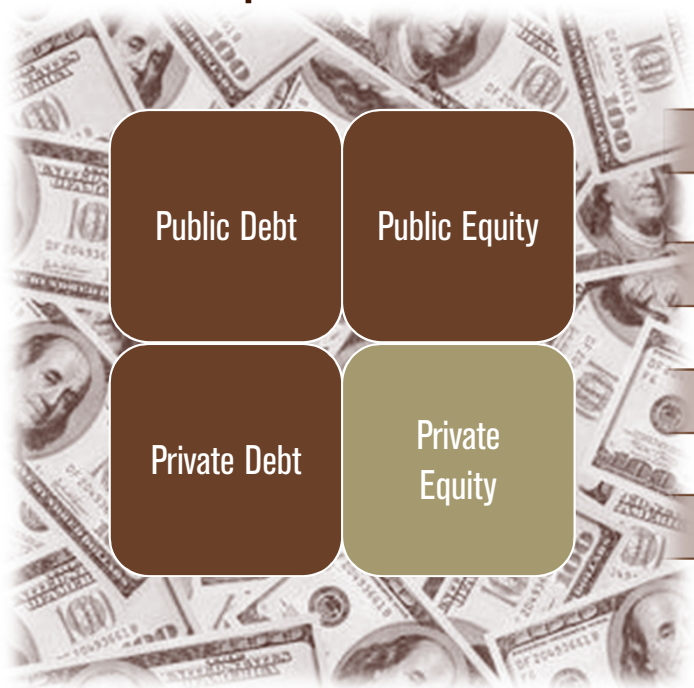
5th Annual Booth Real Estate Conference

The Next Decade in Real Estate

Industry Framework

2

Capital Markets



Public Debt

Public Equity

Private Debt

Private
Equity

Investment Managers

Brokers

Investment Bankers

Placement Agents

Property Markets



The Last 25 Years in Real Estate

3

GROWTH OF REAL ESTATE EQUITY

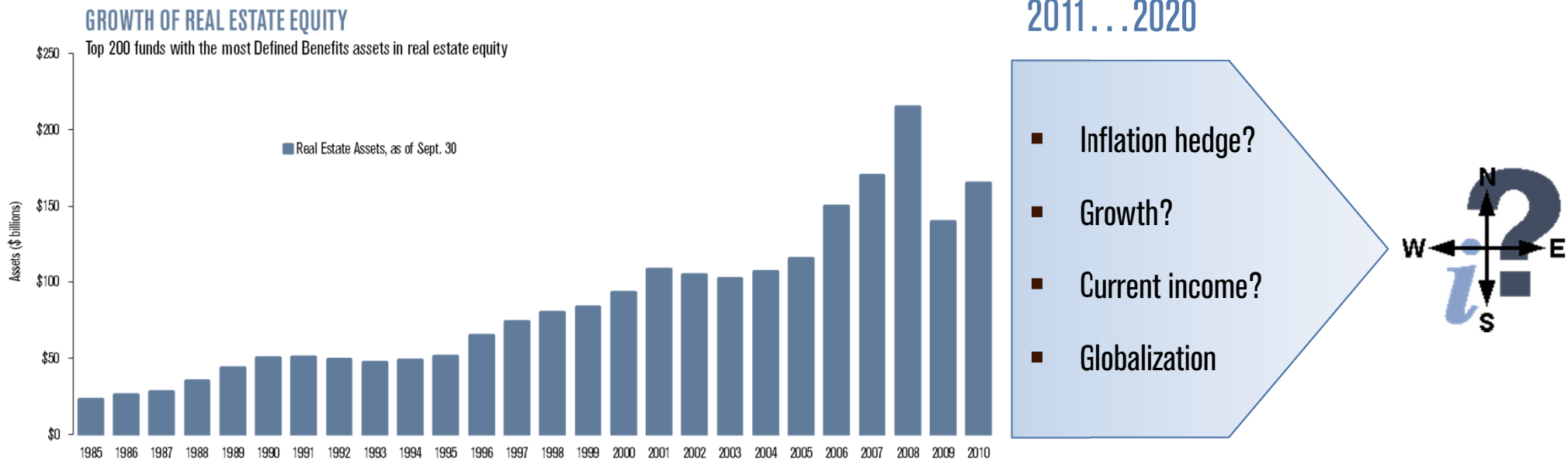
Top 200 funds with the most Defined Benefits assets in real estate equity



Source: Pensions & Investments, February 7, 2011.

