

MAIER SIEBEL BABER

REAL ESTATE INVESTMENT ADVISORS



Maier Siebel Baber is a San Francisco-based real estate investment advisor focused on the needs of affluent private investors. Maier Siebel Baber and its senior executives have established a solid 20-year track record of performance in real estate investment and management as an advisor to many respected individuals, trusts and other investors worldwide. Our investment strategy focuses on key markets in the western United States, where we have accumulated years of experience. We seek to achieve current returns and create future value by making direct equity investments in select types of real estate assets that are within our conservative risk parameters. Our combined backgrounds in real estate, securities, finance, tax law and estate planning provide our clients with a unique level of sophistication in the real estate industry. Maier Siebel Baber offers real estate investments designed to complement a client's broader financial goals. Our success over time has been based on integrity, regional expertise, the ability to identify unique opportunities and an established and loyal capital base that allows us to act quickly and confidently. While our past performance does not guarantee future results, we feel these advantages have enabled us to achieve superior results in various markets and investment cycles.

Maier Siebel Baber represents affluent private clients in the United States and abroad. We raise equity capital from our clients by offering a range of real estate opportunities designed to match individual objectives and investment resources. Senior management of Maier Siebel Baber and officers of its affiliates invest in the entities organized to purchase assets in order to demonstrate our commitment and further align our interests with those of our clients. Our philosophy is oriented towards conservative, income-producing assets with moderate to significant appreciation potential.

INVESTMENT ENTITIES Our investments are typically made through limited liability companies, limited partnerships or similar structures. We evaluate each property thoroughly for its fundamentals and economic potential before acquiring it for investment. Investors benefit from a detailed description of the aspects of the offered investment: its structure; the target location for its acquisitions; performance objectives, and a full disclosure of its fees. After investing, our clients receive regular reports, in which we provide ongoing detail and discuss potential financings and dispositions, in our attempt to keep our clients informed and involved during the investment cycle.

SEPARATE ADVISORY ACCOUNTS We also represent individual investors in the purchase of properties for their sole ownership.

We have acted in a range of capacities – advisor, manager, and, in some instances where appropriate, senior officers of Maier Siebel Baber have co-invested in these discrete investments. These separate advisory activities are tailored to meet specific criteria and capitalize on our expertise and broader investment exposure.

SOPHISTICATED STRUCTURES As an investment advisor we provide a sophisticated approach to evaluating particular real estate assets relative

to other alternatives in terms of value, cash yields and the potential for future appreciation. We are skilled at structuring tax-advantaged exchanges of real property as well as investing on behalf of pension and retirement plans, trusts and estates as part of an overall financial plan.

GLOBAL CAPITAL Over the past few years we successfully broadened our capital base. Our performance record and the attractiveness of the real estate market allowed us to commit increasing amounts of equity to new investments. We

also extended our international client base, as the U.S. economy is thought to offer a potential for stability, diversification and sustained growth to foreign investors. While the firm has evolved, we have maintained our regional strengths and a commitment to quality. In the future, we aim to expand our long-standing client relationships and deliver the same level of performance to new investors.

“Real estate investments are a fundamental component of a comprehensive, diversified asset allocation plan. A long term investment horizon, countercyclical values and tax benefits are all key advantages.

Maier Siebel Baber-advised entities make direct equity investments in real estate. Our investment activity encompasses the acquisition, capital structuring and disposition of properties.

ACQUISITIONS The overall performance of any real estate investment begins with a thorough understanding of the markets, the proper asset selection and the development of the appropriate capital structure. Although past performance does not guarantee future results, our extensive history of investing in a competitive market, focusing on particularly complex assets and creatively structuring acquisitions has been instrumental to our success.

REGIONAL FOCUS Our investment niche is the western United States. We believe that by focusing on select regional markets we can be better informed about local issues and opportunities than competitors with national strategies, yet we bring a broader perspective than local buyers. We believe that we are better able to discern trends that will affect future occupancy, rental rates and property values. We anticipate that the western United States will continue to be a dynamic region meriting ongoing investment activity.

ASSET SELECTION We analyze each property's physical attributes, its position in a market and its income potential to determine the optimum purchase price and overall capitalization. Our strategy is to identify assets that can meet our financial goals. We seek non-public acquisitions to limit competition and avoid excessive valuations.

RISK MANAGEMENT We are experienced in acquiring high-quality properties with certain manageable risks, such as high vacancies, investing during an early phase of an economic cycle and repositioning a project in its market. We have chosen to avoid other challenges, such as poor construction, environmental hazards and aggressive financial structures.

