

Superior Place & Property Strategy Equals Success for Clients of the Roulac Group

What do Standard & Poor's, Merrill Lynch and Apple Computer have in common? They all recognize the importance of place strategy to successful business outcomes and portfolio performance. They have called upon the Roulac Group, Inc. to help them enhance business performance.

PIONEERING THE RATING OF COMMERCIAL MORTGAGE-BACKED SECURITIES

When Standard & Poor's decided to explore the feasibility of rating commercial real estate securities, it was only logical that this highly regarded rating agency would call upon Stephen Roulac and his firm. After all, in 1976 the Roulac Group provided the feasibility study that formed the basis for Standard & Poor's first-ever rating of a housing mortgage revenue bond. In this initial assignment, the firm worked closely with Standard & Poor's to design the template for rating securities backed by mortgages on residential properties. Subsequently, Roulac's firm had extensive involvement in the mortgage securitization process, performing feasibility studies on several billion dollars of financing transactions for commercial development projects around the world, including a residential housing project in Guam and a mixed-use high-rise in Puerto Rico. The firm also has experience designing housing finance entities and financing strategies for public agencies and private finance companies.

The initial question Standard & Poor's wished to answer was whether it was feasible to rate mortgage revenue bonds backed by commercial real estate. After the firm determined it was feasible, Standard & Poor's next asked them to prepare a business plan for the new venture. Finally, the firm designed the rating model Standard & Poor's would employ in rating commercial mortgage-backed securities. The work Roulac and his colleagues performed on behalf of Standard & Poor's was the foundation for the creation of the commercial mortgage-backed securities market, which now stands at nearly \$350 billion and continues to grow rapidly.

Roulac Group, Inc.

709 Fifth Avenue
San Rafael, CA 94901-3202
Phone: (415) 451-4300
Fax: (415) 451-4343
www.roulac.com

STRATEGIC AND PROPERTY ANALYTICS CAPABILITIES SUPPORT CLIENTS' NEED TO KNOW

Real Estate Services Companies

need to know much of users' and investors' knowledge plus the overall perspective to perceive/evaluate opportunity, the capability to coordinate/ implement projects, and the technical knowledge to provide tangible property goods, property interests and specialized professional services.

Investors

need to know some of users' knowledge, plus factors that influence property investment performance and the strategic/analytic skills to make responsible investment decisions and manage portfolios.

Corporate Users

need to know their "place" in business, factors that influence access to and the economics of property used in business, and primary analytic and operational skills to obtain and manage property as a factor of production.

GROWING MERRILL LYNCH TO AN INSTITUTIONAL REAL ESTATE INVESTMENT LEADER

When Merrill Lynch wanted to expand its involvement in equity real estate securities from an agency role, in which it sold real estate interests organized and promoted by third parties, to a principal role, in which it would design, create and manage its own real estate investment programs, it chose the Roulac Group as its primary strategic adviser. Working closely with senior Merrill Lynch real estate investment executives through numerous cutting-edge projects and systems initiatives, the Roulac Group played a primary role in helping Merrill Lynch emerge as one of the leading institutional real estate investors.

One of the more significant systems projects the Roulac Group completed for Merrill Lynch was the design of the first appraisal management system to ensure consistency and reliability of the appraisals of the company's \$2 billion property portfolio. Subsequently, the Roulac Group provided portfolio valuations on an annual basis.

As Tom Brown, executive vice president of Merrill Lynch Real Estate Investments, observed, "Stephen Roulac became an important factor in our growth." In markets where many others incurred devastating losses, Merrill Lynch realized results that were more than \$1 billion superior to what the average real estate securities investment firm realized during the same period.

BRIDGING CULTURES AND RECONCILING COMPLEXITY

When \$200 million was at stake in a complex litigation involving Korean and Japanese international companies, The Roulac Group provided economic analysis, litigation support and testimony concerning liability and damages.

