

DEALMAKER DATABANK™*(Continued from Previous Page)*

<u>Institution/Address</u>	<u>Phone/Fax/Contact Name</u>	<u>Lending Activity</u>
Fannie Mae 3900 Wisconsin Ave. N.W. Washington, DC 20016	(312) 368-6265 John Powell multifamily@fanniemae.com	Government-sponsored entity offers products and services for multifamily and affordable housing. Also buys CMBS.
Freddie Mac 8200 Jones Branch Drive McLean, VA 22102	(703) 903-2411 Fax: (703) 903-2759 Richard Syron	Government-sponsored entity offers a range of services and products for real estate lending.
GE Real Estate North American Equity 2325 Lakeview Parkway Suite 600 Alpharetta, GA 30004	(770) 772-2204 Dan Brook dan.brook@ge.com	Credit company writes provides joint venture and preferred equity.
Hudson Realty Capital 250 Park Ave. S., Third Floor New York, NY 10003	(212) 532-3553 Spencer Garfield sgarfield@hudsoncap.com	Fund manager provides preferred equity and bridge and mezzanine debt.
JP Morgan Chase 400 Perimeter Center Terrace Suite 475 Atlanta, GA 30346	(770) 351-8330 Fax: (770) 351-8389	Conduit lender who finances all commercial property types.
KeyBank 127 Public Square Cleveland, OH 44114	(216) 689-5000 Fax: (216) 689-5462 E J Burke	Commercial bank with construction, mortgage, mezzanine, conduit and equity platforms as well agency programs.
MetLife 10 Park Ave. Morristown, NJ 07960	(973) 355-4448 Mark Willmann mwillmann@metlife.com	Life company writes loans for real estate portfolios.
Morgan Stanley 1585 Broadway, 10 th Floor New York, NY 10036	(202) 761-7468 Fax: (202) 761-9717 Stephen Holmes	Investment bank lends on commercial real estate.
NBS Real Estate Capital 121 S.W. Morrison, Suite 260 Portland, OR 97204	(503) 952-0745 Rance Gregory info@nbsrecapital.com	Private lender provides preferred equity and bridge and mezzanine debt.
Principal Real Estate Investors 711 High St. Des Moines, IA 50392	(515) 246-7003 Fax: (515) 248-8090 Todd Everett	Life company finances Class A properties.
Prudential Mortgage Capital 180 N. Stetson St., Suite 5600 Chicago, IL 60601	(312) 540-5420 Fax: (312) 228-6519 David Durning	Life company underwrites properties with government leases.
RCP Capital 99 Main St., Suite 300 Colleyville, TX 76304	(817) 479-1400, Ext. 111 Donna Arp darp@rcpinvestments.com	Equity fund manager provides JV equity, preferred equity and mezzanine debt for value-added projects.
Regions Bank 1900 Fifth Ave. N. Birmingham, AL 35203	(205) 264-5784 Michael Temple michael.temple@regions.com	Commercial bank writes acquisition and construction loans.
River Source Investments 25545 Ameriprise Financial Center Minneapolis, MN 55447	(612) 671-7061 Fax: (612) 671-0905 Kevin Abrahamson	Life company writes low-leverage, small-balance perms.
Sierra Capital Partners 18500 Von Karman, Suite 515 Irvine, CA 92612	(949) 428-8883 Fax: (949) 428-8885 Trent Brooks tbrooks@sierracp.com	Freddie Mac lender offers a conduit execution.
Strategic Capital Partners 1415 W. 22 nd St., Suite 370E Oak Brook, IL 60523	(630) 522-0505, Ext. 11 Lauren Smith lsmith@strategiccapitalpartners.net	Equity fund manager provides JV equity for value-added projects in the four major property types.
Washington Mutual 1301 Fifth Ave., RBB1310 Seattle, WA 98101	Robert.best@wamu.net	National bank with platforms that include bridge and construction and construction/perms.
Wells Fargo Commercial Mortgage 5938 Priestly Drive, Suite 102 Carlsbad, CA 92008	(780) 438-2153 Nick Bertino nick.bertino@wellsfargo.com	Conduit lender writes self-storage loans.

EQUITY TO BE PLENTIFUL

Equity will command the real estate market in 2008 as tightened lending standards curtail loan proceeds for all types of deals. Joint venture equity, preferred equity and possibly bridge equity will be plentiful as institutional investors worldwide allocate more money toward real estate equity funds. New funds from the likes of Strategic Capital Partners, Buchanan Street Capital, Hudson Realty Capital, NBS Realty and RCP Capital will help investors and developers close deals. Pension funds including CalSTRS will compete with **GE Real Estate** to directly provide JV capital. But equity will cost more as these players again require returns starting in the upper teens and moving into the 20% range, depending on the type and amount of financing.

Despite all the hand-wringing about the capital markets in late 2007, institutional investors from Australia, Europe, Japan and North America signaled they will increase allocations to real estate, hedge funds and equity funds for leveraged buyouts during the next two years, according to **Russell Investments**, an investment management subsidiary of **Northwestern Mutual Life Insurance Co.** Don't be surprised if this equity also shores up the CMBS market as it looks for distressed debt situations at a discount.

Strategic Capital Partners will actively pursue JV development and renovation opportunities as it launches Strategic Partners Value Enhancement Fund II. The fund is expected to raise \$400M in equity, about \$150M more than its first fund. Expect the fund to be most active in speculative office and retail construction in major markets. It will also target apartment upgrades. There is also about \$50M left in Fund I for investment. Strategic Capital Partners will supply the majority of the necessary equity for deals that can be financed with 65% to 70% leverage.

Don't be surprised if Buchanan Street Partners raises up to \$1B for a new equity fund as its first two funds are committed. The pension fund manager seeks to increase its volume to between \$450M and \$600M. It will do this by targeting bigger deals, starting at \$15M and up to \$60M for JV equity. It will also originate more preferred equity and mezzanine debt.

Expect CalSTRS, CalPERS and other PFs to allocate more equity to real estate development through partnerships with developers. CalSTRS recently increased its allocation to **First Industrial Realty Trust** by \$200M for land acquisitions and development of industrial properties. It competes against GE Real Estate North American Equity, which invested \$6.5B of value-added equity capital in 2007. While already aggressive in JV partnerships, the credit company is planning to do more business in preferred equity.

For deals needing less than \$25M, Hudson Realty Capital, NBS Realty and RCP Capital will compete to provide JV equity, preferred equity and mezzanine debt. All three private money managers plan to raise new funds next year. Between the three of them, look for them to invest in the neighborhood of \$500M.

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