FOCUSED INVESTMENT OBJECTIVES

Acquisitions are structured to meet a broad range of investment criteria – value creation, income stability, risk tolerance and hold period. While each situation is unique, we remain focused on the types of properties, markets and management challenges that provide the potential for us to outperform our competition.

FINANCING The appropriate capitalization of an acquisition – the equity and debt to purchase the property and to establish operating reserves – is critical to maximizing performance potential over time.

Financing real estate can provide several advantages: increased purchasing power, enhanced yields and

working capital for operations or new construction. After a property has been stabilized, conservative debt financing can provide a tax-free return of principal while retaining ownership of an asset. The moderate use of debt across our portfolio is consistent with our overall conservative approach to investing.

DISPOSITIONS The disposition of an asset is the ultimate realization of an investment strategy. Prior to any acquisition, we establish a targeted holding period that reflects the dynamics of the market, the economic

potential of the property, anticipated yields, profit goals and reinvestment alternatives. Real estate has unique tax advantages upon sale, as investors may, in certain circumstances, choose to defer certain taxes by reinvesting the proceeds in another property. Maier Siebel Baber has experience in minimizing the tax and estate implications of any disposition. As markets and properties change over time, the decision to hold or sell each asset is continually reevaluated in our mission to produce superior results.

“Discipline is
the foundation
to achieving
superior results
with different
asset types in
various markets.”

Maier Siebel Baber's Asset Management objective is to maximize income and create value over time through the implementation of a consistent investment strategy. We actively manage a portfolio of assets in different markets, each with its unique set of challenges and opportunities. Our specific areas of focus include:

MARKET REPOSITIONING Maier Siebel Baber seeks to acquire properties with strong fundamentals – solid construction, good locations and improving markets. However, some properties are not well positioned in the marketplace, such as those suffering from bankruptcy, high vacancy rates, absentee owners or a negative image. Our approach is to develop a specific investment strategy and establish a budget to capitalize on the inherent potential of the property. Strategies can include bringing national caliber management teams and service providers to non-competitive local markets, reevaluating the types of tenants that would be appropriate for the property, orchestrating a professional marketing program and getting involved in the community to improve local perception of the project.

OCCUPANCY MANAGEMENT

The income potential of an investment is based on optimizing rental rates, maintaining good tenant relations, efficiently planning space and balancing the costs of new occupancy with the retention of existing tenants. Maier Siebel Baber is directly involved in all leasing decisions. By being responsive and flexible in our approach, we gain and facilitate greater opportunities to stabilize properties, increase yields and maintain high levels of occupancy across our portfolio.

BUILDING OPERATIONS Operating expenses are often a critical area for improving efficiencies. We hire skilled professionals who are responsible for the daily operations of our properties, including maintenance of building systems, security, cleaning and tenant improvement construction. With our large portfolio we bring national caliber expertise to local markets and implement strict management standards essential to controlling costs while maintaining the financial performance and physical integrity of each property.

FINANCIAL MANAGEMENT We have developed sophisticated accounting systems and reporting standards to evaluate our monthly and annual budgets. Cash management of capital reserves and rental income, as well as the balance of distributions and retention of cash flow, are all part of maintaining the financial stability of each investment.

CAPITAL IMPROVEMENTS Value creation can be achieved through selective improvements to the building and the site. Our focus is on non-structural renovations of interior space, including tenant suites, lobbies and other common

areas. Exterior improvements can include site planning, upgraded facades and improved access and signage. Maier Siebel Baber has relationships with well-established architects, developers, engineers and contractors to implement the appropriate work to enhance the image, marketability and long-term value of our properties.

“Value creation
is a blend
of revenue
enhancement
and expense
reduction, while
having the vision
and capital to
realize your
goals.”

Maier Siebel Baber was originally founded on several fundamental principles: to establish long-term relationships based on integrity and confidentiality, to closely align our interests with those of our investors and to strive to achieve superior performance with minimal risk. Throughout our history these principles have remained unchanged. We specialize in meeting the needs of affluent, private investors. Based on the broad experience of our professionals, each real estate opportunity is placed in the context of an individual's overall investment allocation. We work with a client's legal, tax and financial advisors to craft the best overall solution, not just the right real estate investment. Our capital base and the size of the Maier Siebel Baber portfolio have grown dramatically in the past few years. Maier Siebel Baber investments include a broad range of properties across the western United States. While our past performance does not guarantee future results, our commitment to asset quality and safety, as well as our regional focus, has allowed us to succeed in both up and down economic cycles and in the face of competitors with more capital and national presence. In the future our staff of professionals and our investment activity will certainly evolve, but the relationships with our investors, our business philosophy and our fundamental vision will endure. It is this knowledge that gives us confidence in our continued success.



KENNETH A. BABER
President and CEO