



10250 Constellation Boulevard • Suite 2700 • Los Angeles, CA 90067
Direct (310) 867-2903 • Cell (310) 926-4525
Email : gtenzer@gtenzer.com • www.garytenzer.com

GARY M. TENZER; BA, MBA, MSBA

SUMMARY

Gary M. Tenzer, founder of Tenzer Consulting Group and Co-Founding Principal and Managing Director of George Smith Partners, Inc., (“GSP”), is an experienced expert witness, having served as a litigation consultant and/or expert witness for more than 25 years. Mr. Tenzer has served as a financial advisor and expert witness in diverse real estate litigation cases, including legal matters affecting real estate financing and transactions, real estate bankruptcy, and mortgage brokerage issues.

Mr. Tenzer’s expertise stems from over 40 years of experience in the commercial real estate finance industry. Mr. Tenzer co-founded GSP, a Los Angeles based real estate investment banking, financing, and consulting services firm specializing in the placement of commercial real estate debt, equity, and structured financing, nationwide. GSP is a nationally known commercial real estate capital markets advisory firm, which annually advises on the placement of \$3 to \$4 billion of commercial real estate capital on projects throughout the United States. The firm’s total financings have exceeded \$58 billion dollars since the formation of George Smith Financial Services (GSP’s predecessor company) in 1979. GSP places financing with over 500 lenders and equity investors.

At GSP, Mr. Tenzer has been personally involved in the placement of over \$12 billion in financing for his developer and investor clients. These placements have included, construction loans, permanent debt, mezzanine debt and both preferred and joint venture equity. The properties financed were comprised of residential, multifamily, retail, office, commercial, industrial, mixed use, congregate care, hospitality, land development, large-scale community development and special purpose properties with debt and equity financing as large as \$250 million in debt and equity.

Financing sources have included: Wall Street securitized lenders (CMBS), state and federally chartered commercial banks, insurance companies, hedge funds, savings and loans, pension funds, credit companies, opportunity funds, domestic and offshore equity funds, Fannie Mae, Freddie Mac, FHA/HUD, and many others.

LITIGATION CONSULTANT/ EXPERT WITNESS EXPERIENCE

Mr. Tenzer is an experienced expert witness, having served as a litigation consultant and/or expert witness in over 350 cases, and has given deposition testimony and trial testimony over 150 times in Federal, State, and Bankruptcy courts as well as at ADR proceedings. For more than 25 years, Mr. Tenzer has provided expert opinions in a range of cases relating to bankruptcy interest rate determination, damage analysis, capital structure, standards and practices of real estate lending, bankruptcy plans of reorganization, real estate financings, disputes between public and private entities, property valuation, project feasibility, lending policy and loan approval issues, partnership disputes and loan restructures standards of care and best practices, and “alter-ego” issues pertaining to the corporate structure of development companies.

Mr. Tenzer is proficient in giving testimony at both jury and bench trials as well as by deposition and by declaration. He has an exceptional ability to take complex and sophisticated financing concepts and simplify them in ways that the Court and the jurors can easily understand. In addition to his experience in providing oral testimony, written reports and declarations, Mr. Tenzer is accomplished in the preparation of cash flow projections, performing discounted cash flow, internal rate of return analysis as well as other financial analysis techniques. Combining his aptitude for effective presentation

with his computer skills, Mr. Tenzer has aided attorneys by preparing graphs, ownership diagrams, timelines, and flow charts as well as other demonstrative exhibits for trial.

Mr. Tenzer's clients have included some of the largest institutional investors, investment banks, financial institutions, and prestigious law firms in the country. A sample of his clients and the law firms that he has served are listed below.

Representative Clients:

- Amazon.com
- AMRESKO
- AMTAX Holdings
- Bank of America
- Brookdale Senior Living
- California Attorney General
- Carlsberg Management Company
- Carmel Partners
- Cathay Bank
- City National Bank
- Commonwealth Land Title Insurance
- Dollar Tree Stores
- Donald Sterling Properties
- Equitable Life Insurance Company
- Estate of Mark Hughes (Herbalife)
- Franklin Life Insurance Company
- Fuji Bank, Ltd.
- Fujita USA Corporation
- G.H. Palmer Associates
- General Electric Real Estate
- General Growth Properties (GGP)
- Glaziers Pension Trust of Southern California
- Hard Rock Hotel and Condominiums / Peter Morton
- Heitman Financial Corporation
- Hyatt Corporation
- Internal Revenue Service
- J.E. Robert Company
- J.P. Morgan and Company
- K. Hovnanian Corp.
- Kern County Public Employee Retirement System
- KWP Financial (Kennedy-Wilson, Inc.)
- Lennar California Partners, Inc. / LNR
- Los Angeles Unified School District
- Mack Real Estate Group
- Manatt, Phelps, Phillips; LLP
- Markley Stearns, LLC
- Meruelo Maddux Properties
- Metropolitan Water District of Southern California
- MicroPort Cardiovascular LLC
- Midland Mortgage Corp.
- Mitsubishi, Ltd.— Bank of Tokyo
- MJW Investments
- Operating Engineers Pension Trust
- Poag Development Group
- Regents of the University of California
- Rialto Capital Management (LNR)
- RW Selby
- Simon Property Group
- Southern California Edison
- Spear Street Capital
- Sumitomo Trust and Banking Co. Ltd.
- Triple Five Corporation
- UBS (Union Bank of Switzerland, AG)
- US Bancorp