At issue were such wide-ranging factors as:

- ☐ the global hospitality market
- ☐ due diligence standards
- ☐ development management practices
- ☐ global capital flows
- ☐ opportunity-driven investor return criteria
- ☐ construction accounting and valuation theory
- ☐ fair market value assessment
- ☐ damages calculations
- ☐ the consequences of the Japanese bubble economy
- ☐ Japanese management practices and customs
- ☐ the interplay of Asian and American cultural norms

Thousands of hours of work over several years were distilled into a collection of several hundred powerful graphic exhibits, which vividly portrayed the interdependencies, outcomes and consequences of the issues in dispute. Then, the story was succinctly presented during a single appearance in court. Mark White, lead litigator for Pillsbury Winthrop said, "Your testimony was superb. You distilled a massive amount of content and great complexity down to its essence, so that the jury could really understand the story."

APPLE COMPUTER: MERGING TECHNOLOGY DEVELOPMENT WITH SOUND REAL ESTATE STRATEGY

One of the most daunting challenges faced by rapidly growing technology companies is to ensure they have adequate business space to support their growth. When Apple Computers, which was operating in more than a dozen different offices throughout Cupertino, Calif., sought to rationalize its real estate strategy, it called on the Roulac Group for assistance.

Working closely with the senior executives of the firm, the Roulac Group helped Apple comprehend the delicate interplay between explosive business growth and the dynamic business space markets. An essential contribution of Roulac's work with Apple Computer was to convert the implications of the explosive growth into a rational corporate real estate strategy that would support realization of corporate objectives.

THREE DIFFERENT CLIENTS, THREE DIFFERENT COURSES OF ACTION. ONE COMMON OUTCOME: SUCCESS

Outstanding business and investment performance characterize the work of the Roulac Group, a strategy and financial economics consulting firm with offices in the San Francisco Bay Area, Hong Kong and Hyderabad, India. For more than 30 years, the firm has been recognized for extraordinary economic analysis, property analytic and financial analysis skills. But what really makes the Roulac Group unique is its distinctive capabilities in place strategy, capital markets analysis, global property markets analysis and business strategy intelligence.

"For our firm, place strategy and analysis is at the core of all of our work," explains Roulac. "Without a thorough understanding of the dynamics of place, no business relocation process, valuation, site selection, property deal or investment decision can truly be considered sound."

Much of the firm's work is considered avant garde and breakthrough in the industry. In particular, while many real estate consultants focus their efforts on one clientele, the Roulac Group supports all three primary property and real estate sectors — investors, corporate users and real estate services firms. "We have come to understand that in order for these three sectors to make informed decisions and to interact effectively with other important participants in the property system, our firm must possess the specific knowledge required for each sector," says Roulac.

EFFECTIVE PROPERTY STRATEGIES ENABLE COMPANIES TO ACHIEVE SUPERIOR RESULTS

A primary focus of the Roulac Group's advisory services, knowledge products and information resources is to support users of real estate in their decisions concerning property involvements. This work builds from the conviction that place strategy is one of the critical issues company

CREATING GUIDELINES FOR PENSION INVESTING

When the California Public Employees' Retirement System (CalPERS) wanted to move beyond its random real estate investment approach to an integrated, professional investment management strategy in 1987, it selected the Roulac Group as its primary real estate adviser. Working with the board, senior executives and real estate officers of CalPERS, Stephen Roulac emphasized the importance of a clearly articulated strategy supported by appropriate systems and procedures.

This approach led to explicit guidelines and criteria for the allocation of the portfolio to different sectors of the property market, as well as a clear articulation of reasonable investment return expectations and risk parameters for different types of property investments. To support this strategy, systems and procedures were established, ranging from a definition of institutional-grade property to reporting standards for managers to ensure uniform and reliable information for performance assessment and evaluation.

