

Net Lease Real Estate ICONS

Today, net-leased assets are the go-to investment for those looking to invest in real estate but who want stable, steady yields. But that wasn't always the case. Look at the next few pages to see some of the creative real estate professionals that helped to form and define the net lease business and bring it into the mainstream.

By John Salustri and Antoinette Martin



RICHARD ADER

Richard Ader has been involved in net lease since 1968, certainly qualifying him as a sector icon. The founder of US Realty Advisors LLC serves as chairman of the firm's investment committee and is the senior acquisitions officer and portfolio manager. He has devised innovative and revolutionary net lease structures including the sandwich lease, stepped rents and accrual leases and has overseen the acquisitions and management

of more than \$18 billion of net lease real estate. But net lease isn't the only arrow in his quiver; Ader is also recognized as an expert in acquiring and operating over 20 million square feet of office, retail and industrial property as well as 32,000 residential units throughout the United States during his career.

RICHARD AGREE

Throughout Richard Agree's four-decade career, he has overseen the development of over eight million square feet of retail space in 16 states. As executive chairman of the board for his self-named company, a self-managed REIT focused on the development and acquisition of single-tenant net lease retail properties throughout the US, he continues to be hands-on in all of its aspects. He previously served as Agree Realty Corp.'s CEO and chairman. Prior to that, Agree worked as managing partner of the general partnerships that held the firm's properties prior to its formation and IPO. He also served as president of the company's predecessor firm.

ROBERT J. AMBROSI

A 35-year veteran of international real estate, Ambrosi is chairman and CEO of ARC Properties Inc., and was the founder of the public Net Lease REIT, ARC Corporate Realty Trust. He began his career as an analyst at the Mutual Life Insurance Co., later becoming manager of US real estate investments and net leases on behalf of foreign-based investors for the Canadian firm Marcil Properties. In 1979, he co-founded Tibor Pivko + Co., an international real estate

advisory company. He also was a founding member of the Franklin Bank. He established ARC Properties in 1985, to specialize in acquisitions and development of net leases in the US. To date, ARC and its affiliates have acquired and developed more than 200 properties nationwide valued at more than \$2 billion. A frequent guest lecturer at Duke University and Rutgers University, Ambrosi received an Outstanding Lifetime Achievement Award from his alma mater, the New Jersey Institute of Technology.



TREVOR BOND

The president and CEO of W. P. Carey Inc., Trevor Bond is also chairman of the board of directors for the publicly-owned, non-traded REIT, Carey Watermark Investors, and managing member of Maidstone Investment. Bond has more than 25 years of experience in finance, development, investment and asset management. At Credit Suisse First Boston from 1992 to 2002, he co-founded the Real Estate Equity Group, which managed \$3 billion in real estate assets; helped found

the Praedium Recovery Fund, a \$100 million fund managing distressed real estate and mortgage debt; and was a manager of the Principal Transactions Group. Before that, he worked for Tishman Realty & Construction Co. and Goldman, Sachs & Co. in New York. Bond holds an M.B.A. from Harvard University.

BENJAMIN S. BUTCHER

Since Benjamin S. Butcher founded STAG Capital Partners' predecessor firm in 2003, the company has deployed approximately \$1.9 billion of capital, representing the acquisition of 307 properties total

ing some 52.4 million square feet in 186 individual transactions. The CEO, president and chairman of the board has overseen the growth of the firm and its affiliates. His list of titles includes member of its board of managers and management committees from 2003 to 2011. From 1999 to 2003, Butcher was engaged as a private equity investor in real estate and technology. His resume also includes a stint as a director at Credit Suisse First Boston's Principal Transactions Group and as a director with Nomura Asset Capital's CMBS Group.

WILLIAM POLK CAREY

Bill Carey (1930 – 2012) was an entrepreneur, a pioneer in global corporate finance and a philanthropist for more than six decades. His career was defined by two core principles that he adopted more than 30 years ago: investing for the long run and doing good while doing well. The founder and chairman of W. P. Carey Inc. guided the



development of the firm into the position of market leadership it has continuously held from its early years. He started the company in 1973, primarily to structure single-asset private investments. Today, W. P. Carey has nearly \$12 billion in assets under management. Carey was also the founder and chairman of the W. P. Carey Foundation, established in 1988 to support educational institutions, with the larger goal of improving America's competitiveness in the world.

