

2008 PREA Institute

June 12-13, 2008



Now It's The
Wait for Capital

Instead of The
Weight of Capital

The Paul Milstein Center for Real Estate at Columbia Business School, Columbia University, New York, NY

URIS Hall

Room 142, 1st Floor
117th and Broadway

PREA
pension real estate association

Thursday, June 12, 2008

8:00 AM

Shuttle departs from Sheraton New York Hotel & Towers at the 53rd Street side entrance

8:30 AM – 9:00 AM

Continental Breakfast URIS Hall, Calder Lounge, 1st Floor

9:00 AM – 9:15 AM

Welcome Remarks URIS Hall, Room 142, 1st Floor

Jeffrey Barclay, PREA Institute Chairman and Managing Director, ING Clarion Partners

9:15 AM – 10:15 AM

Credit Markets and the Global Outlook Room 142

Charles Himmelberg, US Credit Strategist, Goldman Sachs and Adjunct Professor, Columbia Business School Charles

Himmelberg will analyze the credit markets from the strategic practitioner's perspective, highlighting the opportunities presented by recent dislocation and recalibration of risk by investors.

10:15 AM – 10:30 AM

Refreshment Break

10:30 AM – 12:00 PM

Credit Markets and Real Estate Financing Room 142

Christopher Mayer, Paul Milstein Professor of Real Estate and Director of The Paul Milstein Center for Real Estate Professor Mayer will share his insights into the capital markets based on his experience during the past year as a Visiting Scholar at the Federal Reserve. He will consider the links between the current dislocation in the capital markets and financing for real estate.

12:00 NOON – 1:30 PM

Luncheon Talk with William Duggan Calder Lounge, 1st Floor

Strategic Intuition: The Key to Innovation Everyone knows a business leader needs creative thinking, entrepreneurial thinking, innovative thinking or strategic thinking to succeed. All of these kinds of thinking happen though strategic intuition. Based on his ground-breaking research and teaching, Professor William Duggan will teach participants how to capture the benefits of strategic intuition and apply it to real-world business situations.

Faculty/Speakers



Jeffrey
Barclay



William
Duggan



Michael
Giliberto



Charles
Himmelberg



Charles
Jones



Robert C.
Lieber



Christopher
Mayer



Lynn
Sagalyn

1:30 PM – 2:30 PM

Robert C. Lieber *Room 142*

Mr. Lieber will address the challenges and opportunities of pursuing large-scale development in New York City . Drawing on his experience on Wall Street as well as his work in the Bloomberg administration, he will offer a vision of bringing capital and expertise together to keep New York City a global leader and a first choice location for business, shopping and tourism.

2:30 PM – 3:30 PM

Real Estate Development: John D. Caemmerer West Side Yard Project *Room 142*

Lynne Sagalyn, Professor of Finance and Economics and Earle W. Kazis and Benjamin Schore Director of the MBA Real Estate Program, Columbia Business School

In light of current economic conditions and her own research, Professor Sagalyn will address real estate development prospects both broadly and with respect to the New York market in particular. Then, focusing even further within New York, Professor Sagalyn will present the case study of a Manhattan development venture: the Far West Midtown and Hudson Yards Projects, including their history and the opportunities and challenges faced by those who have worked to bring the plan to fruition.

3:30 PM

Shuttle back to Sheraton New York Hotel & Towers for 30 minutes of free time

4:30 PM

Shuttle departs from Sheraton New York Hotel & Towers at the 53rd Street side entrance for drop-off at West Side Yard



Tour of John D. Caemmerer West Side Yard

Attendees will have an opportunity to explore the subject of Professor Sagalyn's case study, a 26-acre rail storage facility slated for mixed-use development, up close and in person.

6:00 PM – 9:15 PM



Cocktail Reception and Dinner Cruise around Manhattan

Friday, June 13, 2008

7:30 AM

Shuttle departs from Sheraton New York Hotel & Towers at the 53rd Street side entrance

8:00 AM – 8:30 AM

Continental Breakfast *URIS Hall, Calder Lounge, 1st Floor*

8:30 AM – 9:30 AM

Are Short Sellers Evil? *Room 142*

Charles M. Jones, Professor, Finance and Economics, Graduate School of Business, Columbia University

Short sellers always get blamed when stock markets fall. Do they deserve any of the invective this time around? Professor Charles M. Jones of Columbia Business School will talk about shorting past and present. He'll discuss recent regulatory changes that have profoundly changed shorting behavior, and he'll provide some surprising facts about just how widespread shorting has become.