Representative Law Firms:

- Allen Matkins Leck Gamble & Mallory
- Augustini, Wheeler
- Barnes and Thornburg
- Best Best & Krieger, LLP
- Bird, Marella, Boxer, Wolpert & Matz
- Boudreau, Albert & Wohlfeil LLP
- Brobeck, Phleger & Harrison
- Cadwallader, Wickersham and Taft
- Costell & Associates
- Cox, Castle and Nicholson
- Cozen O'Connor
- De Castro West Chodorow
- Fox Rothschild
- Fulbright & Jaworski
- Gibson, Dunn and Crutcher
- Glaser Weil Fink Howard Avchen & Shapiro
- Greenberg Glusker
- Haight, Brown and Bonesteel
- Jenner & Block
- Jones, Hirsh, Connors and Bull
- Kaye Scholler
- Kirkland & Ellis; LLP
- Latham and Watkins
- Liner Law
- Loeb and Loeb
- Manatt Phelps & Phillips; LLP
- Mitchell Silberberg and Knupp
- O'Melveny & Meyers
- Pachulski Stang Ziehl and Young
- Paul Hastings Janofsky & Walker
- Pillsbury Winthrop Shaw Pittman
- Pircher, Nichols and Meeks
- Reuben and Novicoff
- Seyfarth Shaw
- Shepard, Mullin, Richter & Hampton
- Sidley and Austin
- Skaddan, Arps, Slate, Meagher & Flom
- Snell & Wilmer
- Sonnenschein Nath & Rosenthal
- Munger, Tolles & Olson
- Stroock, Stroock & Lavan
- Stutman, Treister & Glatt
- Theodora Oringher
- Tuttle and Taylor
- Weil, Gotshal & Manges
- Wynne, Spiegel, Itkin

Examples of the various types of matters on which Mr. Tenzer has worked are categorized and listed below.

Representative Financing Matters

- Retained by counsel to the Defendant on issues relating to their client's decision not to proceed with the development of a \$1.4 Billion high rise condominium development in Las Vegas, NV. The matter required Mr. Tenzer's analysis of the suitability and the determination of market terms of a \$1.25 Billion construction loan commitment.
- Retained by counsel to a mezzanine lender who was sued by its mezzanine borrower after it foreclosed on the mezzanine loan. The foreclosure led to a default on a senior construction loan causing the construction lender to drawdown on the Sponsor's letter of credit, which was pledged as additional collateral. Issues addressed included the standards and practices of mezzanine lending and the expectations that a mezzanine lender would reasonably have of the borrower when entering into a financing transaction.
- Retained by counsel to a REIT which acquired a \$110 Million defaulted note through an auction and then foreclosed on the underlying collateral, a high-rise multifamily property in San Francisco. The REIT was sued by the borrower seeking a rescission of the foreclosure by alleging that the foreclosure was improper. Issues addressed included an analysis of the lending market for replacement financing, the efforts used in an attempt to secure replacement financing as well as a rebuttal to opposing expert's hypothetical financing structure which was unsupported.
- Retained by one of the nation's largest regional mall developers in litigation against its insurance carriers in a

\$200 Million dispute over coverage limits after a regional mall was significantly damaged by a flood. Focus of testimony pertained to financing issues and mitigation efforts by the developer to restore the mall to full operations as well as opining upon the bank's process in its approval of a restructured loan.

- Retained by counsel to a municipal water district to render opinions about the financeability of a proposed shopping center when its development was delayed due to pipeline construction in an inverse condemnation action. Testimony was prepared to refute the Plaintiff's assertion that the center was feasible and could have been developed even if the pipeline construction had not occurred.
- Retained by counsel to a major regional mall developer in litigation with its co-developer partner over financing issues pertaining to the development of a third phase of a regional mall in Las Vegas, Nevada. Testimony focused on the financing structure of the prior two phases, how financing methodology had changed over time and economic folly of the Plaintiff's proposed alternative financing plans.
- Retained by the State of California as financing expert in a matter wherein the State was sued by its landlord for interfering in their efforts to secure financing for a building in which the State was the tenant.
- Retained by the Nation's largest homebuilder which was being sued by a JV partner for misallocation of profits. Opinions focused upon the efforts undertaken to secure financing for the development in question.
- Retained by counsel to Defendant, a trade union pension fund, regarding assertions made by a developer that specific commitments had been made by the pension fund to provide both debt and equity financing the development of an outlet mall on a former hazardous waste site.
- Retained by counsel to partners of an international developer of "telecom hotels." Allegations were made by another partner who accused the Defendant of conflicts of interest between the Defendant partners and private investors. Focus was on the comparison between loan terms arranged for development with those available in the commercial lending markets.
- Retained by Defendant's counsel to render expert opinions regarding the feasibility and financeability of a proposed \$110 Million office project. The issues included the market acceptability of a proposed bond lease, as well as the terms that were available for financing the equity and both the construction and permanent debt at the time that the building was to be built.
- Retained by counsel to a co-owner and anchor tenant of a 300,000 Sq Ft office building, to render expert opinions at an arbitration proceeding. The issues related to the determination of the ownership's imputed equity and its ability to finance renovation costs via securing secondary financing. The analysis considered these issues in the context of the current markets for commercial real estate finance.
- Retained by counsel to an "offshore" bank which was sued by a former client who had pleaded guilty to the IRS of committing felony tax fraud. Plaintiff claimed that the bank had seduced him into certain fraudulent transactions and as a convicted felon; he would be unable to borrow on his portfolio of commercial properties, thereby causing him significant financial harm. Testimony was given to refute Plaintiff's argument that he was not financeable because he was then a convicted felon.

