

# Morgan Stanley

## Morgan Stanley Investment Management

- Manages **global property securities** for MLC, since 2005
- Manages \$286 billion, across the company, at 30 June 2011
- Asset management origins dating back to 1975
- 59 offices in 21 different countries. Headquartered in New York, USA.

Morgan Stanley celebrated its 75<sup>th</sup> Anniversary on September 19, 2010. The firm opened for business at 2 Wall Street in 1935 with a staff of thirteen. Today, Morgan Stanley is 60,000 strong, in 1,300 offices across the world.

## Why has MLC chosen Morgan Stanley?

MLC uses Morgan Stanley because they have a quality and experienced investment team, and impressive global listed property market research resources. Morgan Stanley's focus on absolute value results in a concentrated "best ideas" portfolio of approximately 40 stocks.



**Ted Bigman**  
Head of Global Real Estate

## Philosophy on investing

The underlying belief of Morgan Stanley's Global Real Estate team is that over the long term, the performance of an individual real estate security will be most highly correlated with the underlying value of the company's portfolio of real estate assets. As a result, the Global Real Estate team believes that a disciplined, value-oriented bottom-up investment methodology which identifies real estate securities that offer the best value relative to the underlying value of their assets and their growth prospects will result in the highest total returns over the long term in this asset class.

## Investment process

Morgan Stanley's research process is driven by bottom-up analysis of each public listed real estate company using their proprietary Net Asset Value (NAV) models. This manager maintains a strong conviction that a disciplined, bottom-up investment methodology will result in the highest returns/outperformance over the longer-term. As such, the stock selection process for the Portfolio is based on the manager's bottom-up analysis of real estate companies. Pursuant to determining those real estate securities that offer the best value (versus comparable peers and direct real estate valuations) based on Morgan Stanley's NAV models and other real estate valuation metrics (implied price per square foot, implied cap rate, etc.), the manager applies their analysis to estimate the total expected return for each security (over an initial 12-month period; longer depending on the specific company or if expectations do not match) and select those securities that offer the highest total expected returns on a risk-adjusted basis. This rigorous stock selection process is strictly implemented to ensure that the manager does, in fact, include only the Global Real Estate team's best ideas that offer the best returns in this global portfolio. While diversification is a significant consideration in constructing and managing the portfolio, the manager does not apply any regional or market capitalisation bias in the stock selection process.

## **Investment people**

The Global Real Estate team is headed by Ted Bigman, Morgan Stanley's Global Head of Real Estate. This dedicated investment team are spread across New York, Amsterdam and Singapore.

### **Ted Bigman**

Ted joined Morgan Stanley in 1995 and has 24 years of investment experience. He is a Managing Director at Morgan Stanley Investment Management and is the Head of Global Real Estate Securities Investing. Ted is the portfolio manager for the U.S. and global real estate securities portfolios and oversees the global team, which has investment teams in New York, Amsterdam and Singapore. Ted is also the lead portfolio manager for the Global Infrastructure Securities team. Prior to joining the Firm in 1995, he was a Director at CS First Boston, where he worked for eight years in the real estate investment banking group. He established and managed the REIT effort at CS First Boston, and had primary responsibility for \$2.5 billion of REIT initial public offerings. Ted received a B.A. from Brandeis University in Economics and an M.B.A. from Harvard Business School. He is a member of the Investor Advisory Council of the National Association of Real Estate Investment Trusts.

### **Michiel te Paske**

Michiel joined Morgan Stanley in 1997 as a Research Analyst and has 14 years of investment experience. He is a Managing Director and a Portfolio Manager for the group's European real estate securities investment business. Prior to joining the firm, Michiel was a research analyst at the Limburg Institute of Financial Economics. Michiel received an M.S. in economics from Maastricht University.

### **Sven Van Kemenade**

Sven joined Morgan Stanley in 1997 and has 14 years of investment experience. He is a Portfolio Manager for our European Real Estate portfolio. Prior to joining the firm, he was a research analyst at the Limburg Institute of Financial Economics. Sven received an M.S. in econometrics from Maastricht University.

### **Angeline Ho**

Angeline joined Morgan Stanley in 1997 and has 19 years of investment experience. She is a Portfolio Manager focusing on Asian Real Estate markets and securities. Prior to joining the firm, Angeline was a research manager at SG Securities and a senior research analyst at Schroder Securities. Previously, she was a research analyst at BZW Securities and an appraiser and a consultant at Debenham Tewson International. Angeline received a B.Sc. with honors in estate management from the National University of Singapore and an M.B.A. in accounting from the Nanyang Technological University.

Morgan Stanley Investment Management Global Real Estate Ted Bigman – Global Portfolio Manager		
European Portfolio Management Amsterdam	U.S. Portfolio Management New York	Asian Portfolio Management Singapore
<p><b>Portfolio Managers</b> Sven van Kemenade Michiel te Paske</p> <p><b>Securities Analyst</b> William Gale</p> <p><b>Trading (London)</b> Yvonne Longley Mark Perry</p>	<p><b>Portfolio Manager</b> Ted Bigman</p> <p><b>Securities Analysts</b> Stuart Seeley Jim Cowan David Smetana B.J. Grant Christina Chiu Matthew King</p> <p><b>Trading</b> Jack Murray Mark Melendez</p> <p><b>Portfolio Admin</b> Bettina Ballerini</p> <p><b>Client Service Analysts</b> Michael Finamore Glenn Yeaker Marguerite Sheehan Nadine Jackson</p>	<p><b>Portfolio Manager</b> Angeline Ho</p> <p><b>Securities Analysts</b> Derrick Loh Lay Hong See</p> <p><b>Trading</b> Miles Tse Meng Yung Somchai Goh</p>

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