

DEAL TRACKING REPORT

PRP Real Estate Investors



THE GREENWICH GROUP
INTERNATIONAL LLC
REAL ESTATE INVESTMENT BANKING

Term Sheets Received:

Executed Confidentiality Agreement Received:

#	Company / Firm	Comments
1	AXA Real Estate	21-Mar-14 - Steve McCarthy came into town for a tour of 2501 M Street and 2450 N Street, as well as to meet with the PRP team. After the tour, he indicated that his interests would be in the 2501 M Street asset, and that he believes the team has an opportunity to create something really special at that location.
2	Baupost Group LLC, The	31-Mar-14 - Good call with Nick Azrack. For a venture like the PRP opportunity, he would want to seed a relationship with a number of assets as he sees PRP as being quite efficient at raising capital, and thus he would not want to rely on future deals together as he thinks PRP may be able to find a cheaper source of capital. He did want to explore the ability to do preferred equity vs standard equity. Their fund is \$27 Billion, of which the real estate portion is about \$5 Billion. They have holdings in all of the markets of the PRP properties, so it would merely be a matter of pricing to determine if they would be interested in it.
3	BayNorth Capital	3-Apr-14 - Passed on LA as it was not a fit and are now looking at Charlotte (Charlotte ended up blowing up due to PRP underwriting error)
4	Capital Trust / Blackstone	19-Nov-14 - Kevin had been traveling and was involved in a big deal. Attempted to set up meeting before Thanksgiving, but did not materialize. Attempted to set up a meeting in NY before Christmas and that too did not materialize.
5	DWS	18-Dec-13 - Unlikely to be interested in this portfolio due to the markets that the assets are in. Really looking for gateway cities and downtown assets, not looking for suburban. Do have a bucket of money in their core fund that has a value-add component to it. The only asset they would consider would be San Vicente (in isolation), and not big on taking leasing risk in West End.

Detailed Discussions:

#	Company / Firm	Comments
1	AIG Global Real Estate Investment Corp	6-Mar-14 - Called and spoke with Donald Huffners office, EA informed us that Tim Barry is the Managing Director that covers office assets in the West Coast, Mid-Atlantic, and some markets along the east coast. Left a voicemail for Tim.
2	Bentall Kennedy	Left Marty, Kevin, and David multiple voicemails with no response.
3	BlackRock Financial	12-Nov-13 - Good initial conversation. May have a few pockets of money for this. PW to send the package.
4	Blue Vista Capital Partners LLC	No Comments
5	CBRE Investors	19-Nov-13 - Does not fit with CBRE Strategic Partners Fund. Vic Bucchere runs separate accounts, and he said that the separate account clients are currently looking for core / core+ investment profiles with consistent/stable cash on cash returns. May have an interest in a few of the assets.

Initial Discussions:

Groups that have Passed:

#	Company / Firm	Comments
1	AETNA Real Estate Investments	Mike Nichols is the new head of real estate (Peter Atwood left a couple of months ago as of 11-26-2013). Sent email congratulating Mike, and discussing PRP. Passed - Aetna sources its real estate business from a short list of correspondent mortgage brokers (comment as of November 26, 2013)

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Groups that have Passed (Cont.):

#	Company / Firm	Comments
2	AEW Capital Management, L.P.	14-Nov-13 - Passed - Feedback was that the locations are quite good, but the bldg. quality wasn't good enough for them
3	Alaska Permanent Fund Corporation (APFC)	18-Nov-13 - Passed - Over exposure to the DC market. Of the 5 assets, the only market they would potentially be of interest is Charlotte.
4	Allianz Global Investors	4-Nov-13 - Passed - Not focused on Value-Add Office. Focused on existing core/core+ opportunities in major CBDs
5	Allstate	4-Nov-13 - Passed - They are seeking programmatic joint ventures with institutionally capitalized operating partners. Strategies are best characterized as core plus to value add in the major property types. Seeking returns in the 8 – 10% unlevered range (12 – 15% with leverage). Partners need the ability to contribute 50% of the equity (possibly less if they have a very strong credit profile), and their balance sheets need to support the assumption that they could execute a buy/sell without seeking outside capital. Closed end fund format generally does not work because of the nature of the structure. Their rule of thumb for groups to invest alongside is \$500 - \$1 B + of net equity. This group is fairly small and generally consists of REITs, institutions with in house real estate platforms, and private REOCs that have an institutional investor in their platform.
6	Almanac Realty Investors	7-Nov-13 - Passed - They require more equity in the deal from PRP
7	Angelo Gordon & Co.	27-Feb-14 - Passed - He spoke with their team internally and they did not like the basis on the assets.
8	Ares Management LLC	24-Mar-14 - Passed on office and multifamily portfolio - Investment team was not optimistic on the locations. On the multifamily front, they feel the existing assets have mostly undergone their value-add strategies, and are more core/core+ opportunities. They would be interested in looking at future deals with PRP. They do not do programatic ventures, but do a lot of deals with the same operators. On the multifamily front, they have money for development deals, and for value-add deals. For development deals they have capital looking for deals, but wait for all entitlements to be in-place prior to closing as they are IRR driven. For the value-add deals they are in the fundraising phase, and have their next fund closing around May, and would want to follow up afterwards once they know their appetite. On the apartment side, they currently have 5-8 deals going on comprising 1,000 units each, and have 20,000 units of value-add deals in their portfolio.
9	Artemis Real Estate Partners	29-Jan-14 - Passed - They closed their initial \$400M value-add fund which is fully committed, and are raising their second fund which will be around \$550M. They are currently over-allocated to office deals in their pipeline, and are focused on other asset classes at the moment. Their sweet spot is \$10-\$30M equity checks per transaction, but that can be increased with a programmatic venture.
10	ASB Capital Management	5-May-14 - Passed - Email from Laura stating that while it is an interesting business plan, they are not big believers in that location within LA -- duke
11	Behringer Harvard Funds	5-Nov-13 - Passed - tap out at \$20-25mm of equitiy per transaction, wrapping up Value-Add fund and starting a Core fund early next year
12	Berkshire Realty Ventures	28-Oct-13 - Passed - Currently fully allocated to sponsor based investments until a fresh allocation is made by the Krupps
13	Cadillac Fairview	12-Mar-14 - Passed - The investment team was not enamored with the quality of the assets, and they are looking for more urban locations.
14	Canada Life	10-Jan-14 - Passed - Only do commercial mortgages. Loans range from \$5 - \$100+ Million and they invest throughout the country in industrial, multifamily, office, and retain. They max out at 65% LTV.

Uncategorized: