

PREA's 16th Annual Plan Sponsor Real Estate Conference

October 24–26, 2006, The Mandarin Oriental, Washington, D.C.

Co-Chairs

Program-At-A-Glance



Jon M. Braeutigam

Administrator
Mortgage and
Real Estate Division
Bureau of Investments
State of Michigan



David Ferrero

Director of
Real Estate Investment
Harvard Management
Company, Inc.



Philip A. Riordan

Senior Managing
Director, Real Estate
GE Asset
Management

To make your travel arrangements accordingly, the following is a time line of the events.

Tuesday, October 24, 2006

12:00 noon – 4:00 p.m. *Plan Sponsor Only Program*

4:00 p.m. – 5:00 p.m. Conference Registration

6:30 p.m. – 8:00 p.m. Opening Cocktail Reception at the Library of Congress (shuttle service provided from the lobbies of the Mandarin Oriental, Ritz Carlton Pentagon City, M Street Hotel, and Ritz Carlton Washington D.C., beginning at 5:45 p.m.)

Wednesday, October 25, 2006

8:00 a.m. Registration and Continental Breakfast

9:00 a.m. – 5:30 p.m. Conference program

5:30 p.m. – 6:30 p.m. Committee meetings

6:30 p.m. – 7:30 p.m. Cocktail reception

7:45 p.m. – 8:30 p.m. Roundtable discussion with Alan Greenspan

8:30 p.m. – 9:45 p.m. Dinner

9:45 p.m. – 10:45 p.m. Dessert Reception

Thursday, October 26, 2006

8:00 a.m. *Plan Sponsor Only Breakfast*

9:30 a.m. – 12:00 noon Conference Program

12:00 noon – 2:00 p.m. Closing luncheon with Jeff Greenfield

Attire Business Casual

Sustaining Members

AEW Capital Management, L.P.

AMB Property Corporation

American Realty Advisors

Beacon Capital Partners LLC

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CB Richard Ellis Investors

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Real Estate Counsel, Inc.

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Management Incorporated

Sentinel Real Estate Corp.

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Starwood Capital Group Global, LLC

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The Taubman Company

TGM Associates L.P.

UBS Realty Investors LLC

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Agenda 2006

Earlier this year, at PREA's Spring Conference, attendees had the opportunity to learn more about emerging markets, managers and products. The emphasis was on geographies, people and investment tools that were new and unfamiliar to many in the industry. This fall, we will return to more familiar territory as we "get back to the basics" and look more closely at real estate investment in U.S. properties. A number of interesting developments, including rising interest rates, REIT privatizations and increasing operating and replacement costs, are influencing the way institutional investors approach U.S. real estate investment. During the Plan Sponsor Real Estate Conference in October, panelists and presenters will help attendees both to understand these developments and to more accurately forecast the future of U.S. real estate investment.

Conference Committee

David Boyle, Co-Chairman,
Brookfield Asset Management

Greg Moran, Co-Chairman,
Dividend Capital Group

Gena Cheng, ABP Investments, US

Robert Davis, Triton Pacific Capital

Henry Delicata, Vanderbilt University

Garret House, Macquarie Capital
Partners LLC

Howard Margolis, GIC Real Estate, Inc.

Marjorie Tsang, New York State
Common Retirement

TUESDAY, OCTOBER 24, 2006

12:00 noon – 4:00 p.m. Plan Sponsor Program - Open to Plan Sponsors Only

4:00 p.m. – 5:00 p.m. Conference Registration

6:30 p.m. – 8:00 p.m. Opening cocktail reception at the Library of Congress in the Great Hall,
Thomas Jefferson building
(Shuttle service provided from the lobbies of the Mandarin Oriental, Ritz Carlton
Pentagon City and M Street Hotel, beginning at 5:45 p.m.)

7:30 a.m. PREA Conference Registration opens, Grand Ballroom Foyer

8:00 a.m. – 9:15 a.m. Continental Breakfast, Oriental Ballroom

9:15 a.m. – 10:30 a.m. General Session: The “Other” Asset Classes, Grand Ballroom

The conference will begin with a broad perspective as panelists in the first general session discuss the market conditions and return expectations for asset classes including fixed income, equities, private equity and hedge funds. Starting from this wide point of view will be helpful to those curious not only about real estate's future prospects, but about how real estate will fare relative to other asset classes with which it will compete for capital in many portfolios. This session will be moderated by Emmy nominee Ron Insana, Senior Analyst for financial news network CNBC.

Moderator: Ron Insana, CNBC Senior Analyst and Financial Expert
Panelists: Robert D. Hormats, Vice Chairman, Goldman Sachs (International)
Robert Kessler, CEO, The Kessler Companies, Inc.
Henry McVey, Managing Director and Chief US Strategist, Morgan Stanley
David Roberts, Senior Managing Director, Angelo, Gordon & Co.