CHRIS COLE

Cole Real Estate Investments has had its share of news lately, or at least Cole Credit Property Trust III has, as it weighs, doubtfully at press time, a possible acquisition by American Realty Capital Properties Inc. Christopher H. Cole is the founder and executive chairman of the umbrella group, and he has been actively engaged as a principal in the structuring and management of real estate investment programs since founding the firm in 1979. Since then the company has formed and managed over 100 real estate investment programs, owning real estate with a combined acquisition and development cost in excess of \$12 billion. In May 2007, he was presented with the Distinguished Achievement Award from the W. P. Carey School of Business at Arizona State University for his contributions to the school of business, the university and community.

G. JOSEPH COSENZA

This net lease icon has already spent two years in the Chicago Association of Realtors Hall of Fame. Joe Cosenza is one of the four original principals of the Inland Real Estate Group, a publicly traded REIT, and has been affiliated with the firm since 1968. As president of Inland Real Estate Acquisitions, Cosenza supervises a staff of 22 people. He also serves as a consultant to real estate firms and lenders on property appraisal methods. Cosenza has directly overseen the purchase of more than \$33 billion worth of commercial property. Prominent in the banking industry since 1982, he has been a director of Continental Bank of Oakbrook Terrace, chairman of American National Bank of DuPage and was chairman and a director of Inland Bank & Trust from 1996 to 2005.



We Proudly Acknowledge



Richard Ader

Founder and Chairman of U.S. Realty Advisors, LLC

Selected as a Net Lease Real Estate Icon

U.S. Realty Advisors, LLC congratulates you on this prestigious honor which recognizes your innovation, success and long-time leadership in the net lease industry.

Your Colleagues at U.S. Realty Advisors, LLC.



1370 Avenue of the Americas • New York, New York 10019 • 212-5814540 • www.usrealtyadvisors.com



SIDNEY DOMB

What was the Great "Aha" Moment, that inspired United Trust Fund president and CEO Sidney Domb to create his firm? "Oh, it was a mistake," Domb recounted in REAL ESTATE FORUM's cover story last year. "I started out building for tenant companies, gas stations and 7-11s." Domb remembers a call from a broker who wanted to hook him up with a Howard Johnson-type motel/restaurant operator called Ludwig &

Kibbee. They had 11 properties and wanted someone to take over the contracts, build the assets and lease them back. "I met with them and went through the numbers. I included taxes and interest, but they protested the add-ons. I said, 'Why don't you build them, and I'll buy them when they're done?' They agreed. My attorney recommended that we call the structure a sale/leaseback and I came up with the name for the company. We registered the name in 1972."

GORDON F. DUGAN

A former president and CEO of W. P. Carey & Co., where he spent 22 years and oversaw that company's growth from assets of \$2.5 billion to over \$10 billion, Gordon DuGan is the current CEO and a director of Gramercy Capital Corp. He joined Gramercy last year and is overseeing a repositioning of the company to a purely net-lease focus. DuGan is a member of the Council on Foreign Relations and serves on the board of the Innocence Project and the Advisory Board of India 2020 Ltd., a private equity firm investing in India. He co-founded Northcliffe Asset Management in 2010, which was later merged into Annaly Capital Management. He joined Gramercy in July 2012.



MORTON FLEISCHER

Morton Fleischer was one of the founders of STORE Capital in May 2011 and serves as chairman of the board. For nearly four decades,

Fleischer has formed and managed over 20 real estate companies, taking two public on the New York Stock Exchange. He has invested approximately \$10 billion in single-tenant commercial real estate since 1981. Prior to forming STORE, he co-founded REIT Spirit Finance Corp. and served as chairman from its inception in 2003 to February 2010, including the three years that Spirit Finance was publicly traded on the NYSE. In the '80s and '90s, Fleischer

founded numerous real estate limited partnerships that were predecessors to Franchise Finance Corp. of America, a REIT that he formed and took public in 1994. Fleischer was FFCA's chairman and CEO until it was acquired by GE Capital Corp. in 2001.