Acknowledging the softening status of the office sector, which would inevitably lead to sharply escalating risk, Roulac advocated CalPERS diminish its commitment to the office sector and explore alternative property investments. This strategic direction led to CalPERS being in the vanguard of exploring investments beyond the core property types. As a consequence, CalPERS made major commitments to such alternative investments as timber and homebuilder joint venture, which have substantially outperformed the core property types.

The work by the Roulac Group laid the foundation for CalPERS to become one of the world's most influential and respected institutional investors. Since then, CalPERS has achieved superior returns — more than 300 basis points above the NCREIF Index — which added approximately \$2 billion to CalPERS's coffers.

leaders must address. Place strategy determines the role of property in — and thus the real estate needs of — the company.

One of the ways the Roulac Group supports the needs of property users is to distill the implications of changes that transform society's relationship to place and space. A thorough understanding of this "strategic geography" can then support business strategies, design processes and real estate decisions.

In strategic market selection assignments, the Roulac Group helps determine which markets a company must emphasize to serve its customers most effectively and responsibly — and to be able to hire the critical talent needed to support the company's human resources strategies. Along with market selection is business location selection. The Roulac Group's analyses and processes serve to translate corporate criteria and preferences into decision models that ensure that the selection of business locations supports company objectives.

UNDERSTANDING THE NEEDS OF PROPERTY USERS ENABLES REAL ESTATE INVESTORS TO ACHIEVE THEIR OBJECTIVES

Understanding space users' needs enables real estate investors to achieve superior investment performance. In working with investors, the Roulac Group combines insight into issues of concern for users with three decades of creating and sharing knowledge of real estate equity and mortgage investing, including institutional investing and securitization. This approach reflects the Roulac Group's conviction that shrewd investors must be attuned to and knowledgeable about the issues faced by property users, as well as the contribution of property to those users' business objectives.

The firm's work with real estate investors builds on its research into the key drivers of property performance. Among the unique tools developed by the firm is its proprietary database of 3,435 urban markets with populations of more than 100,000 people. This key analytic tool provides a means to track and evaluate the performances of geographic markets to support portfolio composition and management decisions.

As a special consultant to the Frank Russell Co., the Roulac Group contributed to the conceptual design of the NCREIF/Frank Russell Property Performance Index. More recently, the firm designed the market expansion strategy for a leading Texas developer, evaluating new markets through an approach that integrated conventional market wisdom and the company's own viewpoints concerning business strengths and priorities.

SUCCESSFUL REAL ESTATE COMPANIES SUPPORT THEIR TENANTS AND INVESTORS

In addition to consulting property users and investors, the firm works with select real estate services companies. The Roulac Group's dual emphases on user and investor perspectives enhance the performance of companies that serve these users and investors.

The firm frequently works with senior management of real estate services firms to address high-stakes strategic decisions, clarify business focus, and enhance organizational effectiveness and performance.

THREE DECADES OF STRATEGIC LEADERSHIP

Contrary to those who view real estate as a game of negotiation and/or the manipulation of abstract intangibles, the Roulac Group is passionately involved in the tangible elements of property, including the built and the natural environments.

The interplay of strategic creativity with the passion for the real side of property was evident in the firm's work with the world's leading children's learning and creativity institution. This museum was in crisis. A deteriorating neighborhood posed such safety risks the annual security budget exceeded \$1 million. Retained to review the institution's relationship with its neighborhood, Roulac told the museum it needed to take a leadership role to solve the issues of property deterioration, drugs and crime — or move to a new location.

Roulac developed the concept of how the museum could provide leadership not just to revitalize the neighborhood, but to create a new children's district, whereby the museum's mission could be expanded. As a side benefit, the museum could meaningfully increase its endowment — a classic case of doing well by doing good through integrating public policy objectives with financial savvy.