Ron Insana



Robert Kessler



Robert Hormats



Henry McVey



David Roberts

10:30 a.m. – 10:45 a.m. Refreshment Break

10:45 a.m. – 12:00 noon General Session: Real Estate Market, Grand Ballroom

In the second general session, the focus will shift from the broader investment climate to domestic real estate in particular. Panelists will review real estate fundamentals and analyze developments in various U.S. markets. This session is designed to dovetail nicely with the five articles on the retail, multifamily, industrial, office and lodging property markets that appear in the summer issue of the *PREA Quarterly* magazine.

Moderator: Douglas Poutasse, Chief Investment Strategist, AEW Capital Mgmt., L.P.
Panelists: Timothy Gonzalez, Managing Director, Acquisitions, RREEF
Peter Schaff, Regional CEO, North America, LaSalle Investment Management
Maury Tognarelli, President & CEO, Heitman
Charles Wurtz bach, Managing Director, North America and Property CEO, Henderson Global Investors



Douglas Poutasse



Timothy Gonzalez



Peter Schaff



Maury Tognarelli



Charles Wurtz bach

12:00 noon – 1:15 p.m. Luncheon, Oriental Ballroom

1:30 p.m. – 2:45 p.m. General Session: Capital Flows, Grand Ballroom

The third general session will be devoted to analyzing trends in capital flows in U.S. real estate. Topics that will be covered include the recent volume of REIT privatization and M&A activity, the trend toward larger funds, and the changing composition of buyers. Recent cap rate and transaction volume trends will also be discussed. Panelists will comment on why these trends are so prevalent and on what they mean for institutional investors.

Moderator: Richard Saltzman, President, Colony Capital, LLC
Panelists: Nori Gerardo Lietz, Managing Director, Pension Consulting Alliance
Mark Gibson, Executive Managing Director, Holliday Fenoglio Fowler, L.P.
David Henry, Vice Chairman & Chief Investment Officer, Kimco Realty Corporation
Roy Hilton March, CEO & Senior Partner, Eastdil Secured
Devin Murphy, Managing Director, Global Head of Real Estate Investment Banking, Deutsche Bank Securities, Inc.



Richard Saltzman



Mark Gibson



David Henry



Nori Gerardo Lietz



Roy Hilton March



Devin Murphy

2:45 p.m. – 3:00 p.m. Refreshment Break, Grand Ballroom Foyer

3:00 p.m. – 4:15 p.m. General Session: Real Estate Operating Costs, Grand Ballroom

What are the most significant changes in the costs of operating real estate, and how accurately are institutional investors underwriting these variables? Panelists will address real estate operating costs, including energy and insurance costs, taxes and inflation. During the discussion “Real Estate Economics and Capital Markets: The View from the Industry Side” at the 2006 PREA Institute, panelists talked about insurance and utilities costs and the ability to pass these through to tenants. It will be interesting to note the similarities and differences between those earlier comments and the Plan Sponsor Real Estate Conference panelists’ perceptions about present and future operating costs and how investors may be changing their underwriting to reflect new dynamics.

Moderator: Jana Turner, President, Asset Services, CB Richard Ellis

Panelists: Dennis Friedrich, President, Chief Operating Officer,
U.S. Commercial Operations, Brookfield Properties
Bill Leseman, President, Ram Partners LLC
Jodie McLean, President & CIO, Edens and Avant
Eugene Reilly, Executive Vice President, President North America, AMB Property Corporation



Jana Turner



Dennis Friedrich



Bill Leseman



Jodie McLean



Eugene Reilly

4:15 p.m. – 5:30 p.m. General Session: Replacement Costs – What Can We Expect? Grand Ballroom

“Discount to replacement cost” is a metric often referenced in the current acquisition environment. Construction cost inputs for raw materials and labor have increased significantly in the past several years, but is this a secular change or a cyclical trend? What is driving the increases? Are these costs likely to continue to increase or will they come back down? Is this a valid method of rationalizing current low yields on assets to be held long-term? How do institutional investors not active in development really know what replacement costs are?

Panelists will take a look at construction, land and labor costs. It will be important to see what these panelists forecast for the future of these costs, because they have implications not only for the pace of new construction, but also for the sales and pricing of existing buildings.

