

Summary of Conversations with Potential Capital Providers

Firm	Amount of Capital to Invest in this Opportunity	Projected Return Requirements	View on Commercial Real Estate	Type of Investment	Distinguishing Characteristics	Due Diligence Capabilities	Timing of Due Diligence
Apollo	\$5-8 billion	15-25% including fees from promote	Buying \$40B bank in Europe all CRA. Own Century 21	Sponsor Spin or Mezzanine	Want debt to be revolving. Could play LEH recap. Would use public vehicle	PE style underwriting	4-6 weeks
Blackstone	\$4-5 billion	20+% if equity; 20-% if mezzanine (told investors high teens)	Conventional (slow deflation; long bottom); unsure of bucketing concept	Equity or mezzanine; Questions about control	Multiple pockets of capital	Worldwide; but these assets are not typical Blackstone investments	Would do as a series of reviews; first review would take 2-4 weeks
Carlyle	\$1.0 billion	20%	Likes to buy asset by asset	Much more comfortable with equity	None		
Cerberus	\$500 mm to \$1 billion in mezz; \$700 mm in equity	L+350 for senior; L+800-1000 for mezz; 20% equity	High comfort level with all types; more negative on land positions	Senior debt; mezz debt; equity	Willing to consider a \$2 billion investment into the senior mortgage as	Worldwide; (have Azurra in Japan, LNR in Europe and US)	4-6 weeks for commercial; longer for land

					well as buying Lehman stock		
Colony	\$1.5-3 billion	20%	Open-minded about all property types	Equity or mezzanine	Depth of organization; worldwide capability	Worldwide (14 offices in 10 countries)	Depends on information, 8-12 weeks
Fortress	Would use stock as currency	North of 20%; "15-20% gross doesn't get them excited"	Extremely negative	More interested in equity than mezzanine	A transforming transaction where we end up with 66% of Fortress	Capable worldwide	Depends on information; 6-8 weeks for top 100
J.E. Roberts							
Lone Star	\$5-10B	18-25%	Bullish on Housing. Bought MER abs portfolio	Both equity and mezzanine	Global capabilities and bought many financial institutions. Real bottom fisher	Global	Claims 3 to 6 weeks
Lubert Adler							
Och-Ziff							
Vornado	\$1 billion	20%; less for mezzanine	Conventional (slow deflation; long bottom); agrees with bucketing concept	Equity or mezzanine;	A non-fund investor	US only; would need Asian and European partners	6-8 weeks for top positions

Walton Street							
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