

Emerging Opportunities in Public-Private Partnerships



Sponsors



THE SEVENTH ANNUAL CASDEN MULTIFAMILY CONFERENCE
APRIL 08, 2009
EMERGING OPPORTUNITIES IN PUBLIC-PRIVATE PARTNERSHIPS

7:30 AM Breakfast and Registration

8:00 AM Welcome

James Ellis, Dean, USC Marshall School of Business
Alan Casden, CEO, Casden Properties, LLC

8:15 AM Market Watch – Outlook for Multifamily Housing

Moderator

Michael Gottlieb, Editor, California Real Estate Journal

Panel

Delores Conway, Director, USC Casden Real Estate Economics Forecast
Nancy D. Sidhu, Chief Economist, Los Angeles Economic Development Corporation
Greg Willett, Vice President, M/PF YieldStar

2008 Casden Multifamily Market Forecast

9:20 AM Coffee Break

9:40 AM Building and Developing Multifamily Communities

Moderator

Con Howe, Managing Director, CityView

Panel

Matthew Burton, Principal and CFO, Urban Partners, LLC
Cecilia V. Estolano, CEO, LA Community Redevelopment Agency
Christopher J. Felix, President and CEO, Hutton Companies
Todd Pennington, Executive Vice President, Bovis Lend Lease

10:40 AM Brief Stretch Break

10:45 AM Financial Realities and Multifamily Investment

Moderator

Lewis G. Feldman, Partner, Goodwin Procter, LLP

Panel

Mark A. Albertson, Managing Principal, AVP Advisors, LLC
Jerry Fink, Managing Director, The Bascom Group, LLC
Heidi K. McKibben, Vice President and Head of Multifamily, Fannie Mae
Timothy L. White, President, PNC ARCS

11:55 AM Acknowledgements and Closing

12:00 PM Networking Lunch

Speakers

Market Watch - Outlook for Multifamily Housing



Michael Gottlieb, Editor
California Real Estate Journal

Michael Gottlieb is the Editor of the award-winning California Real Estate Journal, the No. 1 news source dedicated to covering the state's commercial real estate industry. Michael also is Executive Editor for the Daily Journal Corp.'s Daily Commerce Group where he is responsible for overseeing all aspects of eight local business publications located throughout California. A career journalist, Michael has received a variety of awards for excellence in journalism as a reporter, editor and columnist while working in various positions for different prestigious newspapers. Michael is a member of the National Association of Real Estate Editors and the American Society of Business Publication Editors. He also serves on the 2009 Advisory Board for the Los Angeles chapter of Commercial Real Estate Women. Immediately prior to joining the California Real Estate Journal in 2001 as Assignment Editor, Michael was City Editor of the Los Angeles Times' Westside Weekly section. Michael is a graduate of the University of Southern California.



Delores Conway, Director
Casden Real Estate Economics Forecast

Delores Conway is the director of the Casden Real Estate Economics Forecast at the USC Lusk Center for Real Estate and Associate Professor in the Marshall School of Business. Widely respected for her research on the commercial and residential real estate markets in Southern California, Dr. Conway is frequently interviewed by the national news media for her viewpoints on real estate markets. In 2007, Real Estate Southern CA Magazine listed her as one of the "50 Women of Influence in Real Estate." Dr. Conway is a distinguished faculty fellow at the USC Center for Excellence in Teaching and received USC's highest teaching honor - the University Associates Award for Teaching Excellence. She is an elected fellow of the American Statistical Association and was an associate editor for the Journal of the American Statistical Association. Prior to joining USC, Dr. Conway served on the faculty of the University of Chicago Graduate School of Business. Dr. Conway received her Ph.D. and master's degree in statistics from Stanford University, and undergraduate degrees in mathematics, statistics and computer methods from the University of Wisconsin, Madison.