Moderator: Pascal Lorthioir, Chief Knowledge Officer,
Executive Vice President, Marshall & Swift

Panelists: Colm O’Connor, Founder, O’Connor Construction Management, Inc.
Dan Walsh, President, Walsh Construction
Steven Wechsler, Senior Managing Director, Tishman Speyer



Pascal Lorthioir



Dan Walsh



Steven Wechsler



Colm O’Connor

5:30 p.m. – 6:30 p.m. Committee Meetings

Conference Committee, Garden I Room
Government Affairs Committee, Corcoran Room
Membership Committee, Gallery Room
PREA Institute Committee, Freer Room
Publications Committee, Portrait Room
Reporting & Valuation Committee, Hirshorn Room
Research Committee, Hillwood Room

6:30 p.m. – 7:30 p.m. Cocktail Reception, Oriental Ballroom

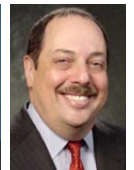
7:45 p.m. – 8:30 p.m. A Conversation with Alan Greenspan, Grand Ballroom

During this portion of the conference, Bernard Winograd (Prudential Investment Management) will lead a discussion with Alan Greenspan, former Chairman of the Board of Governors of the Federal Reserve. Rather than deliver a pre-formulated speech or “Fedspeak,” Greenspan will take questions from Winograd and from the audience in a manner reminiscent of his testimony before Congress. An economic advisor to Presidents Nixon and Ford, Greenspan served as Fed Chairman during the administrations of four U.S. presidents.

Moderator: Bernard Winograd, President & CEO, Prudential Investment Management



Alan Greenspan



Bernard Winograd

8:30 p.m. – 9:45 p.m. Dinner, Grand Ballroom

9:45 p.m. – 10:45 p.m. Dessert Reception, Grand Ballroom Foyer

8:00 a.m. – 9:30 a.m. *Plan Sponsor Breakfast - Open to Plan Sponsors Only, Hillwood Room*

8:30 a.m. – 9:30 a.m. **Continental Breakfast, Oriental Ballroom**

9:30 a.m. – 10:45 a.m. **General Session: Debriefing on Alan Greenspan, Grand Ballroom**

The second day of the conference will begin with commentary from leading economists on Alan Greenspan's remarks from the prior evening. Among the topics of discussion will be the implications of Greenspan's words for real estate investment.

Moderator: Mark Zandi, Chief Economist and Co-Founder, Moody's Economy.com

Panelists: Douglas Holtz-Eakins, Paul A. Voleker Chair in International Economics and Director of the Maurice R. Greenberg Center for Geoeconomic Studies, Council on Foreign Relations
Jeremy Siegel, The Russell E. Palmer Professor of Finance at the Wharton School, University of Pennsylvania

10:45 a.m. – 12:00 noon **General Session: Future Trends, Grand Ballroom**

Appropriately, the concluding general session will look at real estate investment and development with an eye to the future. What trends are emerging in the space market? How are tenant preferences evolving, and what are tenants willing to pay premiums for? Panelists will discuss building techniques and investment strategies including green building and transit oriented development, the prevalence of which is likely to grow dramatically in the future.

Moderator: Peter Muoio, Senior Principal, Maximus Advisors

Panelists: Steve Van Amburgh, CEO, Koll Development Company
Michael Carliner, Vice President for Economics, National Association of Home Builders
Marilyn Jordan Taylor, Partner, Skidmore, Owings & Merrill, LLP
David Zoba, COO, Steiner + Associates

12:00 noon – 1:30 p.m. **Closing Luncheon with Jeff Greenfield, Grand Ballroom**

Given our location in the nation's capital, we will move to a more political discussion during the closing luncheon. Jeff Greenfield, four-time Emmy winner and Senior Political Analyst at CNN, will share insightful commentary with attendees, who will be encouraged to ask about the present political climate and its implications for institutional real estate investment.

CONFERENCE CONCLUDES



Mark Zandi



Douglas Holtz-Eakins



Jeremy Siegel



Peter Muoio



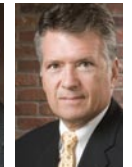
Michael Carliner



Marilyn Jordan Taylor



Steve Van Amburgh



David Zoba



Jeff Greenfield

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University of California

Timothy Hoepfner

The MacArthur Foundation

Louise M. Moloney

U.S. Steel & Carnegie
Pension Fund

Willie Whipple

Southern Companies
Services, Inc.

Calendar of Events for 2007

CEO Leadership Forum

March 27, 2007

The Intercontinental Hotel Boston
Boston, MA

PREA Spring Conference

March 28-29, 2007

The Intercontinental Hotel Boston
Boston, MA

PREA Institute

June 2007

TBA

**17th Annual Plan Sponsor
Real Estate Conference**

September 25-27, 2007

The Beverly Hilton
Beverly Hills, CA

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Morgan Stanley

Michael McCook, Vice Chairman

Formerly with California
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Retirement System

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Eileen Byrne

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Jeffrey Fisher

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ING Clarion

Barden Gale

ABP Investments, U.S.

Timothy Hoepfner

The MacArthur Foundation

Alan M. Leventhal

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Brian Schneider

University of Pennsylvania
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Joseph Stecher

General Motors Asset Management

Raymond Torto

Torto Wheaton Research

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Pension Real Estate Association

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