

AMERICAN REALTY ADVISORS



Discipline

Commitment

Excellence

Discipline • Commitment • Excellence

These core values represent the very foundation of what we do.

Discipline is exercised in all of our processes, throughout the life of each investment.

An unwavering commitment to our clients' success is the motivation in our quest for excellence – not only in the results we deliver; but in the process of achieving those results.

Aristotle captured the essence of our philosophy when he said:

*“We are what we repeatedly do.
Excellence, then, is not an act, but a habit.”*

On behalf of everyone at AMERICAN REALTY ADVISORS, we pledge our resolve to uphold these values in the service of our clients.



STANLEY L. IEZMAN
President and Chief Executive Officer





AMERICAN
REALTY ADVISORS

OVERVIEW

Real Estate Investment Management is Our Exclusive Focus

AMERICAN REALTY ADVISORS is a client-oriented real estate investment advisor dedicated to creating a broad spectrum of real estate investment management opportunities for institutional investors.

AMERICAN works closely with public employee, Taft-Hartley and corporate pension funds, endowments, foundations and other institutional investors to meet their specific investment objectives. We understand the unique needs of each of our clients.

We are a 100% employee-owned firm. Founded in 1988, AMERICAN is committed to the principle that a focused and disciplined process, together with undivided attention to our clients' goals, will consistently add value.

Philosophy

AMERICAN designs and manages each real estate portfolio to be an integral part of a client's overall asset allocation program.

With core and value-added equity strategies spanning the full range of property types and geographic regions to create diversified portfolios, as well as structured finance and other real estate advisory expertise, we tailor specific solutions in a manner intended to produce the anticipated returns within a risk-controlled environment.

At the asset level, we understand that each real estate investment is a unique operating business that must be actively managed to capitalize on the specific market, property and tenant factors that distinguish excellent from mediocre returns. Our intense focus on each stage of the investment cycle combined with our seasoned tactical real estate experience is the key to exceeding our clients' expectations.

Successful real estate portfolio management demands an intense attention to detail, operational know-how and financial acumen. Each is a significant component of our successful investment process and of our single-minded focus on our clients' objectives. Above all, they determine our ultimate success as an investment manager.

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INVESTMENT APPROACH

Equity Real Estate Investment Management

“AMERICAN digs deeper. We get to the information behind the numbers, rather than relying only on conventional industry data.”



In the creation of private real estate portfolios, we integrate top-down portfolio construction with bottom-up property analysis. Together with each client and their consultant, we help design overall portfolio guidelines and the pathways to allow the client to realize expected returns within the range of anticipated risk. To achieve this, we determine specific investment objectives for each portfolio, and then develop a focused strategy for each acquisition to assist with meeting these portfolio objectives. A current, specific disposition strategy and active management are maintained at each stage of the investment process.

Our success is based on three critical factors that underscore the importance of evaluating each property within its specific market and operational environment:

Timely Research

AMERICAN utilizes real-time information on market conditions, combining it with local market intelligence and macro real estate and capital market data to

develop an accurate understanding of the trends that will impact the performance of our clients' portfolios as well as individual investments. Research is incorporated into every stage of the decision-making process in order to identify, quantify and control risk.

Rigorous Due Diligence

AMERICAN digs deeper. We get to the information behind the numbers, rather than relying only on conventional industry data. Our acquisitions, due diligence and asset management teams inspect all aspects of each property, analyzing even those factors overlooked by other investors. We identify potential problems and uncover opportunities that allow us to maximize performance.

Integrated Team Approach

AMERICAN's portfolio management team combines both operational and strategic expertise and works as a unit, participating in all phases of the investment process. Each client benefits from the collective expertise of our entire professional staff.



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STRATEGY

Active Asset Management

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Asset Optimization

Active asset management is a crucial part of the value that we add.

Since leasing drives income and value, our clients gain the advantage of our ability to move quickly to negotiate leases consistent with our portfolio strategies. AMERICAN’s asset managers are actively involved in all stages of each property’s management, including tenant retention, marketing and asset repositioning.

We also add value by developing flexible disposition strategies that take advantage of changing market conditions. Each investment’s disposition strategy is evaluated on an on-going basis. We re-price each asset quarterly to determine whether it would merit acquisition at its current price. If not, the property is considered for sale so that the proceeds can be redeployed to more profitable opportunities.

Pro-Active Risk Analysis

Nearly all real estate investments hold surprises down the road, from a shift in the marketplace to a major tenant’s decision to relocate. No advance strategic planning or financial proficiency can replace the need to remain engaged with each investment in the portfolio.

The key to protecting a client’s investment is anticipating these changes through active research coupled with direct oversight of each asset. This includes working closely with tenants, on-site professionals and other members of the investment team to allow the best decisions to be made in a timely manner.

