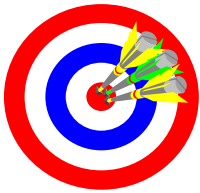


INSTITUTIONAL INVESTORS EDITION

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Investment Target

Distribution Warehouse

Class "A"
Suburban Office

Anchored Retail
(debt only)

"THE PERFECT FIT"

ALLIANZ REAL ESTATE LENDING & ACQUISITION PROGRAM

Whether building, buying, selling or refinancing, Allianz works to assist Institutional Real Estate Investors in achieving their financial objectives. The following provides a summary of Allianz's Real Estate Lending and Acquisition Programs:

| | |
|------------------------|---|
| Investment Target: | Distribution Warehouse Class "A" Suburban Office Grocery Anchored Retail Centers (debt only) |
| Target Markets: | Major markets in the United States |
| Transaction Size: | \$5 to \$50 million (larger for diversified portfolios) |
| Funding: | Immediate (30 days or less) and Forward commitments up to 12 months |
| Competitive Advantage: | Experience, reputation, and flexibility Portfolio transactions/ partial release/ substitution Quick close (less than 30 days) |

Sample Acquisition Transaction

Duke Realty

Allianz acquired three distribution warehouse properties totaling 850,000 square feet from Duke for \$24.2 million. These well-located, suburban Atlanta buildings are under long-term leases with Siemens AG, Bombay, and Rickett Benckiser. Duke developed these credit-leased properties and desired to harvest some gains, re-deploying their capital into new developments. Allianz achieved an attractive initial return on quality properties with credit tenants and no near-term lease risk. Allianz also acquired a newly completed, 500,000 square foot distribution property in suburban Chicago, leased to Sears Logistics. These transactions represent the classic win-win situation for both Duke and Allianz!



Visit us on the Web at: WWW.AZOA.COM

Who is Allianz AG?

- ◆ Allianz AG, the 2nd largest insurance company in the world. Allianz AG is listed on the NYSE (ticker "AZ") and is among the top five investment managers in the world
- ◆ Allianz AG headquartered in Munich, Germany
- ◆ Allianz AG has market capitalization of 63B Euro and assets approaching 1.1 Trillion Euro

Who is Allianz of America?

- ◆ In North America, Allianz of America, Inc. acts as investment advisor for companies including:
 - ⇒ Fireman's Fund
 - ⇒ Allianz Life
 - ⇒ Allianz Canada
 - ⇒ Allianz Mexico
- ◆ Over \$20 billion of North American assets under management
- ◆ Assets under management include:
 - ⇒ Mortgages
 - ⇒ Real Estate
 - ⇒ Fixed Income
 - ⇒ Equities

All corporate data as of December 31, 2001

Sample Loans Transactions

MGI Properties and AMB Property Trust

Location: Minneapolis
Property Type: Distribution Warehouse
Square Feet: 604,000 SF in 7 properties
Loan Amount: \$10.5 million
Term/Amort: 15/15
Tenants: Hoffman Engineering, Gaines & Hanson, Regis, Nevers Ind.



Features of this Loan Transaction: Allianz originated loan with MGI in 1993 as a *portfolio loan* (seven properties under one loan with *partial release and substitution rights*). In 1994, AMB acquired this portfolio for a pension client and the loan was *transferred and assumed*. By assuming the loan, AMB avoided a prepayment premium and the cost to place new financing while achieving market financing terms. In 1997, AMB sold one property and avoided a prepayment premium when Allianz allowed a *collateral substitution*. When AMB went public, Allianz approved *transfer* of ownership to the REIT. In January 2002, Allianz issued a commitment to provide an *additional funding* of \$4 million and allow *partial release* of one property that was under contract for sale. These transactions are representative of the flexibility and service offered by Allianz *AFTER* the initial loan closing. In each instance, Allianz responded quickly and with minimal documentation which expedited the transactions, while minimizing costs.

Glenborough Realty Trust

Location: Denver
Property Type: Distribution Warehouse
Square Feet: 900,000 SF in 7 properties
Loan Amount: \$27.2 million
Term/Amort: 10/25
Tenants: FedEx, Boise Cascade, Best Buy, Bunzl, Pfizer, Penske Logistics, Majestic Industries, C.H. Robinson

Features of this Loan Transaction: Glenborough purchased a portfolio of four properties in 1998 and *assumed* the existing Allianz indebtedness, avoiding a prepayment premium and the cost of acquiring new financing while retaining an attractive debt constant. When Glenborough acquired three more buildings in the same park, Allianz was able to make an *additional advance under the existing loan*. This portfolio loan structure allowed the borrower to avoid a holdback and reserves for near-term lease rollovers.



Harsch Investment

Location: Las Vegas
Property Type: Distribution Warehouse
Square Feet: 1.4 million SF
Loan Amount: \$34.7 million
Term/Amort: 5/25
Tenants: Multi-tenanted

Features of this Loan Transaction: Allianz provided acquisition financing for Harsch Investment which has assets of \$1.1 billion including over 4 million square feet of warehouse properties in Las Vegas.