The Next Decade in Real Estate

4

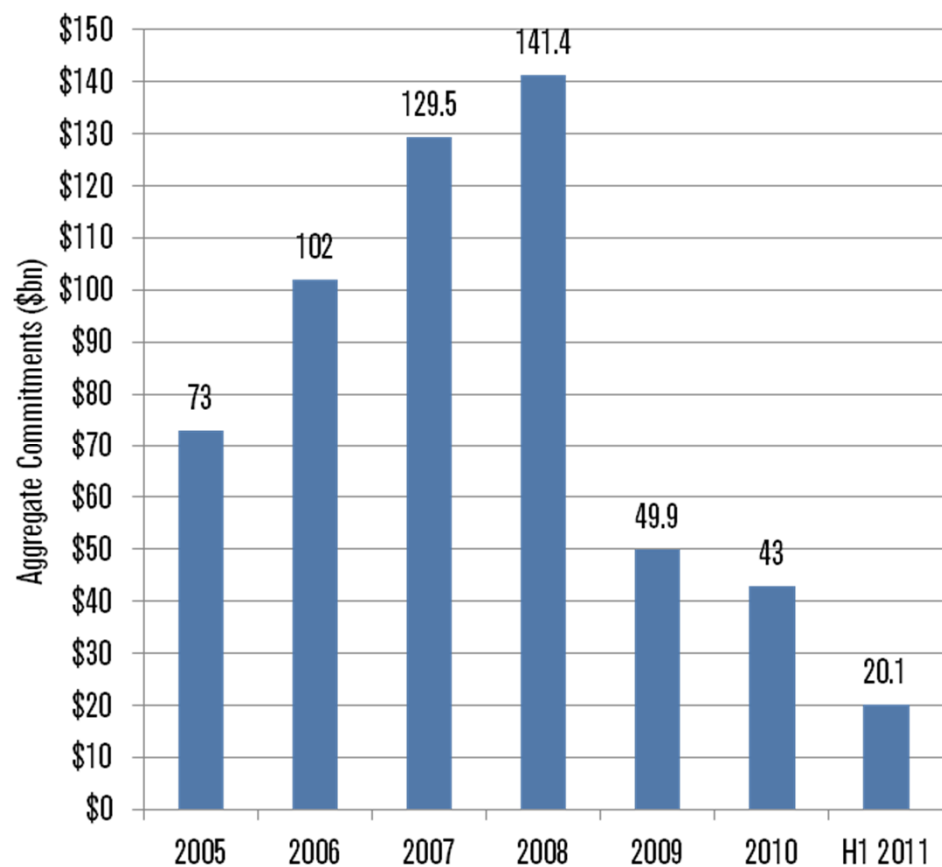


Source: Pensions & Investments, February 7, 2011.