Being pro-active is not simply about responding to events; rather it requires an intuitive blend of market-smart knowledge and involvement with every aspect of the property and its tenants.



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TEAM APPROACH

Structured Finance Real Estate Management

“AMERICAN also has extensive experience designing and implementing economically-targeted investments that promote local development, community revitalization and job creation.”



AMERICAN’s structured finance and real estate debt investment capabilities combine capital market experience with the same attention to detail as our equity asset management process. Through the full array of debt structures – from senior debt to mezzanine financing and participating mortgages – AMERICAN applies an exhaustive due diligence process to originate and structure debt investment opportunities.

We will only underwrite loans on properties that meet our stringent equity acquisition criteria. Our team approach is critical and includes all capabilities of the firm in analyzing and executing each transaction.

However, the process does not end after a loan is funded. Our team actively monitors each collateral property, scrutinizes the business plans of all

borrowers, approves annual budgets and leases, and makes certain that the terms and conditions of the loan documents are fulfilled to the advantage of our investors.

AMERICAN also has extensive experience designing and implementing economically-targeted investments that promote local development, community revitalization and job creation.

AMERICAN’s clients benefit from our market expertise and our successful track record in the underwriting of equity real estate. The strength of our relationships in the market allows us to source attractive investment opportunities with strong potential to achieve superior risk-adjusted returns.



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ADVISORY SERVICES

Other Real Estate Investment Management Services

Takeover Expertise

When investors experience portfolio underperformance, manager changes or other factors that challenge their ability to meet their goals, AMERICAN stands ready to assist them with this potentially difficult transition. We have been engaged on numerous occasions to take over portfolios of properties and have markedly improved the performance of assets ranging from stabilized institutional-quality properties to troubled high-risk investments with a variety of legal and operational problems.

Through our experience, we have developed a disciplined and efficient approach to the process, so that we can quickly establish control of a portfolio's assets and make the transition as seamless to the client as possible.

Development & Advisory Services

Combining in-depth research and analysis with proven tactical real estate expertise, AMERICAN provides the information and advice our clients need to make sound investment decisions on development and other specialized investment transactions. Our real estate advisory services include feasibility analysis, site selection, entitlement, design management, and development oversight and we provide a full range of "from the ground up" development and

management services including due diligence and feasibility review of anticipated or ongoing projects, as well as development and redevelopment implementation from initial planning throughout the process to completion.

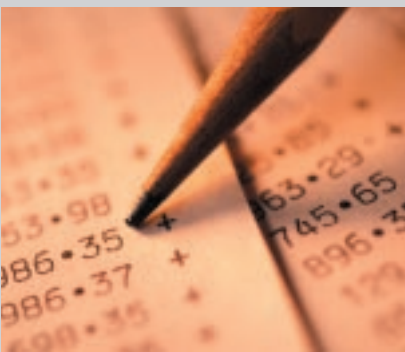
Qualified Professional Asset Manager (QPAM) Services

In addition to traditional real estate management, AMERICAN offers its extensive experience in real estate to those clients needing the services of a Qualified Professional Asset Manager (QPAM) under ERISA where appropriate or required.

American has demonstrated expertise in acting as a fiduciary and/or advisor to provide advice and implementation strategies in situations where clients may desire, or be required by ERISA, to seek the advice of an independent third-party professional to oversee certain transactions, coordinate development/redevelopment activities, or give advice on other decisions involving their real estate needs.

AMERICAN delivers added value through focused analysis, advice and oversight, completing transactions with ease and exceeding our clients' expectations through an efficient process for even the most specialized and complex investment decisions.

"Combining in-depth research and analysis with proven tactical real estate expertise, AMERICAN provides the information and advice our clients need to make sound investment decisions..."



SUPERIOR CLIENT SERVICE

It is one thing to talk about excellent service. It is quite another to deliver it. We partner with our clients to customize solutions and achieve real results in the ways that are most meaningful to their needs. AMERICAN operates with integrity and transparency. The investors we serve understand what we do and can measure the value we add.

SUPERIOR SERVICE

AMERICAN works together with each client to focus on building a mutually beneficial long-term relationship. We stress pro-active communication and ensure that our principals and portfolio managers are available to clients as often as desired.

EDUCATION

AMERICAN promotes and participates in educational opportunities so that clients can become aware of the factors that affect their investments. In addition to our regular portfolio reports, we provide trustee education seminars, market and asset class studies, research articles and other educational resources. We are committed to creating a transparent and understandable process and to helping our clients make informed decisions.

EXCELLENCE

Ultimately, it is our unique competencies and the value they bring to our clients' investment programs that attract institutional investors to retain our firm.

AMERICAN's sole business is investment management. Period. We know the nuts and bolts of real estate. We have the practical expertise to identify opportunities before others do and uncover potential problems before they arise.

This expertise, combined with our dedication to service, creates an investment resource that our clients can depend on.



AMERICAN
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