

The Westin Copley Place Boston

P R E A

14th Annual
Plan Sponsor
Real Estate
Conference

Co-chairs

David Boyle
ABP Investments US, Inc.

Alice Connell
TIAA-CREF

Cesar Porte
Oregon State Treasury

DDREA
pension real estate association
TIAA

Marginal Pricing:
Who is Driving It?

Marginal Value:
Where is it?

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Sunday, September 28, 2003

2:00 p.m.–5:00 p.m.

Registration *America Ballroom Foyer, 4th Floor*

6:00 p.m.–7:30 p.m.

Cocktail Reception at The Museum of Fine Arts

Founded in 1870, The Museum of Fine Arts, Boston welcomes more than one million people each year. Join us for our opening reception and explore priceless works of art in a wonderfully unique setting. Visit the William I. Koch Gallery which displays European paintings from the International High Renaissance and Baroque Periods. In the lofty travertine hall, one hundred feet in length, approximately fifty paintings including masterpieces by Rosso, Tintoretto, El Greco, Velazquez, Poussin, Claude Larrain, Rubens, and van Dyke are on display. Admire The Ruth and Carl J. Shapiro Rotunda and Colonnade, which is the hub of the Museum. In 1916, the MFA's trustees invited John Singer Sargent to decorate the rotunda. Sargent not only provided a series of paintings and sculptures, but also reconfigured the space, uniting architecture, painting and sculpture into a harmony suggestive of the Museum's collections themselves.

Monday, September 29, 2003

7:30 a.m.

Registration and Continental Breakfast *America North/Center Ballroom, 4th Floor*

7:30 a.m.–8:30 a.m.

PREA Committee Meetings

Open to all attendees

Conference Committee: North Star, 7th Floor

Reporting & Valuation: Adams, 7th Floor

Govt Affairs Committee: Courier, 7th Floor

Publications Committee: Daniel/Webster, 7th Floor

Institute Committee: Defender, 7th Floor

Research Committee: Great Republic, 7th Floor

Membership Committee: Parliament, 7th Floor

8:45 a.m.–9:00 a.m.

Welcoming Remarks *America Ballroom, 4th Floor*

John Koza, PREA Chairman

David Boyle, co-chair

Alice Connell, co-chair

Cesar Porte, co-chair

9:00 a.m.–10:00 a.m.

Opening Keynote Speaker

Jim Collins, *Good to Great*



Jim Collins is a student and teacher of enduring great companies - how they grow, how they attain superior performance, and how good companies can become great companies. Having invested over a decade of research into the topic, Jim has co-authored four books, including the classic *Built to Last*, a fixture on the *Business Week* Best Seller List for more than five years. His work has been featured in *Fortune*, *The Economist*, *USA Today*, *Industry Week, Inc.*, and *Harvard Business Review*. Jim's newest book, *GOOD TO GREAT: Why Some Companies Make the Leap . . . And Others Don't*, is based on a five-year research project that answers the question, "Can a good company become a great company and, if so, how?" Mr. Collins will share what he and his team learned about the characteristics of great companies: their leadership, staffing, processes, choices and cultures. His ideas will benefit anyone charged with forming a joint venture with an operating company, investing in a REIT, acquiring an investment management company or bringing meaningful change to an organization in need of improved performance.

10:00 a.m.–10:45 a.m.

General Session America North/Center Ballroom, 4th Floor

Overview of Marginal Pricing and Value Trends

This panel of research luminaries will explore the overall theme of the conference and opine on some of the key issues to be delved into by the individual sessions. To the point and thought provoking, this discussion will set the framework and tone for the balance of the conference.

Participants: Doug Casey, ING Clarion

Jacques Gordon, LaSalle Investment Management, Inc.

Susan Hudson Wilson, Property & Portfolio Research

Ken Rosen, Rosen Consulting Group

10:45 a.m.–12:00 p.m.

General Session America North/Center Ballroom, 4th Floor

Private and Public Capital in the Office Market: Delivering value for the average investor?

This panel of experts will look at capital markets flows and asset pricing in the office market for private and public capital and how it all ultimately affects the institutional real estate investor. Are individual retail investors' capital flows putting the institutional investor at an advantage or disadvantage today and into the future? What forces will change the direction of today's capital flows and how abrupt will the impact be?

Moderator: Richard Saltzman, Colony Capital

Panelists: Alan Leventhal, Beacon Capital Partners

Leo Wells, Wells Real Estate Funds

Sam Zell, Equity Investment Group LLC



12:00 p.m.–1:30 p.m.

Luncheon America South Ballroom, 4th Floor

Speaker: Fareed Zakaria

Widely respected for his ability to spot economic and political trends around the world, Fareed Zakaria has developed an international reputation as a global thinker. Describing him as “the most influential foreign policy adviser of his generation,” Esquire named him “one of the 21 most important people of the 21st Century.” Dr. Zakaria is editor of Newsweek International, and also writes a column that appears in Newsweek (USA), Newsweek International, and, often, The Washington Post. Zakaria also writes frequently for such publications as The New York Times, The New Yorker and The Wall Street Journal. Zakaria offers political analysis on ABC’s This Week with George Stephanopoulos, where he serves as a regular member of the roundtable. He has appeared on such programs as Charlie Rose, Firing Line, The NewsHour with Jim Lehrer, The McLaughlin Group, the BBC World News and Meet the Press. His latest book, The Future of Freedom, a New York Times bestseller, sheds light on the complex interaction between economics and politics, on America’s role in the world, and on the way in which democracy is changing every aspect of our lives — from economics and technology to politics and culture.

