



## Summit Agenda

### September 4, 2008

9:00 – 9:15 Welcome & Introduction by the Summit Co-Chairs  
**William O'Connor**, *Partner*, Crowell & Moring LLP  
**Michael Blumenthal**, *Partner*, Crowell & Moring LLP

9:15 – 10:30 **THE COMMERCIAL REAL ESTATE MARKET OUTLOOK AND THE STATE OF MARKET DISTRESS**

- What is the commercial real estate market outlook?
  - Fundamentals
  - Transaction activity
  - Deal financing
  - Pricing
- How is the liquidity crunch affecting CRE transactions?
  - Is there financing available?
  - How expensive is it?
  - How is it affecting investors active in the market?
  - Are there more equity investors now?
- What is the prognosis for the CMBS market and what volume of distressed loans can be expected in the secondary market?
- What is the status of commercial mortgage performance?
- What is the status/quality of the commercial loan portfolios of balance sheet lenders and of their efforts to find solutions/dispositions of troubled loans?
- Which product types are experiencing the most stress?
- Which geographical markets are experiencing the most distress?
- Which locations will present the best turnaround opportunities in terms of performance and pricing?
- When will the market hit bottom and what will the rebound look like?
  - Fundamentals
  - Pricing
  - Availability of financing
- What is the outlook for distressed investing?

Moderator:

**Alan Pomerantz**, *Partner, Real Estate*, Orrick, Herrington & Sutcliffe LLP

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Panelists:

**Sam Chandan, Ph.D**, *Chief Economist*, REIS, Inc.

**Kevin Davis**, *Partner*, Apollo Real Estate Advisors

**Adam Schwartz**, *Managing Director*, Angelo, Gordon & Co.

**James Woodwell**, *Vice President*, *Commercial Real Estate-Research*,  
Mortgage Bankers Association

10:30 – 11:00 *Summit Networking Break*

11:00 – 12:15 **OPPORTUNITIES FOR NEW CAPITAL IN BUSTED DEALS**

- How do you find opportunities in busted deals?
- How do borrowers go about working out a busted deal? How do they attract new capital? How do they approach the lenders?
- What criteria do lenders use to determine if they have an opportunity?
- How do opportunity funds pick their partners?
- What do new mezz lenders look for?
- What are the challenges in bringing in new capital? What works and what doesn't work?
- What is needed to break the logjam?

Moderator:

**Gary Marsh**, *Partner*, McKenna Long & Aldridge LLP

Panelists:

**Adam Falk**, *Managing Director*, Transwestern Investment Company

**Tarak Patolia**, *Chief Investment Officer*, Sterling Equities

**Peter Steier**, *Vice President*, Inland Mortgage Capital Corporation

**Christopher Kallivokas**, *Chairman and CEO*, RER Financial Group, LLC

12:15 – 2:00 *Group Luncheon*

2:00 – 3:15 **BALANCE SHEET LENDERS PERSPECTIVES ON THE MARKET**

- What are the current and projected default rates for balance sheet lenders' portfolios?
- What strategies and processes are lenders adopting to deal with problem and distressed loans?
- What rationale is driving their decision-making?
- How do they sell one off or a portfolio of properties? How do they sell a portfolio of non-performing loans?
- How long is it going to take them to work through their problems loans and manage their REO inventory?
- What criteria do they use when deciding whether to sell product or to keep it on their balance sheets?

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- How do they package and sell their loan pools?
- What type of relationships are lenders looking to establish with investors when dealing with their distressed loans and REO?
- How do investors go about working with them?
- What approaches are they taking to broker deals and when do they look for new equity sources and mezz loans?

Moderator:

**Prassana Mahadeva**, *Member*, MAHADEVA, PLLC

Panelists:

**Thomas Danehey**, *Director of Loan Sales*, Ciena Capital LLC

**Spencer Garfield**, *Managing Director*, Hudson Realty Capital LLC

**Robert T. Hawes**, *Senior Vice President*, Newtek Business Services Inc.

3:15 – 4:30

### **CMBS SPECIAL SERVICERS' PERSPECTIVES ON THE SECONDARY MARKET**

- What are the current and projected default rates in the CMBS and CDO markets?
- What volume of defaulted loans is projected to come on to the secondary market? What vintages? What kind of product and in what markets?
- What strategies and processes are CMBS special servicers adopting to deal with problem and distressed loans?
- How are they dealing with maturity defaults?
- How are they dealing with multi-layered, highly-structured loans?
- What rationale is driving their decision-making?
- What criteria do they use when deciding whether to sell a loan or to keep it and hold the property?
- When can they and how do they sell off loans or properties?
- What type of relationships are special servicers looking to establish with investors when dealing with their distressed loans and REO?
- What opportunities do they see for distressed investors?
- How should investors go about working with them?