For many practitioners direct involvement with property is theoretical and occasional rather than pragmatic and persistent. But the Roulac Group's continuing interest in the "real" of real estate guides even its most esoteric and abstract strategy development. This interest is a result of Roulac's initial exposure to real estate and finance through his family's development and construction firm. Roulac has been intimately involved in every aspect of property development and management, starting with construction site labor and office clerical work, and progressing to involvement in accounting, estimating, purchasing and expediting. Roulac also has supervised labor crews, served as acting construction superintendent, leased and managed apartment buildings, designed property marketing strategies and promotional campaigns, evaluated development project feasibility, structured financing and prepared new business proposals. He truly knows property inside and out. "There is nobody righter or brighter and no one more intellectually pure in his approach to real estate," wrote the *San Francisco Business Journal*.

This distinctive combination of practical experience with an active academic role is why *Real Estate Times* said, "Stephen Roulac bridges the gap between the guy who sits up in the ivory tower and dreams great ideas, and the guy who puts them to work in a practical sense."

Roulac founded his firm, originally known as Questor Associates, in 1972 to provide professional services to support real estate decisions. In 1983 the firm combined with Kenneth Leventhal & Co. (KL), where, as chairman of management advisory services, Roulac established and organized the firm's national consulting practice.

KEEPING IT *REAL*

The concern for the *real* of real estate is reflected in a recent assignment with a leading Latin American financial holding company, which was reevaluating its strategy in light of daunting economic conditions.

The Roulac Group's work involved the examination of economic, political and cultural factors of the country, as well as new property rights doctrines, capital availability, housing subsidies and mortgage financing terms, which were all critical to the environment in which this firm operates. The attributes, scale and transportation connections of the company's substantial land portfolio, a consideration of building design core competency, shifting competitive market conditions, and the downward cycle phase of land and housing prices were all crucial factors in the strategic assessment.

To determine the company's strategic direction without considering these multiple factors could be dangerously misleading. The capacity to cross over multiple disciplines and perspectives, from tangible real estate to high finance, and from the sales office to the corporate board room, are distinctive capabilities that distinguish the Roulac Group from other firms.

The Roulac Group separated from Kenneth Leventhal and in 1987 merged with Deloitte Haskins & Sells, which later combined with Touche Ross to create Deloitte & Touche. Through 1991, the Roulac Group provided real estate consulting, property analysis and appraisal services through regional offices in San Francisco, Los Angeles, Chicago, Dallas, New York and Atlanta, serving corporations, major institutional investors, financial institutions and other significant participants in the real estate markets. As managing partner and CEO of the Roulac Group of Deloitte & Touche, Roulac guided the strategic direction and policies of the firm's advisory practice and major engagements. In 1992, he left Deloitte & Touche and subsequently relaunched the Roulac Group as an independent firm.

The Roulac Group has led an industry-wide transformation in the real estate advisory and consulting professions. In the early 1980s, the leading firms in real estate consulting were Questor Associates, Economics Research Associates, Landauer Associates, and Real Estate Research Corp. Additionally, there were numerous local/regional real estate and land/urban economics consulting firms. At that time the major accounting firms had no meaningful involvement in real estate consulting.

EXPERTS IN LITIGATION

Stephen Roulac and his firm have provided economic, liability and damage analysis for complex high-stakes litigation involving:

■ Finance and Investment

Lender liability • Securitization: syndication, limited partnerships, mortgage securities, REITs, real estate stocks • Pension real estate: policies, prudent investing, diversification • Institutional investing • Real estate finance • Investment analysis • Due diligence

■ Market/Property Analysis

Property market conditions • Capital markets • Property analysis • Appraisal • Business valuation

■ Applied Ethics

Fiduciary standards • Environmental disclosure • Regulatory compliance • Investing practices and standards

■ Business Strategy

Due process • Development practices • Due diligence • Business practices • Management strategies • Mergers/acquisitions • Transaction economics • New economy • E-commerce

The combination of Roulac's firm with KL resulted in the growth of that real estate accounting firm's practice from a handful of people primarily involved with computer systems to becoming a major player in real estate consulting. Roulac established substantial consulting capabilities in every KL office nationwide and built a real estate consulting staff of more than 100 professionals. When Roulac's firm joined Deloitte, he built another substantial consulting practice recognized by *Professional Services Review* as the leading real estate consulting practice in the world. According to the magazine, Roulac "invented the strategic side of real estate as we know it today."