9:30 AM – 10:45 AM

The Future of Real Estate Values *Room 142*

Christopher Mayer, Paul Milstein Professor of Real Estate and Director of The Paul Milstein Center for Real Estate Professor

Mayer will re-examine real estate fundamentals to consider the future of values in a world where credit is much harder to come by. He will consider both public and private market valuations.

10:45 AM – 11:00 AM

Refreshment Break

11:00 AM – 12:15 PM

Industry Roundtable *Room 142*

Jeffrey Barclay, Managing Director, ING Clarion Partners and Adjunct Professor at Columbia University

Michael Giliberto, Managing Director, JP Morgan Asset Management and Adjunct Professor at Columbia University

Geoffrey Jervis, Chief Financial Officer, Capital Trust

This panel of leading practitioners and adjunct professors at Columbia will lead a discussion within the group to consider the present condition of the capital markets and how to pursue a successful investment program in real estate.

PROGRAM CONCLUDES

Faculty/Speaker Biographies

Jeffrey A. Barclay

Jeffrey A. Barclay is Managing Director and head of acquisitions at ING Clarion Partners, a real estate investment management firm with \$25 billion in assets invested through both funds and institutional separate accounts. ING Clarion Partners is part of ING Real Estate, one of the world's largest real estate investment managers.

Mr. Barclay directs the firm's private investment activity throughout the United States and Mexico, including investments in office, retail, apartment, industrial and storage properties. This activity includes operating properties as well as ground-up developments and re-development. Mr. Barclay serves on the firm's Executive, Operating and Investment Committees.

Prior to joining ING Clarion, Mr. Barclay was a partner at Hamilton Securities, a Washington, DC-based investment bank. From 1989 to 1992 he was responsible for investment sales at Jones Lang LaSalle. He began his real estate investment career in 1983 at the Lawrence Ruben Company, a private development and investment company. Mr. Barclay also worked in the real estate department of Chemical Bank and in the Equity Research group at CS First Boston.

Mr. Barclay currently serves as Adjunct Professor at Columbia University's Graduate School of Business, where he earned his MBA in Finance and Accounting. He served as adjunct professor at New York University's Stern School of Business from 1996 through 2001.

Mr. Barclay is chairman of the Institute Committee of the Pension Real Estate Association (PREA). He is a member of the board of directors of the National Association of Real Estate Investment Managers (NAREIM) and vice chairman of the Industrial and Office Product Council of the Urban Land Institute (ULI). He resides in Chappaqua, New York, with his wife, Toby, and their two daughters.

William Duggan

William Duggan is the author of three recent books on strategic intuition as the key to innovation: *Napoleon's Glance: The Secret of Strategy* (2002); *The Art of What Works: How Success Really Happens* (2003); and *Strategic Intuition: The Creative Spark in Human Achievement* (2007). In 2007 the journal *Business + Strategy* named *Strategic Intuition* "Best Strategy Book of the Year." Professor Duggan is the author of three previous books as well, and has twenty years of experience as a strategy advisor and consultant. He has BA, MA and PhD degrees from Columbia University.

Professor Duggan teaches strategic intuition in three venues at Columbia Business School: MBA and Executive MBA courses, and Executive Education sessions. He sometimes teaches the core MBA course in Strategy Formulation as well.

Michael Gilberto

Michael Gilberto, Managing Director, is Director of Portfolio Strategy within the Real Estate and Infrastructure Investment Group at JPMorgan Asset Management, the global investment management business of JPMorgan Chase. An employee since 1996, Mr. Gilberto is senior portfolio manager for real estate multi-strategy products and oversees portfolio management and research teams.