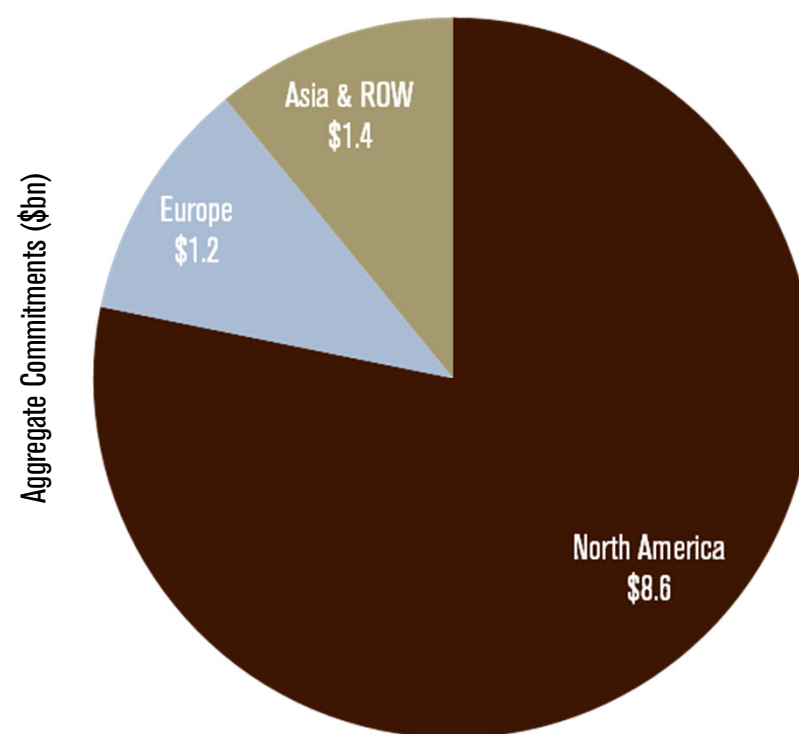
Fast Forward to 2011

5

GLOBAL PRIVATE EQUITY REAL ESTATE FUNDRAISING, 2005 - 2010

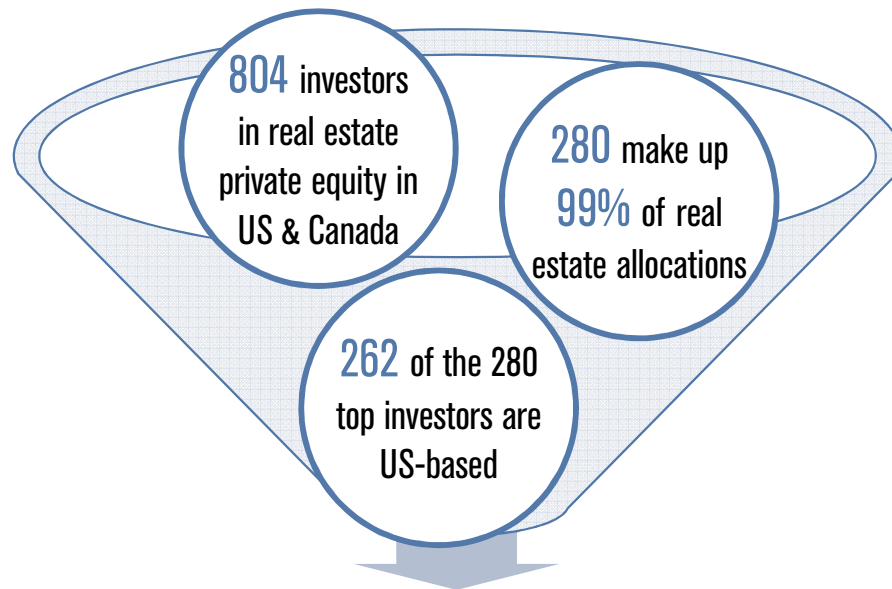


Q2 2011 FUNDRAISING BY FUND REGIONAL FOCUS

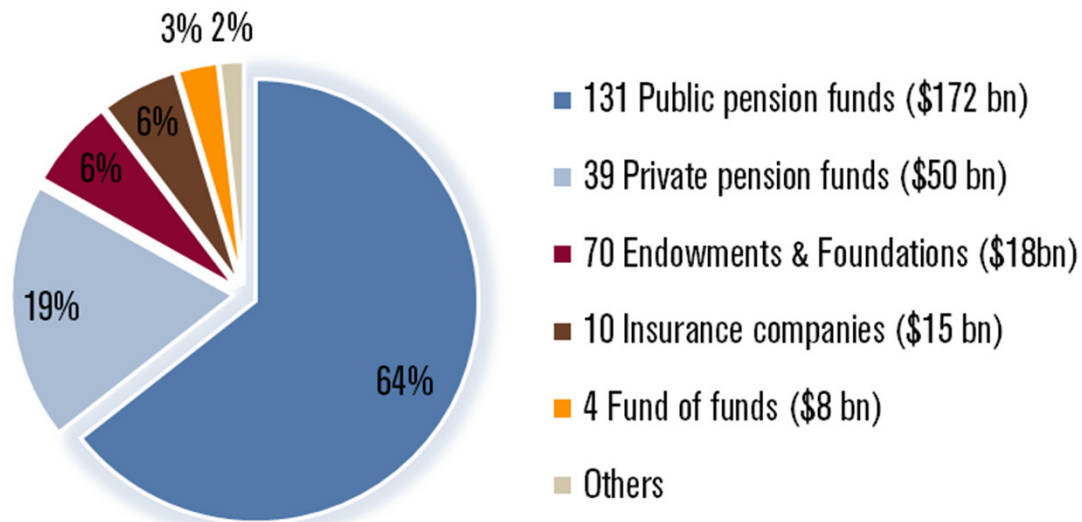


The Institutional Investor Community

6



Breakdown of 262 largest real estate allocations in US



Source: Preqin

Investment Trends

7

- 
- Mature portfolios
 - Selective about new relationships
 - Reallocation from total returns to current returns
 - Appeal of open-end funds
 - Focus on control and governance
 - Resurgence of separate accounts
 - Smaller investors' increasing reliance on investment consultants
 - Growing DC plans in search of liquidity (REITs)
 - SWFs' preference for direct and joint-venture structures

Investment Themes

- In the U.S, waiting for distress opportunities
- In the emerging markets, growth of the middle class as a demand driver for retail as well as residential assets
- Focus on macro-economic fundamentals in underwriting: Concern about currency risk, country risk, political risk, banking stability and transparency

PARKMADISONPARTNERSPARKMA

ADISONPARTNERSPARKMADISONPARTNERSPA

ADISONPARTNERSPARKMADISONPARTNERS

ADISONPARTNERSPARKMADISONPARTNERS

ADISONPARTNERSPARKMADISONPARTNERS

PARKMADISONPARTNERSPARKMA