Roulac's pioneering strategic initiatives stimulated major accounting firms to enter the real estate consulting market and to aggressively grow their practices, reshaping the real estate services industry both in the United States and abroad. Commenting on Roulac's work on a major matter, Howard Friedman, senior partner of Loeb & Loeb, said, "You did a most impressive job in mastering a very complex and comprehensive body of facts and issues. I've never encountered such an amazing quick study."

The capacity to draw upon techniques from multiple disciplines, apply the most advanced quantitative and econometric methodologies, and employ non-traditional approaches to decision framing and problem resolution are crucial

resources that enable Roulac and his firm to achieve outstanding outcomes for their clients. Kiplinger's *Personal Finance* magazine described Roulac as "perhaps the most influential of the country's independent real estate analysts."

THE LAWS OF ATTRACTION

The strategists and financial economists who work at the Roulac Group are not standard-issue consultants. The firm's senior professionals possess distinctive expertise and track records of superior accomplishment in business strategy, technology applications for real estate, international investing, corporate real estate transactions, organizational change, capital markets, corporate finance and portfolio management. The core senior professionals average 17 years working with the firm and more than 25 years diverse business and property experience.

National Real Estate Investor reported, "Those who have worked with the Roulac Group consistently cite intelligence and analytical savvy as key qualities of the firm and its principals." The depth, breadth and diversity of the people who work for the Roulac Group are reflected in their credentials and accomplishments.

As director of the firm's Asia practice, **Aditya Eachempati** focuses on linking the real estate and capital markets worldwide. Through managing large engagements involving complex financing, securitization and development issues, Eachempati has worked on the analysis of international real estate companies, metropolitan markets and capital markets.

In consulting on high-level investment strategy and financial economics decisions, **David Distad** draws on his prior experience as a portfolio manager and chief financial officer of a public hospitality company. His background as a professor of finance at the Haas School of Business at the University of California, Berkeley, and work as a Chartered Financial Analyst, further enhance his service to clients.

Having worked with Roulac for three decades, **Michael Hanrahan**, a leading expert in real estate technology applications, is a strong methodologist with an orientation to strategy, quality and rigor applied to highly complex situations.

Andrew Fusscas effectively combines a "hands-on" real estate perspective with strong technical and strategic orientations to assist clients in both litigative and non-litigative contexts. He specializes in issues related to institutional real estate investment, securitization of real estate assets, real estate valuation of all property types, development of feasibility analysis, and the real estate capital and property markets.

Cynthia Tablak brings the knowledge and experience of two decades of management and advising technology companies and public service agencies to her role in the Roulac Group's strategy of place practice and her involvement in significant strategy assignments.

In addition to its core staff, the Roulac Group maintains relationships with a number of leading professionals throughout the world and uses this talent pool for consulting projects as needed.

BEYOND CONSULTING – INNOVATIONS IN INFORMATION DELIVERY

The knowledge resources, information products and advisory services of the Roulac Group are as unique as its consulting work.

Roulac regularly authors articles, books, papers and columns. His column, "Thinking Strategically," appears in numerous newspapers across the United States. Other published items and materials include the "Roulac Capital Markets Database" — an analysis that appears quarterly in Institutional Real Estate's *Investment Property* — as well as the firm's Roulac Property Strategy Advisory Service and books, the most recent of which, *Stephen Roulac on Place and Property*, serves as a text for graduate-level property strategy coursework at the University of California, Davis.

THE ROULAC GROUP AS ADVISER

When advising on significant decisions, the Roulac Group must answer such questions as:

- Which markets should we serve and invest in?
- What are the roles of place and property in the new millennium?
- Which business model will create and sustain competitive advantages?
- What should be our property strategy for the e-business economy?
- How can we maintain and extend our competitive edge in the changing economy?