Mr. Gilberto has authored many publications about real estate investment performance, asset allocation, and capital markets. He is a frequent speaker at industry events and is active in numerous professional organizations. He is on the Real Estate Information Standards Board, which oversees the creation and implementation of reporting and performance measurement standards for real estate investment managers. He was a Director of the Pension Real Estate Association (PREA) for six years and served as Treasurer and Chairman of that organization. Working with John B. Levy, Mr. Gilberto created the Gilberto-Levy Commercial Mortgage Performance Index. He received the 1996 Graaskamp Award for research excellence from PREA, is a past President of the Real Estate Research Institute and a Fellow of the Homer Hoyt Advanced Studies Institute. In addition, he serves on the editorial boards of several scholarly and professional journals. Recently, Mr. Gilberto helped launch RED-SIG, the U.S. real estate derivatives special interest group.

Before joining J.P. Morgan in 1996, Mr. Gilberto was Director of Real Estate Research at Lehman Brothers, a position he had previously held at Salomon Brothers. Prior to coming to Wall Street, he was a professor in the Real Estate and Urban Land Economics Department

at Southern Methodist University in Dallas. Before commencing Ph.D. studies, he was Manager of Investment Research at Aetna's Real Estate Investment Department.

Mr. Giliberto was awarded a Ph.D. in finance from the University of Washington, holds an M.A. in Business Economics from the University of Hartford and earned his undergraduate degree at Harvard University. He holds the Counselor of Real Estate designation and is a Fellow of the Royal Institution of Chartered Surveyors.

Charlie Himmelberg

Charlie Himmelberg is the US Credit Strategist for Goldman Sachs in New York. Before joining Goldman Sachs he was a Senior Economist at the Federal Reserve Bank of New York (2001-2005), Associate Professor of Finance and Economics at Columbia University (1995-2003), and Assistant Professor of Economics at New York University (1990-1995). He has published widely on topics in macroeconomics and financial markets, and in addition to his primary academic and government appointments, he has also taught at the Graduate School of Business of the University of Chicago (1992-1993), been awarded research support from the National Science Foundation, and served as consultant to the Federal Reserve Banks of Chicago and New York and the World Bank. He received his BS in math and economics from the University of Kansas in 1985 and his PhD in Economics from Northwestern University in 1990.

Geoffrey G. Jervis

Geoffrey G. Jervis is the chief financial officer of Capital Trust, Inc. (NYSE: CT), a finance and investment management company organized as a REIT that specializes in the U.S. commercial real estate subordinate debt markets. Mr. Jervis has been employed by the Company since 1998 and, prior to being appointed CFO in 2005, served as the Company's Director of Capital Markets. Before joining Capital Trust, Mr. Jervis was the Chief of Staff to the New York City Economic Development Corporation under the Giuliani Administration. Mr. Jervis has a B.A. from Vanderbilt University and an M.B.A. from Columbia Business School.

Charles M. Jones

Charles M. Jones is Professor of Finance and Economics at Columbia University's Graduate School of Business, where he has been on the faculty since 1997. He studies the structure of securities markets, liquidity, and trading costs. Professor Jones is noted for his research on short sales and for recent work on why liquidity varies over time, and he is particularly known for his use of innovative, often historical data. His published articles appear in outlets ranging from the *Journal of Financial Economics* to *Barron's*.

Jones has served as the visiting economist at the New York Stock Exchange, and for several years he has been a visiting scholar at the Federal Reserve Bank of New York. Jones has also been on the faculty at Princeton University, and prior to doing graduate work at the University of Michigan, where he received his Ph.D. in finance in 1994, he was an investment banking analyst at Merrill Lynch.

At Columbia, Jones regularly teaches "Debt Markets," a popular elective course targeted to MBA students intending to work in fixed income, debt capital markets, or investment banking, and he recently received the Singhvi Prize for scholarship in the classroom.

Robert C. Lieber

Robert C. Lieber is New York City's Deputy Mayor for Economic Development. Prior to his appointment, Lieber was the NYC Economic Development Corporation President, where he helped shepherd the Jamaica, Queens rezoning to completion, drawing on the work of more than a dozen City agencies in one of the largest rezonings that New York City has ever done. He helped develop the comprehensive rezoning plan for Coney Island and helped steer the City's efforts to create a new mixed-use neighborhood in Willets Point. As Deputy Mayor, Lieber will continue his work on the development of Moynihan Station, the river-to-river rezoning of 125th Street in Harlem, the transformation of the Kingsbridge Armory, and the development of the site of the former US Na-

val Homeport in Staten Island for which the Economic Development Corporation released three Requests For Proposal in October.

