

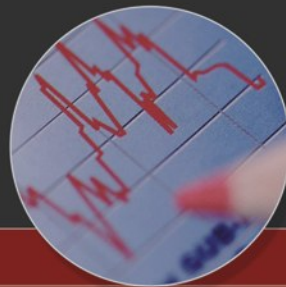


Strategic Solutions

Quantitative Modeling

Market Research

Investment Analytics



Real Estate

Boxwood Means, Inc. is a real estate research and consulting firm focused on quantitative solutions for clients' strategic business issues. We help clients gain a deeper understanding of their markets, customers, competition, investments and financial risks. But we do more than deliver useful research; we also support our clients in developing strategies and interventions that help boost business performance.

“ **A real estate research and consulting firm focused on quantitative solutions for clients' strategic business issues.** ”

In competitive and increasingly sophisticated real estate environments, unusual challenges require uncommon solutions. **For lenders**, questions abound: *What are the potential risks and rewards associated with a new market entry? Which markets are poised for growth? How do customers perceive my brand and what new products might attract them?*

For investors, the diversity of today's investment alternatives, financial vehicles and data sources place a premium on risk evaluation but, also, beget new areas for development. In this new arena, sometimes the most important questions never get asked: *How do we quantify risk-adjusted returns across different asset classes? And how can we optimize capital allocations across real estate sectors and investments?*

Boxwood's answers don't radiate from cookie-cutter approaches.

As a boutique real estate research firm, we tackle complex challenges in creative and nimble fashion, and then deliver world-class solutions that increase value to your customers. That's because we know your business, and our sector-specific knowledge and skills have been honed from years of bottom-up experience.

As a result, we are a respected source of independent analyst insight. We are data-centric, but decision makers value us for our opinion and analysis. Our experience profile includes:

- ❖ **Extensive real estate and marketing research skills.**
- ❖ **Quantitative modeling, optimization, and financial risk management capabilities.**
- ❖ **Investment analytics.**
- ❖ **Database mining and integration.**
- ❖ **New product development expertise.**

We excel in several areas.

Mortgage Market Research

We furnish lenders with top-down, strategic research as well as tactical marketing intelligence that helps clients secure competitive advantages and increase profitability. Using a national database of property transactions and originations unsurpassed in comprehensiveness, we have developed a special focus on the small balance commercial real estate loan space. Boxwood's proprietary mortgage market research offers clients deep insights into lending activity and trends, market potential and lender market shares. This intelligence, in turn, informs executive actions on numerous fronts including sales planning, re-deployment of marketing resources, new loan product development and more.

Research Intelligence

Market Sizing & Potential
Loan Origination Trends
Loan Attributes
Geographic Densities
Borrower Traits



Market Strategy & Tactics

Align Sales/Marketing Resources w/
Opportunities
Enter New Markets
Develop New Loan Products
Design New Marketing Programs
Build New Alliances
Re-position the Brand



Business Performance Outcomes

Reach Customers More Effectively
Increase Profitability
Grow Market Share
Gain Competitive Advantage

Survey Research

We advise real estate clients on a range of research-driven issues that affect business growth and profitability. We've plumbed topics such as overall market potential and market attractiveness, loan products, the owner-occupied property sector, brand awareness and housing trends. Our research toolkit spans survey sample design, hierarchical cluster analysis, factor analysis, panel survey design and analysis, and causal and multivariate analysis, among other techniques. Research assignments often develop into actionable programs involving new product development, strategic market planning and targeted marketing programs.

Portfolio Analytics

Today, quantifying investment risk is a core principle and practice of portfolio management. Boxwood employs a series of quantitative methods to help portfolio managers evaluate risk and return pertaining to REITs and other public equities, direct real estate investments and commercial mortgages. Central to these methods are forward-looking U.S. macro-economic forecasts. So, too, are Monte Carlo analyses of economic, demographic and real estate market conditions, which create a robust view of prospective commercial real estate returns – across geographies, property types, economic conditions and interest rate environments. These same techniques assist investment fund managers in optimizing portfolio construction or calibrating asset allocations in order to maximize risk-adjusted returns over time.





CASE STUDIES

REIT Analytics

REITs have attracted capital flows not only by outperforming stocks and bonds over the last several years, but also as a result of their low correlation with other asset classes. Hence, REITs are a valuable component of portfolio diversification strategies. Boxwood consults with investors on REIT analytics, maiden investments and the construction of optimal portfolios of REIT stocks. We utilize proprietary, quantitative real estate risk models as well as conventional Wall Street equity allocation and optimization methodologies in order to identify alpha performance in one or more baskets of REIT stocks.

Appraisal Validation

We work with banking clients to design and implement statistical studies that validate the reliability of valuation tools employed in commercial and residential appraisals and lending programs. We examine risks that help our clients more effectively and appropriately deploy these tools into existing and new lending programs. Such advisory work also supports clients in their adherence to government regulatory requirements.

Transform Goals into Reality

We have provided these innovative services to successful real estate organizations throughout the U.S. With Boxwood Means, your firm gains the business intelligence, tools and concrete solutions that transform goals into reality.

❖ Mortgage Market Sizing and Tracking

A commercial bank asked Boxwood Means to assist them in evaluating markets for loan growth. Boxwood developed market research reports that allow our client to better estimate loan production, identify and act on market opportunities, and track their competition.

❖ Real Estate Investment Fund

An investment manager commissioned us to undertake a quantitative study supporting the development of a new real estate fund that mixed public REIT securities and private real estate assets. Boxwood's investigation, proving that careful quantitative construction of multi-real estate asset class portfolios can substantially reduce volatility and outperform various single-asset class portfolios, created the intellectual background for the fund's launch.

❖ Valuation Product

A services firm asked us to develop an automated, statistical model for valuation of small commercial properties to be marketed to third-party lenders and banking institutions. With a database of 15+ million sales transactions across the U.S., we fashioned a commercial valuation model that incorporates sales prices, assessed values, property type, geography and other factors. The model now supports collateral valuation at numerous institutions.