



PROPERTY MANAGEMENT, LLC

REGIS' ROLE IS
TO PROTECT
AND ENHANCE
EQUITY



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Regis Property Management, LLC

Today more than ever, an equity investment in real estate requires the experience and depth of a fully integrated professional organization. REGIS PROPERTY MANAGEMENT, LLC ("REGIS") maintains a diverse portfolio of real estate properties, making it one of the nation's larger and most successful real estate management firms.

Since its inception in 1992, REGIS, and its affiliates, have been involved in over 100 separate real property investments. These investments are diversified both as to geographic location and type of property and total approximately seven million square feet of commercial real estate across the United States.

The variety and geographically diverse locations of our real estate projects give us access to specific market knowledge and enables us to provide real estate services to meet all needs; the quality and dedication of our personnel provide a level of professional excellence that assures success.

While the price and terms by which a property is acquired are crucial elements in making a successful investment in real estate, maximizing the potential return from an investment depends largely upon the quality of the property management team. The experience gained from managing a large portfolio of income properties has given REGIS the judgment, capabilities and insight required to make the strategic decisions required to insure a successful operation.

REGIS PROPERTY MANAGEMENT PHILOSOPHY

The goal of REGIS, is to enhance and protect the value of every development we manage.

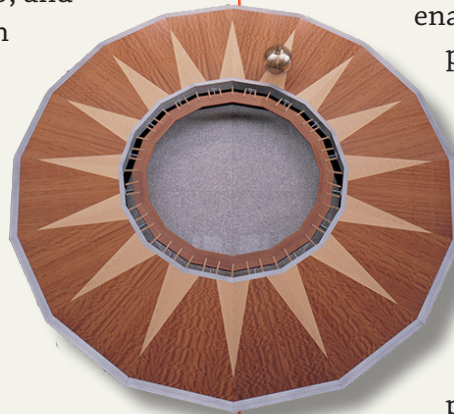
By focusing on quality of personnel and services, we are able to manage for the long-term benefit of both ownership and tenant. REGIS' size enables us to hire and train the most professional property managers and building maintenance engineers available.

Each property is assigned its own property management team that takes a customized approach to complement the tenant mix and project a dynamic image. Each property is also monitored by one of our REGIONAL or DISTRICT MANAGEMENT GROUP offices.

As one of the larger property management organizations in the country, REGIS can provide a level of service unparalleled in the industry.

We provide sophisticated financial management and reporting capabilities, nationwide purchasing discounts, experienced construction management, environmental services and a host of unique services tailored to each property's specific requirements.

We are committed to top-notch tenant services as well as optimum building performance. We believe that tenant retention begins with the first meeting between property management and prospect, long before leases are signed, and continues throughout the term of the lease.





To produce the highest total return from a property, a COMPREHENSIVE MANAGEMENT PLAN is prepared following the review and evaluation of property demographics and operating history combined with a current market analysis. This Plan includes an operating budget, marketing strategy and maintenance program. If necessary, areas requiring capital improvements are pinpointed through comprehensive marketing studies and long-term business plans.

REGIS has developed a comprehensive accounting system that directly relates to the operation of these systems. This program tracks repair and maintenance labor costs, material costs and contracted outside services and generates monthly financial reports to facilitate true cost analysis and control.

The REGIS integrated program of preventive maintenance procedures goes beyond tracking services, such as filter changes and lubrication. It also provides for systematic inspections, adjustments, replacement of components, efficiency testing and performance analysis.

The REGIS commitment to quality extends beyond philosophy and planning. As a leader in the development of management personnel, we believe that our achievements reflect the professionalism, motivation, continuity and teamwork achieved by our professionals, as well as our dedication to creating a stimulating educational environment.

Enrollment in professional designation programs is strongly encouraged and supported. Periodically,

special training seminars on marketing, financial control and maintenance skills are held in the regional and district offices. This continuing education experience leads to both personal enrichment and enhanced work performance.

REGIS and its affiliated companies benefit from the skills and commitment of 187 full time employees including:

- Certified Property Managers (CPM)
- Certified Shopping Center Managers (CSM)
- Certified Commercial Investment Member (CCIM)

A company-wide incentive program maximizes employee productivity and enables REGIS to establish standards, measure performance and determine where additional training is necessary. The quality of our personnel and management approach produces a uniquely effective management structure and our dedication to professional excellence assures success.

**Regis
commitment to
quality ...**



REGIS MARKETING AND LEASING PHILOSOPHY

The REGIS approach to leasing is motivated by our desire to provide the highest level of service to our owners, tenants and prospects. We achieve the optimum combination of occupancy and rental rates by staying close to the marketplace and aggressively pursuing prospective tenants.

