2015 Real Estate Industry Update

A landscape for change: Transforming for the future

November 3, 2015

Deloitte Real Estate

Welcome

Welcome to Deloitte’s 2015 real estate industry update

The real estate industry has been on quite a journey during the past decade.
I always look forward to our industry update roadshow and meeting over a thousand real estate professionals from all over the country. One of the highlights for me is being able to kick off each event by moderating a panel of local real estate executives and listening to their views on the current state of the real estate industry. This year we are especially looking forward to hearing our panelists’ views on key disrupters in the industry and how they might affect real estate in the short and long term.

My colleagues and I have prepared a great program for you this year. We are excited about our panel as well as hearing our national leadership team discuss accounting and tax updates for the industry. We look forward to your active participation and questions during our program today. If you would like to speak with one of our presenters following our event, please do so. Our contact information is listed in this book and we always welcome your feedback. Thank you again for joining us today. I hope you find our 2015 Real Estate Industry Update informative and insightful.

Bob O’Brien
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Agenda

Tuesday, November 3, 2015	
8:00 a.m.–8:30 a.m.	Registration and breakfast
8:30 a.m.–9:30 a.m.	Welcome and panel discussion
9:30 a.m.–9:40 a.m.	Break and networking time
9:40 a.m.–10:40 a.m.	Accounting update
10:40 a.m.–10:50 a.m.	Break and networking time
10:50 a.m –11:20 a.m.	Accounting update
11:20 a.m.–11:50 a.m.	Tax update
11:50 a.m.–12:00 p.m.	Closing comments and wrap up

Panelists

Larry Varellas
Financial Services/Real Estate Tax Partner
Deloitte Tax LLP
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Larry is the managing partner of our real estate tax practice in the U.S. and has more than 30 years of experience serving real estate, private equity, construction and infrastructure clients. His practice focus includes primarily real estate private equity funds, inbound international investors/owners, hotel/resort owners and real estate investment trusts (REITs).

In addition to client service, Larry has held a variety of leadership positions throughout his career. Larry is a frequent speaker on tax matters and is a member of the tax subcommittees of the Real Estate Roundtable and NAREIT.

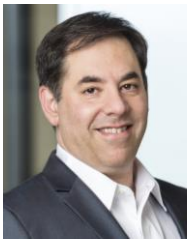
Larry holds a B.S from the University of California Berkeley, School of Business Administration. He has a California CPA license and is a member of the AICPA and the California Society of CPAs.

Michael S. Curless
Chief Investment Officer
Prologis

Mike Curless, as Prologis' chief investment officer, chairs the investment committee, his primary responsibilities include overseeing the deployment of capital, and the global customer solutions, acquisitions and dispositions teams. His additional responsibilities include oversight of the valuations and research teams.

Mr. Curless has been part of Prologis at two points in his career. From 2000 to 2010, prior to rejoining Prologis, Mr. Curless was the president and one of four principals at Lauth, a privately held, national construction and development firm. Lauth has developed in excess of $3 billion of office, industrial, retail and healthcare projects across the United States. In this role he had overall responsibility for operations, development and asset management for the firm. From 1995 to 2000, prior to joining Lauth, Mr. Curless was a first vice president at Prologis, overseeing the Indianapolis and St. Louis market operations and management of key national accounts. He has also been a marketing director for Trammell Crow Company and a financial analyst with General Electric Company.

Mr. Curless has been a member of the Young Presidents' Organization and has served on various charitable boards. He has an MBA in marketing and finance and a Bachelor of Science in finance from Indiana University.



Arthur Flashman
Chief Financial Officer
Rockwood Capital

Mr. Flashman, based in San Francisco, is Chief Financial Officer of Rockwood Capital, a diversified SEC registered investment advisor with approximately $10 Billion in real estate under management, and has 30 years of experience in the real estate industry. Mr. Flashman joined the firm in 2015 and is a key member of the Senior Management Team, responsible for managing the Finance and Accounting Department, as well as playing a significant role in the ongoing operations of the business. Mr. Flashman's overall responsibilities include financial reporting, tax structuring and compliance, insurance program risk management, information technology, and supporting ongoing informational needs of investor reporting and portfolio management.

