

## Company Description

Foresight Analytics LLC is a California-based provider of real estate market consulting services. We focus on real estate market analysis and forecasting, for commercial and residential product types, in both domestic and international markets. Our clients are mainly institutional investors, lenders and developers.

## Products and Services

Our products and services are designed to help real estate professionals evaluate markets. The company offers standardized reports, as well as custom reports and consulting assignments. Our professionals are also available for presentations and meetings. Regularly-updated reports and underlying data are available electronically through our website.

## Market Sector Reports

Foresight Analytics produces a set of six Market Sector Reports for major U.S. metropolitan areas covering economic, demographic, residential, office, industrial and retail market trends. These reports combine data and analysis with projections, including vacancy rates and rent growth. The reports are updated and published on a quarterly basis.

Features include:

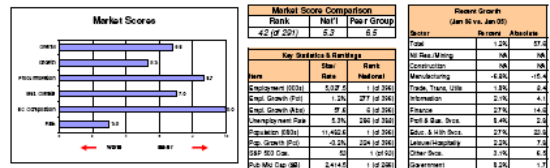
- Foresight's proprietary Market Scores, to facilitate comparisons across markets and over time.
- Concise analysis of market trends.
- 5-year forecasts of market fundamentals.
- Drill-down capability by clicking on tables and graphics.
- Customizable forecasts, allowing users to alter forecast assumptions and inputs to generate new market-level forecasts. This tool can also be used to generate sensitivity analysis and deepen an understanding of market dynamics.
- Rankings to help place a given market in a larger context.

## Data Access

Data from Foresight's economic and real estate market databases can be downloaded through our website. Users can select variables as needed and perform additional analysis of their own. Comparative statistics for peer groups and the nation are also available, to provide additional perspective on market trends.

## Sample Market Report

### New York, NY Economic Market Forecast



**Market Description, Trends, Outlook:**  
The New York metro area is the largest in the nation, with a base of 9.4 million jobs. It is home to the nation's top financial, legal, accounting, marketing, advertising, and publishing industries. It is home to 60 GDP GDP companies, more than any other metro area. New York's vibrant cultural and entertainment options attract residents and visitors alike.

**Economic Growth in New York:** The metro area added 22,000 jobs between January 2006 and 2007, which is the sixth greatest increase in the nation. Education and health services, finance, and leisure and hospitality are leading the growth.

**Financial Sector:** The financial sector is contributing significantly to the growth. New York is the financial center of the nation. It houses offices of eight of the world's top ten securities firms, 20 of the top 25 foreign branches of international banks, and 214 of the national banks. The New York Stock Exchange is the world's largest equity exchange marketplace.

**Professional and Business Services:** This is one of the fastest growing sectors of the economy. New York is the headquarters of the ten largest U.S. based consulting firms, three of the "Big Five" accounting firms, one of the nation's largest advertising agencies, and five of the 14 largest law firms.

**Information Services:** This sector in New York has a significant media and publishing component, which accounts for its positive employment growth at a time when the sector is lagging nationally. Four of the top six media companies, including Time Warner, Viacom, and NBC Universal, and News Corp., are based in New York. More than 200 newspapers, magazines, offices, and about 300 consumer magazines are headquartered here, making New York the largest publishing center in the United States. New York has 146 studios and stages available for the shooting of feature films, television shows, commercials, and music videos, which has led to increased production activity.

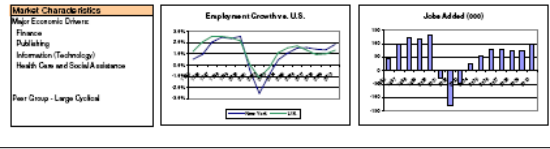
**High-tech and new media:** Based in Silicon Alley, is a growing industry in New York City. Growth has been fueled by access to investors and proximity to other industry participants.

**New York also has a large academic and research community.** Local institutions receive \$1.2 billion annually in grants from the NIH, with top recipients including Columbia University, New York University, Yeshiva University, and Sloan-Kettering Institute for Cancer Research. Scientific research centers have generated ideas and a workforce that fuel growth in the local biotechnology industry.

**With its world renowned restaurants, theater, shopping and other attractions,** New York is also a top U.S. tourist destination, attracting about 40 million visitors a year. It is home to dozens of museums, including the Metropolitan Museum of Art, Guggenheim, and Museum of Modern Art. Leisure and hospitality is one of the metro area's fastest-growing employment sectors. Occupancy rates for the area's 70,000 hotel rooms in New York averaged 93% during 2006. The average daily rate of \$172 was a 14% increase above 2005. New construction will add 3,200 rooms by the first quarter of 2007.

**Employment growth in New York is healthy.** Foresight Analytics estimates employment growth to average 1.5% per year during the next five years, adding 80,000 jobs annually.