The answers to these questions directly enable companies to increase revenues, improve organizational efficiency and effectiveness, and manage risk via:

- Strategic assessment and implementation of expansion plans
- Determination and development of new markets
- Competitive positioning
- Articulating future directions for growth
- Identifying global opportunities
- Developing new business lines
- Facilitating mergers and acquisitions

TOPICS ADDRESSED BY STEPHEN ROULAC

Among the topics Stephen Roulac is asked to address, these are requested most frequently:

- Renaissance of place and space
- Places of genius
- Why property matters in an E-business world
- Future prospects and economic outlook
- Strategic real estate in the 21st century
- Opportunities and implications of changing real estate markets
- California's global competitive advantage

To make the message about place and property more broadly available, Roulac has written a series of books on the most significant place and property subjects. Written in an accessible style reminiscent of the classic *One Minute Manager* series, these fictitious stories featured in his *Case of* series are aimed at individuals involved in decisions ranging from corporate relocation to development issues to selection of a board of directors.

In addition to print, the Roulac Group message is broadcast via a weekly radio program, *Location Matters*, carried by National Public Radio. Program guests represent such diverse fields as real estate Web site design, community planning, finance, land use and development, environmental conservation, interior design, architecture, retail, investment management, psychology, pension management, alternative health and medicine, and literature.

Why such variety? "The impact of place and property issues on the quality of business and life is undeniable," says Roulac. "In fact, recent job satisfaction surveys show a pleasant environment in which to live and work is a more important factor in the happiness and loyalty of employees than are salary, benefits and promotions. The only factor survey participants ranked higher than environment was recognition and appreciation for a job well done."

Two tenets of the Roulac Group's success are leveraging work already done and implementing smart applications of technology. To this end, *Location Matters* audio programming is available at the firm's Web site (www.roulac.com). A free, monthly electronic newsletter covering key topics discussed on the program also is available. "These are two very simple, highly effective means of furthering our message — plus, these endeavors allow our staff members to be creative in their work, take advantage of new technologies and see tangible results of their efforts," says Roulac.

ROULAC SERVICES MEET THE NEEDS OF A VARIETY OF REAL ESTATE PROFESSIONALS		
Property Users	Investors & Investment Managers	Real Estate Companies
Strategy of Place	Investing Strategy	
Business Location	New Property Paradigm	
Corporate Real Estate Services	Business Strategies	
Strategic Market Strategies		
Capital Market Strategies		
Organization Issues and System Design		
Expert Witness and Litigation Support		

THE VOICE OF AUTHORITY

Stephen Roulac averages more than 20 professional speaking engagements a year and is skilled at giving creative, persuasive presentations.

In his speeches, Roulac delivers the macro and micro views of an idea, an issue or a market. Perhaps the most telling assessment of Roulac's speaking and presentation abilities is this statement by a member of the House of Lords, British Parliament, after Stephen gave a presentation at the University of Ulster in Ireland:

"Professor Roulac gave one of the very best lectures I have ever heard ... and I have heard more lectures than I've eaten hot meals in the last 40 years.... He artfully wove together disparate strands and themes into a cohesive message about property, society and its institutions."

The firm also facilitates strategic work groups and retreats, and offers Internet-based training on a number of topics on becoming more effective in the property markets.

EXPERT TESTIMONY & LITIGATION SUPPORT TO RESOLVE CONFLICTS

While the primary focus of the firm's work is strategy, Roulac and his colleagues are regularly called upon to provide expert testimony and litigative support concerning liability and damages. To date, the firm has been called on to testify in more than 100 civil, bankruptcy and criminal matters in various courts, public hearings and specialized proceedings before government, legislative and regulatory agencies.