1:30 p.m.–2:45 p.m.

Concurrent Breakout Sessions

Who Is Driving Pricing In Consumer-Oriented Real Estate?

The almighty American consumer continues to breathe signs of life into a struggling domestic economy. Investors, following this trend, are pouring billions of dollars into these real estate sectors – retail, apartments and hotels. Each panel will explore the reasons why and focus on the salient issues facing each sector, including: Where is value? Are these trends sustainable? What are the exit strategies for today's investors?

Retail *America North/Center Ballroom, 4th Floor*

Moderator: Ken Bernstein, *Acadia Realty Trust*

Panelists: Anthony Colavolpe, *Stop and Shop*
Dan Hurwitz, *Developers Diversified Realty Corp.*
Bob Michaels, *General Growth Properties, Inc.*
Marjorie Tsang, *New York State Common Retirement Fund*

Apartments *Essex Center, 3rd Floor*

Moderator: David Shulman, *Lehman Brothers*

Panelists: Bryce Blair, *Avalon Bay Communities, Inc.*
Gerald Brand, *Fairfield Residential LLC*
Marc Halle, *Prudential Real Estate Investors*
Jim Klingbeil, *Klingbeil Capital Management, Ltd.*
Ron Terwilliger, *Trammell Crow Residential*

Hotels *Essex South, 3rd Floor*

Moderator: Jacques Brand, *DB Securities*

Panelists: Tom Hutchison, *CNL Hospitality Corp.*
John Kukral, *The Blackstone Group*
Chris Nassetta, *Host Marriott*
Mike Shannon, *KSL Resorts*
Barry Sternlicht, *Starwood Hotels and Resorts*
Simon Turner, *Hotel Capital Advisers*

2:45 p.m.–3:15 p.m.

Break

3:15 p.m.–4:30 p.m.

General Session America North/Center Ballroom, 4th Floor

Investing in the Real Estate Investment Management Business:

What is the Value Proposition?

Why are institutional investors investing in investment management firms? Hear from both sides of the table, the plan sponsors and the managers they've invested in. Has this arrangement changed the way a manager creates value?

Moderator: Matthew Lustig, Lazard Frères & Co., LLC

Panelists: Russ Appel, The Praedium Group LLC

Andre Collin, Cadim, Inc.

Tom Garbutt, TIAA-CREF

Ted Leary, Lowe Enterprises Investment Management, Inc.



6:30 p.m.–9:30 p.m.

Reception & Dinner America Ballroom, 4th Floor

Graaskamp Award Presentation

Evening Speaker: Michael Lewis, *Moneyball*

Renowned journalist and author Michael Lewis is one of the nation's shrewdest observers of politics, finance and the American scene. Now turning to the world of professional sports, his new book, *Moneyball: The Art of Winning an Unfair Game*, describes how smart management and an innovative approach allowed a small-budget baseball team – the Oakland Athletics – to remain competitive in the era of big money sports. Lewis reveals the revolutionary principles used by the team to win, taking us from the dugouts and locker rooms to owners' boardrooms, where rich teams often make extraordinarily foolish decisions. Exhibiting the signature sense of humor and insight that have made him one of today's leading social commentators, Lewis draws on *Moneyball* to outline the successful strategies employed by the Oakland A's and highlight the lessons to be learned from this by corporate America.

Tuesday, September 30, 2003

7:00 a.m.–8:45 a.m.

Closed Breakfast Session for Plan Sponsor Attendees Essex South, 3rd Floor

Peter Katseff, *Tennessee Consolidated Retirement System, (Plan Sponsor Executive Committee Chairman)*
Gloria Gil, *Los Angeles County Employee Retirement Association*
Joseph Stecher, *General Motors Asset Management*

8:00 a.m.–9:00 a.m.

Breakfast *America Ballroom Foyer, 4th Floor*

9:00 a.m.–10:15 a.m.

General Session *America North/Center, 4th Floor*

Where's the Distress? Are Recovery Plays Realistic?

*Where are the distress opportunities both domestically and internationally?
How are these assets priced at the margins and what risks are actually being priced?
Where are investors finding value in a skeptical market but most importantly,
why are they making their decisions?*

Moderator: Joseph Stecher, *General Motors Asset Management*

Panelists: Loh Chin Hua, *Alpha Partners*
Jeff Citrin, *Blackacre Capital Management*
Wes Edens, *Fortress Investment Group*
Jay Mantz, *Morgan Stanley*
Mark Walsh, *Lehman Brothers*

10:15 a.m.–10:45 a.m.

Break

10:45 a.m.–12:00 noon

General Session *America North/Center Ballroom, 4th Floor*

The Search for Yield: Can value be had senior in the capital structure?

What is the risk/return proposition of investment in mezzanine investments, high yield CMBS and preferred equity securities issued by REITs or other real estate operating companies? Increasingly investors are seeking higher yields in these investment products. How are they priced and what risks are being assumed?

Moderator: Frank Blaschka, *The Townsend Group*

Panelists: Hugh Frater, *BlackRock, Inc.*
John Klopp, *Capital Trust*
Robert Steers, *Cohen & Steers Capital Management, Inc.*
Paul Turovsky, *DB Real Estate*
Kurt Wright, *GMAC Institutional Advisors, Inc.*

12:00 noon–2:00 p.m.

Luncheon *America South Ballroom, 4th Floor*

Conference Concluded
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