W. KYLE GORE

Kyle Gore is a managing director and principal of CGA Capital Corp., which was previously a subsidiary of Legg Mason Inc. During his 23-year real estate career, he has led the structuring and closing of more than \$12 billion in net lease-related financing transactions. A frequent speaker at net lease industry events, he has also been a

managing director in RBS Greenwich Capital's Real Estate Finance Group. CGA and its affiliates originate, structure, fund and securitize commercial mortgages for net-lease properties and assist public and private institutional investors in the acquisition and disposition of asset-backed and mortgage-related products. He joined RBS Greenwich Capital after spending over 16 years with the broker-dealer subsidiary of Legg Mason. He has handled the net lease-backed financings for retail, office, distribution, industrial, governmental, manufacturing and special purpose properties located throughout the United States.

NORTON HERRICK

Under the watchful eye of Herrick Co. chairman and CEO Norton Herrick, the firm has become a major force in the real estate marketplace over the past 50 years, with income property transactions totaling over \$3 billion. Herrick began his career building residential real estate in the Northeast, and he developed a reputation for fast-tracking, including large homes in less than 30 days and a 22-story, 300-unit high-rise apartment building in just 54 days. Throughout the 1980s and 1990s, Herrick analyzed, purchased and sold apartment complexes throughout the eastern US. He carried that speed over to the structuring and financing of net lease and sale-leaseback transactions, becoming known as one of the fastest acquisition decision-makers and closers in the country. Herrick is also the recipient, along with President Ronald Reagan and Isaac Stern, of the Jerusalem 3000 Award, presented by Prime Minister Shimon Peres.



BARCLAY G. JONES III

Barclay Jones has been the executive vice president of investments for iStar Financial Inc. since 2000. Jones is responsible for jointly overseeing the publicly traded company's corporate loan and tenant lease investment activity. Previously, he was a principal with ACRE Partners LLC, a privately held firm that provides public and private companies with highly structured, value-added financing solutions for their facilities. From 1982-1998, Jones held various executive positions with W. P. Carey & Co., where he was responsible for originating more than \$2 billion of sale-leaseback financing and over \$1 billion in mortgage placements. He is a director of Spirit Airlines Inc. Since 2007, he has also been a member of the Dean's Advisory Council for the College of Art, Architecture, and Planning at Cornell University.

JAMES G. KOMAN

James G. Koman is the founder and a managing principal of ElmTree Funds LLC. His experience includes the development and management of more than 4.5 million square feet of office and retail nationwide. Specifically in the net lease real estate sector, Koman has acquired and developed over \$2.1 billion in net lease assets over his 25-year career. As a successful commercial property developer in several asset classes, he has managed several large-scale projects, worked closely with local municipalities and dealt with corporate America to execute his development projects on time. His wealth of commercial property development experience enables the fund to work closely with build-to-suit developers because of his intimate understanding of the development process.





TOM LEWIS

Tom Lewis has been chief executive officer of Realty Income since 1997 and served in various executive positions with the company in the 10 years before that. Previously, he worked for a different real estate company, an investment firm and for Procter & Gamble. Lewis currently serves an independent director of a Realty Income subsidiary, Crest Net Lease Inc. He joined Realty Income

in 1987 and headed the firm's Capital Markets division until being named CEO. He also serves as a member of the board of directors of Sunstone Hotel Investors, Inc. Active with an array of industry organizations, Lewis is focused on economics and world affairs—with a side interest in golf.