Roulac has provided expert testimony and litigation support in numerous cases involving the interpretation of the fiduciary duty of pension fund investment managers and general partners.

THE DEVIL IS IN THE DETAILS

Since 1972, the Roulac Group has strived to combine research and attention to detail with new thinking and approaches to complex real estate decisions. Clients benefit from the firm's solutions

that encompass a strategic, global, top-down view and disciplined, micro-, bottom-up analysis.

The firm's experience in all aspects of transaction planning and execution, and its involvement of senior personnel in all engagements, ensures a proactive approach to setting strategy, identifying options, evaluating ramifications and implementing a course of action.

An important attribute of the company is its detailed database of high-level contacts developed over the past three decades. In addition to the numerous contacts and relationships resulting from its extensive involvement in the industry, the Roulac Group teams with prominent real estate industry specialists, academics and information providers to complement its capabilities.

The Roulac Group has always maintained a strong involvement in the academic community. Roulac's senior leadership role in the American Real Estate Society, as well as the academic qualifications of his firm's personnel, enable the company to bring together scholarly ideas with the pragmatic, real-time decision needs of its clients to access new ideas, technologies and applications for clients.

GLOBAL PERSPECTIVE

Another attribute that sets the Roulac Group apart is the firm's global involvement. With offices in Asia, and appointed posts at the University of Ulster, Belfast, Northern Ireland, and in international professional organizations, the Roulac Group has a long history of advising investors, developers, corporations, financial institutions, pension funds and governments around the world. This experience with business conducted outside the United States has enabled the Roulac Group to provide services to a wide array of international concerns.

Real estate is fundamentally about place, and place impacts not just real estate services firms and investors, but also the end users on a very profound level. Says Roulac, "We believe decisions relating to space and place follow a concentricity model moving outward from a central point of societal spatial patterns through 15 levels to the most external level of values attached to a place or space. This focus on the values behind a property decision is truly at the heart of what we do." ♦

This insert to *The Institutional Real Estate Letter*, "**Superior Place & Property Strategy Equals Success for Clients of the Roulac Group**," was written and sponsored by the Roulac Group. For a free catalog of Roulac Group Strategy Tools, please call (888) 765-1895, or request one online at www.roulac.com.

ROULAC GROUP CLIENT LIST

American Fujino Enterprises Co. Ltd.
 American Red Cross
 Amstar Group, Ltd.
 ANA Real Estate Co. Ltd.
 Apple Computer Co.
 Asian Holding Corp.
 Bank of America Corp.
 California Public Employees' Retirement System (CalPERS)
 California State Teachers' Retirement System (CalSTRS)
 Catellus Development Corp.
 Chuo Mitsui Trust and Banking Co. Ltd.
 Dai-Ichi Life Insurance Co.
 Dallas Police & Fireman's Pension Fund
 Federal Deposit Insurance Corp.
 Federal Home Loan Mortgage Corp.
 Government of Singapore Investment Corp.
 Great West Life Assurance Co.
 Hallmark Corp.
 Hokyahudo America
 Industrial Development and Research Council (IDRC)
 Kajima
 Lend Lease Real Estate Investments
 Maguire Partners
 Maruko, Inc.
 Merrill Lynch Hubbard, Inc.
 Metropolitan Life Insurance Co.
 Nissan Motor Corp.
 Nomura Securities Co. Ltd.
 Olympia & York
 O'Melveny & Meyers
 Pillsbury Winthrop LLP
 Pomona College
 Remington Hotel Corp.
 RREEF
 Santa Anita Corp.
 Ssangyong Group of Companies
 Standard & Poor's Corp.
 Standard Mortgage Investors L.L.C.
 State Teachers' Retirement System of Ohio
 Teachers' Retirement System of Texas
 Texaco, Inc.
 Tobishima Corp.
 Universal Studios, Inc.
 U.S. Department of Housing & Urban Development
 U.S. Department of Labor
 Warburg Pincus
 Weyerhaeuser Corp.