Susan Parash - March 2007



## Apartment and Office Submarket Reports

Submarket Reports bring Foresight Analytics' apartment and office analysis for selected major markets to a more micro level. They are produced quarterly and include historical trends and comparative analysis among the major submarkets in each metropolitan area.

## Data Access Web Page

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Data Access

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Metro Area Selection

<input type="checkbox"/> Boston, MA	<input type="checkbox"/> New York, NY	<input type="checkbox"/> Portland, OR	<input type="checkbox"/> San Francisco, CA
<input type="checkbox"/> Chicago, IL	<input type="checkbox"/> Newark, NJ	<input type="checkbox"/> Riverside-SB, CA	<input type="checkbox"/> San Jose, CA
<input type="checkbox"/> Denver, CO	<input type="checkbox"/> Oakland, CA	<input type="checkbox"/> Sacramento, CA	<input type="checkbox"/> Seattle, WA
<input type="checkbox"/> Edison, NJ	<input type="checkbox"/> Orange County, CA	<input type="checkbox"/> San Diego, CA	<input type="checkbox"/> Washington, DC
<input type="checkbox"/> Los Angeles, CA			

Time Period Selection

Start Year: \_\_\_\_\_ End Year: \_\_\_\_\_

Economic Data

Employment (Total)	Level / Amount	Growth Rate
Employment (Detail)	<input type="checkbox"/>	<input type="checkbox"/>
Unemployment Rate	<input type="checkbox"/>	<input type="checkbox"/>
Gross Metro Product	<input type="checkbox"/>	<input type="checkbox"/>

Demographic Data

Population (Total)	Level / Amount	Growth Rate
Households (Total)	<input type="checkbox"/>	<input type="checkbox"/>
Births	<input type="checkbox"/>	<input type="checkbox"/>
Deaths	<input type="checkbox"/>	<input type="checkbox"/>
Natural Increase	<input type="checkbox"/>	<input type="checkbox"/>
Net Migration	<input type="checkbox"/>	<input type="checkbox"/>
Income (Total)	<input type="checkbox"/>	<input type="checkbox"/>

## Custom Projects

Custom Projects are designed to fill highly-specific needs. The size and scope of these projects varies. Past projects include:

- Risk scenarios and return forecasts for a major property owner.
- Detailed market/submarket analysis and forecasts in several metropolitan areas for an institutional investor.
- Detailed market/submarket analysis and forecasts for an opportunity fund.
- Mortgage default modeling for a major lender.
- New product feasibility analysis for a public REIT.

## Management Team

Foresight Analytics is led by Matthew Anderson and Susan Persin, who have 30 years of combined real estate industry experience. They have backgrounds in:

- Real estate market analysis - local, national and international markets.
- Capital markets research.
- Modeling and forecasting.
- Special project work — for REIT IPOs, large property sales and strategic planning.

## Why Select Foresight?

- Foresight's founders and staff offer a depth of experience in economic and real estate market research.
- Foresight offers broad market coverage, including economic projections for many secondary and tertiary markets.
- Foresight's reports are easy-to-read, yet contain a comprehensive breadth of information. They focus on the information that is most pertinent to decision makers.
- Foresight's proprietary "Market Scores" are a quantitative way to measure and compare markets. They allow clients to translate data into readily understood meaning. Additionally, the calculations behind the Market Scores are accessible, further enhancing understanding of the results.
- Foresight's data access tools provide an interactive way to sort and rank markets.

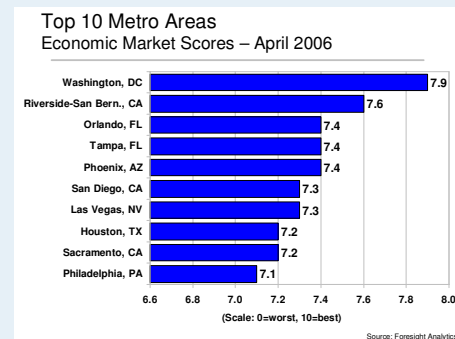
## Market Scores

The Market Scoring process is a proprietary system designed to help identify areas with positive growth prospects. Foresight has developed scores for the economy and each property sector.

### Economic Score Description

The Economic Score creates a more complete picture of economic health and growth prospects than a simple growth measure would provide. Five categories are used to provide component scores:

- **Economic Growth**, which measures historical, current and forecasted growth both in terms of numbers of jobs and percentage growth rates, is weighted most heavily.
- **Productivity/Innovation** measures economic output per capita and patent filings.
- **Business Climate** captures factors contributing to business formation, such as favorable tax rates and availability of capital.
- **Economic Composition** rates an area's exposure to different employment sectors, combined with Foresight's outlook for growth in each sector.
- **Risk** measures employment growth volatility and correlation with national trends.



*"We're trying to find areas with all the right ingredients for good economic performance. We think employment growth is an important factor; however, it is not the only measure of economic relevancy."*

— Matt Anderson, Foresight Partner

## Contact Information

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