Nancy D. Sidhu, Vice President and Chief Economist
Los Angeles County Economic Development Corporation

Nancy D. Sidhu is Vice President and Chief Economist for the Kyser Center for Economic Research of the Los Angeles Economic Development Corporation. The LAEDC is a private, non-profit organization dedicated to assisting business firms and fostering job growth in Los Angeles County. She is also a highly valued member of the LAEDC's economic consulting team, which serves both public- and private-sector clients. Just prior to joining the LAEDC, Dr. Sidhu was Vice President and Senior Economist for Bank of America, where she was responsible for the economic analysis of selected industries and the Southern California region. Dr. Sidhu received her Bachelor of Arts, Master of Science, and Ph.D. degrees in Economics from the University of Illinois at Urbana-Champaign.

Market Watch - Outlook for Multifamily Housing



Gregory Willett, Vice President
M/PF YieldStar

Gregory Willett heads the research and analysis team at M/PF YieldStar, monitoring and evaluating trends in multifamily market fundamentals. This group produces quarterly publications examining multifamily market performances in 57 metropolitan areas, with trends tracked for more than 450 individual neighborhoods. Greg thus is well versed on multifamily market conditions and activity nationally, by metro and in many individual neighborhoods. Greg joined the staff of M/PF YieldStar (then known as M/PF Research) in 1984. He began his tenure as a data analyst and later served as a research consultant specializing in feasibility evaluations of new apartment community development and existing property acquisition. Greg holds a bachelor's degree from Western Kentucky University and a master of liberal arts degree from Southern Methodist University.

Building and Developing Multifamily Communities



Con Howe, Managing Director
CityView

Con Howe is Managing Director of CityView's \$150 million Los Angeles Fund, partnering with homebuilders and developers to entitle land and build workforce housing in greater Los Angeles. CityView, founded by Henry Cisneros, has financed over 7000 units of housing in over 40 projects in California and throughout the United States. Previously Mr. Howe was Director of the Urban Land Institute's (ULI) Center for Balanced Development in the West. Mr. Howe served as the Director of Planning for the City of Los Angeles from 1992-2005. His work included: revision of the City's General Plan to provide a comprehensive strategy for growth; updating the City's 35 Community Plans; streamlining the development permitting process; creating new zoning to encourage mixed-use and infill housing projects, and the adaptive reuse of older structures into housing. From 1987 to 1991, he served as Executive Director of the New York City Planning Department. Mr. Howe received a masters degree from MIT's School of Architecture and Planning and an undergraduate degree from Yale.



Matthew Burton, Principal and CFO
Urban Partners, LLC

Matthew Burton is responsible for all equity and debt relationships, joint ventures, treasury, accounting, reporting, human resources and control services at Urban Partners. He also assumes senior project management responsibilities on key transactions. Prior to joining Urban Partners and becoming a Principal in 2005, Mr. Burton served as Vice President with American International Group (AIG) and SunAmerica in Los Angeles. In these capacities he placed and managed hundreds of millions of dollars of debt financing and created strong personal relationships in the capital markets. He is active in a range of civic, community and educational organizations. Mr. Burton received his master's degree in Business Administration from the University of Wisconsin and an undergraduate degree in Government from Georgetown University.

Speakers

Building and Developing Multifamily Communities



Cecilia V. Estolano, CEO

Los Angeles Community Redevelopment Agency

Cecilia V. Estolano is the Chief Executive Officer of CRA/LA. With an annual budget exceeding \$600 million and a work program covering 32 project areas throughout the City of Los Angeles, CRA/LA is the largest redevelopment agency in the State of California. Since joining CRA/LA in May 2006, Ms. Estolano has redefined the role of CRA/LA to encompass a broad mission of creating economic opportunity and improving the quality of life for current and future generations living in CRA/LA project areas. Prior to joining CRA/LA Ms. Estolano was counsel in the Los Angeles office of Gibson, Dunn & Crutcher. From 2001 to 2004, Ms. Estolano served as Special Assistant City Attorney for land use, economic development and environment for Los Angeles City Attorney Rocky Delgadillo. In November 2008, Ms. Estolano was appointed by then President-elect Barack Obama to his Transition Team's Energy and Natural Resources Team. Ms. Estolano is a graduate of Boalt Hall School of Law and holds an M.A. in Urban Planning from UCLA. She received her undergraduate degree in Social Studies with honors from Harvard-Radcliffe Colleges.