CRAIG MACNAB

Craig MacNab joined National Retail Properties in 2004 on a mission to sharpen the company's investment focus on net-leased retail properties. The very next year, he led the company's move to acquire National Properties Corp. NPC is a publicly traded company with a portfolio of high-quality single-tenant properties. MacNab was subsequently named as National Retail's chairman of the board, in addition to being CEO. He was previously chief executive officer of JDN Realty, where he



orchestrated a successful restructuring and refinancing that included settlement of a class action lawsuit before the company was acquired by Developers Diversified Realty. MacNab is a former president of Tandem Capital, a private investment company he founded in 1997 that was acquired by Finova Capital in 1999. He has been an investment banker at both Lazard Freres and Co. and JC Bradford. MacNab is a director of Eclipsys, a provider of information solutions for hospitals and healthcare systems, and of DDR Corp. a REIT specializing in shopping centers.



PETER MAVOIDES

Peter Mavoides joined Spirit Realty Capital in September 2011 and currently serves as president and chief operating officer. Prior to joining Spiritus, Mavoides worked for more than seven years as president and CEO of Sovereign Investment Co., a private equity firm that focuses on investment opportunities relating to long-term, net-leased real estate. Mavoides also worked with Eastdil Realty and with Citigroup, where he focused on the structuring of sale-leaseback transactions. Spirit Realty's portfolio is leased to approximately 165 tenants operating in 18 different industries throughout the United States. Among those are restaurants; general, specialty and discount retailers; movie theaters; education facilities; health, fitness and recreational facilities; automotive dealers, parts and service operations; and supermarkets.

LXP
LEXINGTON
REALTY TRUST
Congratulates



Our Chairman, the iconic E. Robert Roskind

Lexington has over \$500 million available to invest in single-tenant build-to-suit properties.

One Penn Plaza . Suite 4015 . New York . NY 10119
212.692.7200 . www.lxp.com





WILLIAM R. POLLERT

CapLease boasts "a well-diversified \$1.8-billion real estate portfolio," Bill Pollert is a founder and president. Continuously employed by the REIT or predecessor companies since 1994, he served as CEO until 2001. But continuity aside, Pollert has had his hands in many pies. From 1993 to 1995, he was the president and CEO of Equitable Bag Co., a manufacturer of custom bag

products, and he has held a variety of senior management positions at Triarc Cos. (which owned Arby's, RC Cola, Graniteville and National Propane); Trian Group; Avery Inc. (which owned Uniroyal Chemical Co.); and Triangle Industries (which owned American National Can Co., Brandt Inc., Triangle Wire & Cable and Rowe International). From 1973 to 1985, Pollert also held a variety of senior management positions at International Paper Co., last as VP of the consumer-packaging business and a member of its executive operating committee.

SHELBY E. L. PRUETT

Managing principal, chairman and CEO of Equity Global Management, Shelby Pruett has more than 25 years of executive experience. He is a previous chairman and CEO of ECMR and was a co-founder of ECM and its related investment funds. He also co-founded Gryffindor Capital Partners, a private equity firm providing venture capital to technology, life sciences and business services firms. Pruett oversaw corporate M&As for Transwestern Commercial Services and co-founded Transwestern Strategic



E. ROBERT ROSKIND

Since March of 2008, Robert Roskind has been chairman of Lexington Realty Trust, which through its ownership subsidiaries has leases "representing the diverse US economy," including small, medium, and large companies operating in such industries as energy, finance, insurance, technology, automotive, healthcare, telecommunications, retail, media, consumer



products, aerospace and defense. Roskind served as co-vice chairman from December 2006 to March 2008, chairman from October 1993 to December 2006 and co-CEO from October 1993 to January 2003. In 1973, he also founded the LCP Group LP, a real estate advisory firm, and has been its chairman since



SPIRIT REALTY CAPITAL *Highlighted 2012 Aquisitions*

\$36,400,000



AUGUST 2012

\$22,799,600



Franchisee
DECEMBER 2012

\$45,198,625



OCTOBER 2012

\$22,000,403



Franchisee
FEBRUARY 2012

Spirit Realty Capital is actively acquiring leased and sale-leaseback transactions on a broad spectrum of diversified asset classes.