Guardian Life Insurance Co.

Location: Phoenix
Property Type: Two Distribution Warehouses
Square Feet: 250,000 SF and 106,000 SF
Loan Amount: \$6.2 million and \$2.9 million
Term/Amort: 10/25
Tenants: General Nutrition, State-AZ, Avnet

Features of this Loan Transaction: Guardian Life Insurance Co. developed these two properties as joint ventures with major real estate developers. Competitive financing terms and superior service on the first loan made Allianz the preferred lender on the second financing.



Allianz's Unique Lending Features

- ◆ Competitive rates
- ◆ Portfolio financings with partial release and collateral substitution
- ◆ Closings: Less than 30 days for immediates & forward commitments
- ◆ Long-term (+20 years) fixed rate financing
- ◆ Flexible credit enhancements through master leases, escrows and letters of credit
- ◆ Additional loan fundings to finance expansions or acquisitions
- ◆ Ability to underwrite foreign credits
- ◆ Flexibility **AFTER** the initial closing

Duke Realty

Location: Indianapolis
Property Type: Distribution Warehouse
Square Feet: 365,000 SF
Loan Amount: \$6.2 million
Term/Amort: 10/Interest Only
Tenant: Hitachi/North American

Features of this Loan Transaction: Duke developed property in Park 100 as joint venture with the major tenant. Allianz provided financing which was attractively priced with *interest only* payments, enhancing cash flow to the joint venture. When Duke sold the property as part of a 2 million square foot portfolio sale, Allianz allowed for a *substitution of collateral*, thus avoiding a prepayment premium.



Catellus Development

Location: San Francisco
Property Type: Distribution Warehouse
Square Feet: 150,000
Loan Amount: \$3.2 million
Term/Amort: 15/15
Tenant: Owens and Minor

Features of this Loan Transaction: Catellus developed this property and leased it under a long term lease with an option to expand. Allianz was able to offer financing that included a feature to *increase the loan to accommodate the expansion* of the building.



Standard Insurance Co.

Location: Portland
Property Type: Office
Square Feet: 118,000 SF
Loan Amount: \$7.5 million
Term/Amort: 10/25

Features of this Loan Transaction: Allianz provided attractive terms to refinance this suburban multi-tenanted, office building for Standard Insurance Company. In 1999 Standard went public as StanCorp Financial Group.



Dallas Fire & Police Pension Fund

Location: Orange County, CA
 Property Type: Office
 Square Feet: 230,000 SF
 Loan Amount: \$16.0 million
 Term/Amort: 7/30
 Tenants: Canon



Features of this Loan Transaction: Allianz provided acquisition financing for Dallas Fire & Police Pension Fund (advised by Kennedy Associates) and Investment Development Services. The loan provided for an *additional advance* to fund capital improvements associated with lease rollovers.

Lutheran Brotherhood

Location: Minneapolis/ St. Paul
 Property Type: Distribution W/H
 Square Feet: 110,000 SF
 Loan Amount: \$4.1 million
 Term/Amort: 10/25
 Tenant: Banta Corporation



Features of this Loan Transaction: Lutheran Brotherhood developed this property as joint ventures with a local real estate developer that was an existing Allianz client.



Allianz Real Estate

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Visit our Website at:
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Allianz Commercial Mortgage Loan Correspondents

*For acquisitions contact Brian Brennan at Allianz

Please contact the mortgage correspondent in your area with transactions that hit the Allianz investment target:

| City | Correspondent | Phone Number | Fax Number | Contact Person | Email |
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| Albuquerque | Realty Mortgage & Investments | 505-883-1400 | 505-888-3158 | Mike Kelly | mkelly@realtymtg.com |
| Atlanta | LJ. Melody & Company | 770-730-3664 | 770-552-4949 | Dennis James | dennis.james@ljamelody.com |
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| Minneapolis | NorthMarq Capital | 952-356-0111 | 952-356-0097 | Pat Minea | pminea@northmarq.com |
| Omaha | Daisley Ruff Financial | 402-391-2110 | 402-391-1127 | Steve Ruff | steve.ruff@q10drfc.com |
| Orange County | Dwyer-Curllett & Co. | 949-222-1100 | 949-955-0360 | Tom Kenny | tkenny@dwyer-curllett.com |
| Philadelphia | Urban Poole & Heath | 215-914-0337 | 215-914-0237 | Tim Heath | theath@upheath.com |
| Phoenix | Keig Financial Corporation | 602-248-2800 | 602-248-4455 | Tom Keig | tkeig@keig.com |
| Portland | National Mortgage Co. | 503-226-2681 | 503-226-6244 | Mike Glanville | mglanville@nmco.com |
| Salt Lake City | Bonneville Mortgage Co. | 801-323-1030 | 801-323-1001 | Henry Schwendiman | hschwendiman@bmcslc.com |
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