Christopher J. Felix, President and CEO

Hutton Companies

Founded in 1977, Hutton Development Co., Inc. is part of the Hutton Companies. As CEO of the Hutton Companies, Christopher J. Felix has brought consistent management to the organization since 1978. Mr. Felix received his Bachelor of Science Degree in Finance from the University of San Francisco and his Masters Degree in Business from Pepperdine University. He also holds lifetime community college teaching and administrative credentials and has taught part-time at El Camino College and Chapman University. He is licensed as a real estate broker and general contractor in California and Nevada. Under his direction, Hutton Development Co., Inc. has become one of the most active and diversified development companies in Southern California, celebrating its 32nd year in business. In 2008 Mr. Felix became an executive member of The Lusk Center for Real Estate at the University of Southern California.



Todd Pennington, Executive Vice President

Bovis Lend Lease

As Executive Vice President of the Western and Texas Region of Bovis Lend Lease, Todd oversees six growing offices, including Los Angeles, San Francisco, Sacramento, Las Vegas, Houston and Dallas. Todd, based in Downtown Los Angeles, has more than 25 years of personal experience in the construction industry of which 21 years are with this company. He previously managed the company's Florida offices. Todd's broad range of experience includes numerous prestigious hotels and condominiums/apartments, as well as several hotels, hospitals, research labs, commercial office, retail and large mixed-use projects. He currently sits on the Boards of The Lusk Center of Real Estate Development at USC, Chairs The Building Futures Council and WCCC Safety Advisory Board while frequently participating in a large array of other industry, civic, community organizations and philanthropic interests.

Financial Realities and Multifamily Investment



Lewis G. Feldman, Partner
Goodwin Procter

Lewis G. Feldman, a partner in Goodwin Procter's Business Law Department and a member of the Real Estate, REITs & Real Estate Capital Markets Group, is also a member of the firm's National Executive Committee. He serves as the Chair of Goodwin Procter LLP's Los Angeles offices and heads the firm's Public/Private Development practice. Mr. Feldman is considered to be among the nation's leading real estate and public finance attorneys, specializing in structuring, entitling and executing large-scale financings for real estate industry participants and the public sector. Mr. Feldman is a founding member of and serves on the Board of Directors of the UCLA, Ziman Center for Real Estate; the USC, Lusk Center for Real Estate; the City of Hope Cancer Center Real Estate Industry Council; and the United Way of Greater Los Angeles. He is a member of the Urban Land Institute, the National Association of Real Estate Investment Trusts, the National Association of Bond Lawyers, California's Coalition for Adequate School Housing and the International Council of Shopping Centers. He was executive director of the Law Review at the University of California, Davis, where he earned his juris doctor.



Mark A. Albertson, Managing Principal
AVP Advisors, LLC

Mark A. Albertson is a Managing Principal of AVP and is involved with AVP's capital formation and investments. His extensive industry experience, gained over 30 years, covers almost every aspect of real estate investing and the management of real estate portfolios. Prior to joining AVP, Mr. Albertson was a Managing Director of Morgan Stanley with responsibility for its Prime Property Fund, a \$9 billion open-end commingled core real estate fund. During his tenure as fund manager, the fund engaged in transactions valued at \$10 billion. Prior to operating Prime Property Fund, Mr. Albertson developed and managed Morgan Stanley's real estate investment strategy and research group. Mr. Albertson holds a Bachelor of Science Degree and Master of Business Administration from Indiana University and holds memberships in PREA and the Urban Land Institute.