Moderator:

**Kevin Donahue**, *Senior Vice President*, Midland Loan Services, Inc.

Panelists:

**Thomas Deane**, *Managing Director, Real Estate Special Assets*, Wachovia Bank, NA

**David Iannarone**, *Managing Director*, CWC Capital Asset Management LLC

**Michael O'Hanlon**, *Senior Vice President*, Capmark Finance Inc.

**Dean Roberson**, *Principal – Structured Loans and Special Servicing*, Real Estate Capital Markets Servicing Group, Bank of America

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4:30 – 5:00 *Summit Networking Break*

5:00 – 6:15 **LOAN SALES ADVISORS' PERSPECTIVES ON THE SECONDARY MARKET**

- How much product is on the market? What can be expected in the next 12 months?
- What kind of product and in what markets?
- How is this paper currently being priced?
- What are the key factors driving pricing?
- When will we see the bottom in valuations?
- How is paper sold? Auction? Negotiated?
- What are the innovations in the structure of bids?
- What are the opportunities for investors?
- How do they learn about those opportunities?

Moderator:

**Michael Blumenthal**, *Partner*, Crowell & Moring LLP

Panelists:

**David Dorros**, *Managing Director*, National Loan Sales Advisory Group, CB  
Richard Ellis

**John Howley**, *Executive Director*, Cushman & Wakefield

**Michael Lesser**, *Managing Director*, Eastdil Secured

**William Looney III**, *Executive Vice President-US Loan Sales*, The Debt  
Exchange, Inc.

**Stephen Scorgie**, *Senior Vice President*, The Carlton Group

6:15 – 7:30 *Summit Reception sponsored by:*  

**September 5, 2008**

9:00 – 10:00 **PRIVATE EQUITY'S PERSPECTIVES ON THE DISTRESSED REAL ESTATE MARKET**

- What opportunities are private equity looking to seize in the current distressed real estate markets?
- Where do they see the best opportunities in today's environment?
- How do they evaluate investments in paper vs. property vs. companies?
- How are they valuing deal execution risks?
- What approaches are they using to find distressed deals?
- What kind of deals are they looking for and what investment criteria are they using in their underwriting?
- What returns are they targeting in their investment strategies?
- What valuation approaches are they using in this uncertain market?

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- What size of deals are they looking for?
- How do you evaluate the risks of a strategy of buying in a distressed market? What assumptions are required to support this strategy?
- Are they prepared to provide additional equity into distressed projects?
- To what extent have they adjusted their investment parameters?
- What are the biggest challenges in getting deals made and what is the best approach to meet these challenges?

Moderator:

**Brian Davis**, *Partner*, Kirkland & Ellis LLP

Panelists:

**Josh Cleveland**, *Director of Business Development*, Liquid Realty Partners

**Justin Leonard**, *Principal*, Walton Street Capital, LLC

**Leonard Klehr**, *Vice Chairman*, Lubert Adler Partners, L.P.

**Brian Newman**, *Managing Director*, Madison Dearborn Partners, LLC

**Robert Stern**, *Managing Partner*, Perry Capital

**Marc Weidner**, *Managing Director*, Franklin Templeton Real Estate Advisors

10:00 – 10:30 *Summit Networking Break*

10:30 – 11:30 **PAPER BUYERS PERSPECTIVES ON THE SECONDARY MARKET**

- What is the investment status and outlook for the coming year for:
  - Non-performing whole loans
  - CMBS
  - Distressed bridge loans
  - Structured sales between A and B loans
  - Distressed construction loans
  - Land loans
- Where and when does it make sense to play in these types of paper?
- How does competition and capital in the market today compare with past downturns and how will this impact the market?
- How will the recent financial losses of investment banks affect the market?
- How is this paper currently being priced?
- When will we see the bottom in valuations?
- When buying a distressed debt, how do you convince a lender that the offer is fair value?
- Where will the unappreciated value be found in CMBS and related vehicles?
- What is the nature of the risk associated with distressed debt?
- What does it take to manage these risks and turnaround opportunities?
- How do buyers leverage their investment to get their required returns?
- What takeout strategies make sense in the current market?

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Moderator:

**William O'Connor**, *Partner*, Crowell & Moring LLP

Panelists:

**Daniel Mee**, *Executive Director*, Tremont Realty Capital, LLC

**James Sartain**, *CEO*, FirstCity Servicing Corporation

**Gil Tenzer**, *Director*, Real Estate Group, Contrarian Capital Management LLC

### 11:30 – 12:30 **RAISING EQUITY AND DEBT FOR DISTRESSED DEALS**

- What does it take to get debt financing on a distressed deal? What are the terms?
- Is debt available in the market? If not, when will lenders re-enter the market?
- What is the availability of equity to finance distressed deals? What are the terms?
- What is needed to make a deal financeable?
- What are the alternative financing options in the market?
  - Project recapitalization
  - Construction lending
  - Acquisitions
  - Joint ventures
- When does it make sense to create a fund to raise equity?
  - What credentials are required?
  - How do you select your investment niche and geographical preference?
  - How much can you raise if you are doing this for the first time?
  - Who are the equity sources and how do you get to them?
- Where in the capital stack are lenders looking: Preferred and mezz
- What are the implications of the CMBS market not coming back? What financial sources will replace the CMBS market?

Moderator:

**Carl Schwartz**, *Partner*, Herrick, Feinstein LLP

Panelists:

**Arvind Bajaj**, *Managing Principal*, Park Hill Real Estate Group

**Robert Davis**, *CEO*, Triton Pacific Capital, LLC

**Michael Katz**, *Co-Chief Executive Officer*, Sterling American Funds

**Alan Leavitt**, *Managing Member*, Rossrock LLC

**Neil Madsen**, *Senior Vice President, Head of Private Equity*, AEGON USA Realty Advisors, Inc.