Our strategy begins with leasing professionals who conduct extensive market research, understand the competition, maintain excellent brokerage relationships and directly canvass for new tenants. From this process, we develop realistic pricing and leasing goals and establish effective marketing and promotional programs.

The tools and methods developed by REGIS to maximize our leasing efforts are as follows:

- **Perception Surveys** are designed to gather information from tenants, brokers, and local business leaders on their perceptions of a given market. This is the first step in determining the marketing strategy for a specific property.
- **Competitive Building Surveys** list the primary competition for our buildings as identified by Ownership, REGIS' leasing representatives, brokers and the Perception Survey. Space availabilities, rental rates, stacking diagrams, amenities and floor efficiencies are a few of the items included in this survey.
- **Market Comparable Report** is an up-to-date list of comparable lease deals recently completed in the marketplace. Each deal is analyzed



on a sophisticated Deal Analysis Model, which compares the deals in a fashion that enables Ownership to understand market dynamics.

- **Economic Parameters Report** contains the recommended pricing for the building and breaks out each component of the deal, including rental rates, concessions, tenant improvements or other deal-related costs.

- **Regis' Marketing Department** works with local offices to develop effective marketing strategies and to design and produce building collateral material. We also conduct marketing reviews for our major markets to assist local personnel with their pricing and leasing strategies and to share ideas and experiences from other REGIS markets

- **Proposed Deal Summary Report** summarizes for management and ownership a comparison of each proposed lease transaction against previously approved Economic Parameters.

- **Lease Analysis/Parameter Comparison Report** presents a quarterly analysis of all final leases to measure cumulative performance against the established parameter. This not only serves as a "report card" for our leasing representatives, but assists in understanding marketplace dynamics over time.

Utilizing the tools and programs listed above, and a coordinated and informed approach to project marketing and leasing, REGIS has consistently outperformed the market in every city in which we operate.



FINANCIAL MANAGEMENT

The REGIS accounting staff, from the Controller to our accounting supervisors, staff accountants and accounts payable personnel, are dedicated to providing accurate and efficient financial reporting for our managed properties.

REGIS utilizes a state-of-the-art real estate accounting system, which currently serves approximately 10,000,000 square feet of commercial space. This system includes an on-site terminal for daily input to our central computer system, and permits immediate access to all property accounting records and daily cash input.

Each year a budget is developed by the Property Manager and REGIS Senior Management, using data gathered by comparing actual history from the property to similar data from other projects managed by REGIS. The budget is presented to ownership for approval prior to implementation.

In addition to the annual budget, REGIS provides Ownership with a monthly accounting package that includes the following reports:

- Monthly and year-to-date operating statements
- Monthly cash flow analysis
- Monthly bank reconciliation
- Monthly budget to actual variance analysis
- Monthly general ledger trial balance
- Year-to-date general ledger trial balance
- Monthly general ledger account analysis
- Monthly cash disbursement analysis
- Aged accounts receivable summary
- Monthly receivables activity analysis

- Lease expiration report
- Vacancy analysis
- Rent Roll
- Property Overview

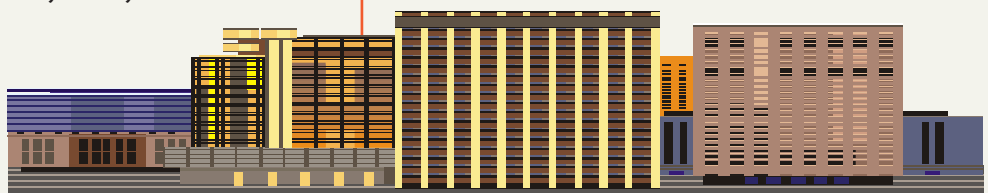
This package, reviewed by a staff Certified Public Accountant, contains all the reports we deem necessary to efficiently monitor a property. However, our system has the capability of producing virtually any financial schedule, and the package can be customized to fit specific ownership needs. In addition, staff members will provide ongoing support for any accounting related questions that arise.

**state-of-the-art real
estate accounting
system**

ACCREDITATIONS/CERTIFICATES/MEMBERSHIPS

REGIS employees actively participate in the following:

Institute of Real Estate Management (IREM)
Building Owners and Managers Association (BOMA)
National Association of Industrial & Office Parks (NAIOP)
International Council of Shopping Centers (ICSC)
Construction Specification Institute (CSI)
Certified Commercial Investment Member (CCIM)





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