Jerry Fink, Managing Director
The Bascom Group, LLC

Jerome A. Fink, co-founder and Managing Director of The Bascom Group, LLC, oversees property acquisition, financing, and disposition. Bascom has completed over \$6.0 billion in multi-family and commercial value-added transactions since 1996. Bascom's subsidiaries and joint ventures include the Southern California Industrial Fund, Rushmore Properties, and the Realm Group. Bascom's subsidiaries also include Premier Business Centers, the largest privately held executive suite company in the US. Prior to founding Bascom, Mr. Fink was Senior Acquisitions and Sales Manager from 1991 to 1995 for Pacific Mutual Life Insurance Company. Mr. Fink has a Bachelor of Science in Electrical and Computer Engineering and a Master of Business Administration in Real Estate and Finance from the University of Wisconsin-Madison. Mr. Fink was awarded the "Apartment Executive of the Year" by the Real Estate Conference Group's Apartments 2004.

Speakers

Financial Realities and Multifamily Investment



Heidi K. McKibben, Vice President and Head of Multifamily Fannie Mae

Heidi K. McKibben is Fannie Mae's vice president and head of Multifamily Production, reporting directly to the senior vice president of Multifamily. McKibben is responsible for the Fannie Mae Multifamily Business Centers and Sales and Marketing activities, including secondary market acquisitions of conventional and targeted affordable multifamily loans and credit enhancements and Fannie Mae Multifamily lender relationships. Previously, McKibben was the vice president for Multifamily Activities, Western Regional Office, Pasadena, CA. Prior to joining Fannie Mae in 1997, McKibben worked in the Real Estate Lending and Corporate Structuring and Syndication divisions of Citicorp/Citibank in New York, Atlanta, Miami and Dallas for 14 years. McKibben has a Bachelor of Science in finance from Louisiana State University. She is a member of the Urban Land Institute and a board member of National Multi Housing Council.



Timothy L. White, President PNC ARCS

Timothy L. White is President of PNC ARCS, the conventional debt financing arm of PNC Real Estate serving market rate apartment clients with Fannie Mae and Freddie Mac mortgage products. The company has consistently been one of the leading financiers of apartment projects in the United States. White has served three years on the Fannie Mae DUS Advisory Council and currently serves as its Vice-Chairman. He also serves on the leadership board of the National Association of Homebuilders, and the advisory boards of the Lusk Real Estate Center at USC, and the California Real Estate Journal. He has previously served as a member on the Freddie Mac Multifamily Servicing Advisory Board. Prior to joining ARCS, he served as a real estate attorney with Pillsbury Madison & Sutro and as Senior Vice President and General Counsel for Weyerhaeuser Mortgage Company. White received a Bachelor of Arts degree from California State University San Jose in 1974, and a Juris Doctor degree from Santa Clara University in 1977. He was licensed to practice law in California in December 1977.

2009 Report Acknowledgments



Delores Conway, Chief Author and Editor (Acknowledgments)

Dr. Conway is the primary author and editor of the 2009 Southern California Multifamily Market Report. She wishes to acknowledge the contributions of the individuals who assisted with the preparation of the report. We thank Jenna Meister for drafting the comprehensive sections for Los Angeles County and San Diego County and for her exemplary editing of other sections. Robert Dee was indispensable in editing and laying out the report. We also thank Spencer Bogner and Robert Tafaro for drafting the Orange County and Inland Empire sections, respectively. Also, the research assistants at the Casden Forecast, Brian Bueno, Putchong Dispanurat, Kelvin Ng, Mamta Shah, and JY Yoon provided excellent research support. We thank the authors: David Ahn, Joseph Gill, Stephanie Uchima, and Marc Wyzykowski for their contributions to the special topics section.



Robert Dee USC Class of 2009, Graphics Designer

Robert Dee is a senior at USC majoring in real estate at the School of Policy, Planning and Development. He has worked as a designer for HTH Architects in Beverly Hills for the last three years and has been involved with the Dubai Outlet City project. His academic honors include a Research Grant from the USC School of Architecture and a scholarship from the Hispanic College Fund. After graduation, Robert hopes to pursue real estate at an established development firm that values superior design and craftsmanship.



