

WAFRA

Advisory Services

Strategic Planning
Asset Management
Brokerage

Wafra applies skills that have made us successful in the fund raising and direct real estate investment businesses.

Wafra provides highly-skilled management advisory services at the conceptual level, the product level and the asset level. We act as a third party, on the ground “eyes and ears” for lenders, owners, and equity stakeholders.

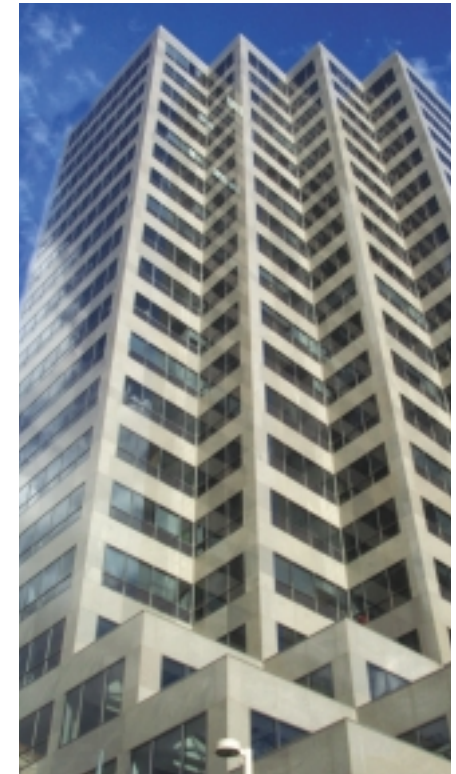
Our Advisory capabilities include strategic planning, asset management, and brokerage services.

Strategic Planning

Wafra assists clients with issues that go beyond day-to-day operational responsibilities. They include:

- Debt Restructuring — Based on financial analysis of a property, a projected cash flow to restructure the debt is created.
- Forebearance Agreement — We work with the owner, operator, and lender to restructure debt and interest payments. Financial projections are essential in establishing a Forbearance Agreement with which the borrower can comply.
- Foreclosure/Bankruptcy Strategy — If a decision is made by the owner or lender to take over and eventually dispose of a property, we outline the critical path — timing of the takeover; how long the property should be held; whether the property needs to be renovated or repositioned; and when it should be marketed. If necessary, we act as the receiver in bankruptcy.
- Loan Investment Reviews — A project is analyzed in light of current professional studies, franchise agreements or management contracts, joint venture or partnership proposals, and project budgets and proformas. We offer an opinion on the time required to achieve stabilized operating results and options for improving long-term economic viability.

Founded in 1985, Wafra currently has over \$550 million in equity under management, representing interests in real estate assets exceeding \$1.5 billion.



Wafra provides asset management services to debtors and lenders in the real estate industry.

- Consulting Services or “Work Out” Strategies and Plans — This service provides an owner or lender with specific advice and insight into the development of a reasonable and plausible work-out plan, including assessing economic viability of any debtor-proposed plan.

Asset Management Services

Our function is *not* a duplication of management that adds another burdensome layer of fees. Rather, our role is as oversight manager — to monitor and determine the operating efficiency and value of a hold, investment or disposition strategy for assets within a portfolio when such expertise is not available in-house. We seek to create efficiencies and dollar savings that more than offset related fees.

Our services include:

- Preliminary Financial Analysis — We conduct a desktop review of recent years’ financial operating results to identify trouble spots and develop strategies for turning them into positives.
- In-Depth Financial Review — We conduct a review of the property’s accounting history to assure that financial reports — monthly income statements, balance sheets, accounts payable, accounts receivable, general ledger, and trial balance — are done in an exact and timely basis.
- Management Operations Review — We conduct a thorough review of existing management and operations to determine whether profitability of the operation can be enhanced. This review includes an in-depth analysis of operating revenues and expenses, personnel utilization, whether revenues can be improved through aggressive marketing, and if expenses can be reduced through more efficient internal controls.

- **Market Position Analysis** — A market study is conducted to determine if supply and demand coincide with the property's marketing position and whether the property can improve its position through new management or an overall repositioning of the property. If required, the formulation of a preliminary marketing plan for the property will be established to achieve new goals.
- **On-Sight Review/Renovation Strategies** — Physical assets are reviewed to determine whether renovation is necessary, and what dollar investment may be required. Typically, a plan would be proposed that would either maintain the market niche presently occupied, or enhance the property to improve the image and market niche.
- **Financial Projections/Considerations** — At the conclusion of the market position analysis and review of the historical financial operating data, we project future revenues and expenses, and create a detailed plan of future projected net results before interest payments, amortization, or income taxes.

Wafra ensures that
your asset is properly
supervised, well
managed, and as
efficient as possible.





Wafra's experienced
brokerage professionals
put deals together using
a unique deal packaging
format.

- **Marketing Plan Critique** — After reviewing the marketing plan, we ensure that the objectives and action strategies truly maximize the potential of the property. If there are deficiencies still existing in the plan, we will assist in the reorientation of the marketing plan and goals.
- **Ongoing Management Review** — Wafra works with the owner/borrower to establish a closer, more demanding relationship with the management company of the property. This should ensure that the management company is using the property's revenues to their best advantage while minimizing expenses.
- **Market and Feasibility** — We determine overall market conditions specifically correlated to the subject property. This includes a financial analysis of current operations, review of the property marketing plan, and a determination of market share.

Real Estate Brokerage

In the disposition of an asset, our job is to fully understand both the buyer's and seller's goals. We will analyze project economics; market potential; facility concepts and infrastructure; and revenue and expense estimates. This transaction analysis serves as a "buy, sell, build, invest" guide and helps developers, investors, and owners in the investment and disposition decision processes.

For more information about Wafra's Real Estate Division, please contact Frank P. Lively, Senior Vice President at 212-759-3700 or visit www.wafrarealestate.com.

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