16767 N. PERIMETER DRIVE, STE 210
SCOTTSDALE, AZ 85260

866.557.7474
spiritrealty.com

1976. Roskind is also chairman of Crescent Hotels and Resorts and is on the board of Consonant REIT Advisors, the external advisor to Invincible Investment Corp., a Japanese trust listed on the Tokyo Stock Exchange.

NICHOLAS S. SCHORSCH

Once dubbed the "Banker's Landlord" by the *Philadelphia Inquirer*, Schorsch founded American Realty Capital, a full-service real estate advisory firm, in 2006. The company operates four separate business units: ARC Trust, a non-traded public REIT; ARC Income Properties, privately placed notes; ARC Growth Fund, an opportunistic investment partnership that acquires vacant bank branches; and ARC Exchange, a company that structures real estate exchanges. Previously, Schorsch

founded and had been chief executive officer and president of American Financial Realty Trust. AFR's strategy was to acquire, finance, and manage office buildings, operations centers, bank branches and other critical real estate assets net leased to tenants in the financial services industry. While at the helm of AFR, Schorsch acquired 1500 properties with a value of \$5.7 billion and liquidated over 350 properties with a total sale value of \$1.73 billion, resulting in a gain of \$273 million. He is a former board member of NAREIT.



KEVIN SHIELDS

Over the course of a 30-year real estate and investment banking career, Kevin Shields has structured and closed over 175 transactions totaling in excess of \$5 billion. Possibly his crowning achievement comes as chairman and CEO of Griffin Capital, which he founded in 1995. Griffin and its affiliates have acquired or constructed more than 17 million square feet and currently own and manage a portfolio of nearly 14 million feet located in 28 states, representing some \$2.2 billion in asset value. Griffin Capital is the advisor to two public, non-listed REITs: Griffin Capital Essential Asset REIT Inc., of which Shields is the chairman and CEO, and Griffin-American Healthcare REIT II Inc., for which he serves as a special board member and member of the investment committee. Prior to Griffin, Shields did senior-management stints at Jefferies & Co. and Salomon Brothers Inc.

GORDON J. WHITING

Gordon Whiting joined Angelo, Gordon in 2004 and is a managing director, founder and portfolio manager of the firm's net lease real estate strategy. With over 19 years' experience in this industry, Whiting was an executive director of W. P. Carey and president and portfolio manager of Corporate Property Associates 14, one of Carey's public, non-traded REITs with more than \$1.3 billion in assets. From 2002 to 2010, Whiting was a member of the five-person Federal Retirement Thrift Investment Board, a position to which he was nominated by President George W. Bush and confirmed by the US Senate. The FRTIB oversees over \$290 billion of 401(k) type retirement accounts for most Federal employees and military personnel. ♦



TRANSWESTERN

BEST OF THE BEST

At a Firm Filled with Outstanding Producers These Rose to the Top in 2012

Transwestern congratulates the accomplishments of its top producers for 2012. These successful individuals embody all that Transwestern represents: Entrepreneurial Spirit, Legendary Service and Teamwork.

Congratulations to our 2012 Champion's Club.

ERIC ANDERSON
Houston

DUANE HENLEY
Dallas

MIKE McGAUGHY
Atlanta

DAVID BAKER
Houston

TONY KARMIN
Chicago

LARRY MENDEZ
San Antonio

ED CUMMINS
Houston

JON KLEINBERG
Atlanta

GARY NUSSBAUM
Chicago

CAULLEY DERINGER
N. Virginia

PETE LARSON
Washington, D.C.

KEN PAGE
Houston

KEITH FOERY
Bethesda

DOUG LITTLE
Houston

GERRY TRAINOR
Washington, D.C.

GREG FRANKUM
Atlanta

KEN MARKS
Bethesda

HALE UMSTATTD
Austin

BRIAN GAMMILL
Houston

KEVIN MARKWORDT
Atlanta

PHIL UTIGARD
Chicago

ERIC GROFFMAN
Miami

PHIL McCARTHY
Bethesda

PAUL WITTORF
Houston

35th

Experience the Best of the Best www.transwestern.net

Reprint orders: www.remreprints.com