Jenna Meister USC Class of 2006, Editorial Assistant

Jenna Meister graduated from the Marshall School of Business in 2006. She worked for the Casden Real Estate Economics Forecast for two years while at USC, contributing to the multifamily and office/industrial reports, assisting with the conferences, and monitoring media coverage. In 2005, Jenna was selected as a Freeman Fellow and interned in Tokyo for the Capital Services Group, a leading loan and asset management provider in Asia. Upon graduating from USC, she moved to Singapore where she helped manage a portfolio of commercial real estate assets owned by Lehman Brothers. Since working in Singapore, she has traveled throughout Asia and Latin America and hopes to pursue a career involving international business.

2009 Report Acknowledgments

Special Topics Papers, Abstracts, and Contributors

“OPPORTUNITIES FOR PRIVATE DEVELOPMENT OF STUDENT HOUSING AT UC CAMPUSES”

by: Joseph Gill and Stephanie Uchima

With the capital markets in disarray and traditional real estate development at a standstill, real estate developers are searching for opportunities. Student Housing appears to be one of the few promising prospects. As the “echo boom” generation goes off to college and enrollments climb nationwide, many institutions find they are lacking adequate resources to house these students. Developers around the country are profiting by filling the vacuum in student housing. The campuses of the University of California continue to be in high demand and their limited supply of existing student housing makes development around these campuses a viable prospect. The areas surrounding the Davis, Santa Barbara, and Riverside campuses are especially attractive given their relatively higher imbalances between student housing supply and demand.



Joseph Gill

Joint MBA/Master of Real Estate Development Candidate, 2009

Prior to USC, Joseph worked for Wells Fargo Bank in the Los Angeles Real Estate Group, managing a \$2 billion portfolio of over 57 loans to large private real estate developers and public REITS. From 2005-2007, Joseph was involved in underwriting over \$1 billion in real estate construction loans, lines of credit, and bridge loans. Before joining Wells Fargo, Joseph worked as an analyst for City National Bank and as an acquisitions associate at Evergreen Development. Joseph graduated from Pomona College in 2004 with a BA in Mathematical Economics.



Stephanie Uchima

Joint MBA/Master of Real Estate Development Candidate, 2009

Stephanie recently interned for Festival Development Partners, which specializes in the investment and development of urban infill shopping centers. Prior to USC, she assisted in managing a portfolio of apartment complexes for the Uchima Company, a privately-owned commercial real estate and property management company in Torrance, CA. Stephanie also worked as a healthcare consultant in San Francisco for two years after graduating from UCLA in 2004 with a BS in Applied Mathematics/Physics and a minor in Spanish.

Special Topics Papers, Abstracts, and Contributors

“BURGEONING MULTIFAMILY DEVELOPMENT IN KOREATOWN”

by: David Ahn, Marc Wyzykowski, and Delores A. Conway

Koreatown’s significant growth in new multifamily development is revitalizing the area. Upscale communities have attracted well-educated, higher-income residents to the neighborhood. The appeal of its central location, its aggressive land-use policy, and an influx of South Korean investment are all key factors in Koreatown’s growth. The extensive multifamily development in Koreatown over the past several years parallels the more widely recognized development of nearby Downtown Los Angeles.



David Ahn

Master of Real Estate Development Candidate, 2009

Prior to enrolling in the MRED program at USC, David started his own restaurant development company and currently operates two fusion sushi restaurants and bars. His work involved securing financing, negotiating leases, and managing the design and construction of the restaurants. Previously, he worked for seven years in venture capital and investment banking and was Vice-President at Ambient Advisors, an early-stage venture capital firm. David graduated cum laude from Harvard in 1999 with an AB degree in Economics.



Marc Wyzykowski

Master of Real Estate Development Candidate, 2009

Marc was recently a project manager at AHT Architects, where he led architectural review hearings and developed construction schedules and documents. Previously, he worked on mid-rise luxury condominium developments and municipal projects at the New York firms of GKV Architects PC, and Gruzen Samton LLP. He also prepared contractual documents for budgets and lease agreements for City of New York agencies. Marc graduated from the University of Arkansas in 2004 with a BA in Architecture and studied abroad in Rome, Italy and Mexico City.

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