Lieber previously served as Managing Director for the Private Equity division of Lehman Brothers, Inc., where he was responsible for originations for a \$2.8 billion real estate merchant banking fund. Prior to that, he was Group Head of Global Real Estate Investment Banking at Lehman. In 1999, and again in 2003, Lieber was recognized by *Institutional Investor Magazine* for “Deal of The Year,” and he was named “Financier of the Year” in 2005 by Commercial Property News. Lieber holds a BA from the University of Colorado and a Masters of Business Administration from The Wharton School at the University of Pennsylvania. He is Vice Chairman of the Zell-Lurie Real Estate Center at the Wharton School, and Trustee of the Urban Land Institute. Lieber also acted as an Adjunct Professor at Columbia Business School teaching Real Estate Capital Markets.

Chris Mayer

Professor Mayer is the Paul Milstein Professor and Director of the Paul Milstein Center for Real Estate at Columbia Business School. In addition, he is a Research Associate at the National Bureau of Economic Research, on the Board of Editors of *Real Estate Economics* and the *Journal of Urban Economics* and a Fellow of the Homer Hoyt Institute. Dr. Mayer also works as part-time research director and member of the Board of Directors of Oak Hill REIT Management, a REIT hedge fund. Dr. Mayer previously held positions at The Wharton School, the University of Michigan, and the Federal Reserve Bank of Boston. He holds a BA in Math and Economics from the University of Rochester and a PhD in Economics from MIT.

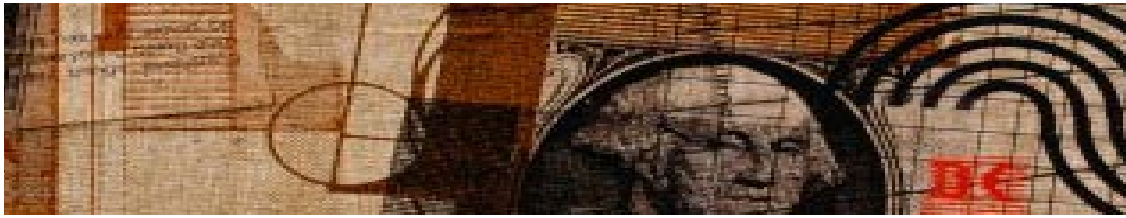
Professor Mayer’s research explores a variety of topics in real estate, including real estate cycles, capital markets, housing, public and private real estate values, and debt securitization. He has also written on the market for reverse mortgages, the link between local government activities and housing values, and the economics of airline congestion. His research has been funded by the National Science Foundation, the Government of Canada, and the Real Estate Research Institute, among others. He has authored more than thirty scholarly articles on these subjects and is frequently quoted in the national media, including the *Wall Street Journal*, *New York Times*, CNN, CBS TV, CBS’s Sunday Morning, ABC (Nightly News, 20/20, Nightline) and National Public Radio. Professor Mayer frequently comments on real estate for CNBC and Bloomberg Television.

Lynne Sagalyn

Professor Sagalyn is a specialist in real estate finance and urban development. She teaches the elective Real Estate Transactions and the Advanced Seminar in Real Estate. Sagalyn is widely known as an expert in real estate equity securities and public development finance. Her research and writings on real estate investment, securitization, urban development and public policy have been published in both academic and professional journals. Her most recently completed book is *Times Square Roulette: Remaking the City Icon*, an analysis of the politics, policy and economics of one of the city’s largest and longest redevelopment initiatives. She is also author of *Cases in Real Estate Finance and Investment Strategy* and is coauthor of *Downtown, Inc.: How America Rebuilds Cities*. Sagalyn serves on a number of boards, including UDR (NYSE:UDR), Capital Trust (NYSE:CT), and a family real estate concern and has consulted for many public agencies and private firms.

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