Prior to Rockwood from 2002-2014, Mr. Flashman was Vice President, Principal Accounting Officer and Controller for Boston Properties Inc, an S&P 500 company. He was responsible for overseeing financial reporting, property accounting and tax compliance, presenting financial reports to the Board's Audit Committee and for providing transactional support on capital markets activity. Previous to this role he was a senior manager with PricewaterhouseCoopers LLP where he specialized in real estate, serving both private institutional funds and public REITs. Mr. Flashman is a member of the Real Estate Roundtable and served as chairman of the accounting committee of NAREIT. He is a frequent speaker at industry events.

Mr. Flashman received a BS/BA in finance and accounting from Boston University in 1984 where he was elected to the Beta Alpha Psi honor society.

Kevin Howley
Managing Director
RREEF America

Lead Portfolio Manager for RREEF America REIT II and Member of the Americas Real Estate Management and Investment Committees: San Francisco

Joined the Company in 2002 with 22 years of industry experience. Prior to joining, Kevin served as a Portfolio Management Principal at PMRealty Advisors. Previously, he worked at MetLife and at SSR Realty Advisors in various capacities, including as the Managing Director of SSR Realty Advisors' separate account business

BA in English from Loyola Marymount University; MBA from University of California, Los Angeles; Active member of the Pension Real Estate Association (PREA)

David Smolen
General Counsel & Chief Compliance Officer
GI Partners

David Smolen is the General Counsel & Chief Compliance Officer of GI Partners. Prior to joining GI Partners, Mr. Smolen was Senior Counsel & Chief Compliance Officer at Silver Lake. Prior to Silver Lake, he was the General Counsel, CFO & COO of Fort Mason Capital, a hedge fund specializing in growth capital investments. Earlier in his career, Mr. Smolen co-founded a venture investing firm focused on Latin America, practiced corporate law at Sullivan & Cromwell in New York, clerked for the Honorable Richard F. Suhrheinrich on the United States Court of Appeals for the Sixth Circuit, and served as a Peace Corps Volunteer in the Dominican Republic.

Presenters

Johnnie Akin
Senior Manager
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Johnnie is currently on a management development program assignment assisting Chris Dubrowski, the director of professional practice for Deloitte's national Real Estate Services practice. In this role Johnnie presents on emerging real estate accounting issues gained through his development. The role also involves developing industry positions on accounting and auditing issues, communicating those positions to the Deloitte real estate practice, and serving as a consultation resource for Deloitte clients and professionals.

He has ten years of public accounting experience which includes over nine years of real estate experience focused on fair value measurements relating to impairments, acquisitions and troubled debt restructurings, consolidation conclusions, related party transactions, and public company filings.

Chris Dubrowski
Partner
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Chris Dubrowski is the director of professional practice for Deloitte's national Real Estate Services practice. In this role, he assists clients and engagement teams around the country in identifying and resolving real estate-related technical accounting and auditing issues and participates in establishing firm positions on emerging accounting issues.

Sally Ann Flood
Audit Partner
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Sally Ann is the Leader of our Bay Area Real Estate Audit Practice in our San Francisco office and a National Leader for our Real Estate Funds Affinity Group in the US. She has more than 24 years of professional accounting experience which included starting her career as a chartered accountant in Ireland. Her experience includes providing extensive services to a number of our large real estate clients including real estate investment advisors, separate accounts, private and public REITs, and private equity investment funds. In conjunction with her role as audit partner, she has served as the Accounting Co-Chair for the National Council for Real Estate Investment Fiduciaries and is the Reporting Standards' Council chair for the NCREIF PREA Reporting Standards.

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