Representative Development and Alter-Ego Matters

- Retained by Plaintiff, a national retailer, to examine the adequacy of a developer's liquidity in support of a personal guaranty provided to a commercial bank for the acquisition and repositioning of a shopping center when the bank stopped funding its construction advances due to the developer's inability to rebalance the loan, triggering alter-ego issues related to the developer's inadequacy of capital and the apparent merging of business entities.

- Retained by Defendant, a corporate developer of regional lifestyle shopping centers, after it had received a judgment against it in state court for breach of contract with another developer. In a separate action in federal court, the Plaintiff sought to pierce the Defendant's corporate veil and recover damages from the Defendant, personally. Opinions were given regarding alter-ego issues pertaining to the developer's corporate structure and capitalization.
- Retained by counsel to Plaintiff as the commercial real estate expert witness to an online retailer in a RICO litigation against former employees alleged to have taken kickbacks from industrial developers for the development of major data centers for sale/leaseback or direct purchase transactions.
- Retained by Plaintiff's counsel to render expert opinions at arbitration proceeding. The issues regarded the amount of equity dilution that one general partner should assume by virtue of his non-performance on his obligations to fund additional equity for the development an apartment building.

Representative Breach of Contract and Damages and Standards of Care Matters

- Retained by Plaintiff as financing expert in its \$2.1 Billion suit against the State of California for defaulting on a sale of eleven State owned office buildings.
- Retained by a real estate investment and development company, to quantify damages caused by a former corporate officer who had made loans to himself from corporate credit lines at below-market interest rates. Testimony was rendered comparing the due diligence and underwriting procedures performed when the loans were made, compared to standards in the commercial lending industry.
- Retained by counsel to the Defendant to render expert opinions regarding both the financeability and feasibility of a proposed medical office building. Opinions were provided regarding procedural issues concerning the lender's loan approval process. Litigation support responsibilities included the coordination of the activities of the appraisal and other financial experts pertaining to the determination of value and the calculation of potential damages, preparation of trial exhibits, etc.
- Retained by Plaintiff which brought suit against a municipality for failure to use good faith in resolving property boundaries on a ground lease property located on a city pier. Testimony focused on the determination of economic damages caused by the delay as well as potential financing structures.
- Retained Plaintiff's counsel to determine the damages created by the loss of financing opportunities due to a general contractor's two-year delay in the completion of an anchored retail property, located in Southern California.
- Retained by an attorney's insurance carrier (Defendant) in a malpractice case. The assignment was to render expert opinions regarding the damages arising from the loss of a major Southern California multiplex cinema property through foreclosure when financing, which was allegedly arranged by the attorney, did not close.
- Retained by a law firm when it was sued for malpractice for allegedly giving bad advice on a real estate financing transaction to a former client. Testimony addressed issues of standard of care and what type of advice a real estate developer should reasonably expect from his counsel.
- Retained by Plaintiff to testify regarding the standards of care taken by a mortgage broker in a dispute with a former client.

Representative Bankruptcy Matters

- Retained as the interest rate expert for the world's largest regional mall company in their \$20 Billion bankruptcy proceedings; reportedly, the largest commercial real estate bankruptcy in history. The matter required Tenzer's expertise in interest rate determination and separateness covenants related to its CMBS financing.
- Represented Creditor, a "special servicer" in a bankruptcy of an office building in Portland, OR., as an interest rate and feasibility expert to defeat the debtor's cram-down plan which would have converted the building into office condominiums.
- Retained by Creditor, a major credit company, to provide interest rate analysis and expert opinions pertaining to the bankruptcy of a mixed-use apartment and office property located in Pasadena, California.
- Retained by Creditor's counsel to opine on the Debtor's plan of reorganization for an office building. Testimony was given by written declaration and testimony in U.S. Bankruptcy Court resulting in an order for a relief from automatic stay thereby allowing the Creditor's foreclosure to proceed.
- Retained by Debtor's counsel to render expert opinions as to the market rate of interest for a restructured first mortgage on 114,000 Sq Ft anchored shopping center located in Thousand Oaks, California.
- Retained by Debtor to render expert opinions and prepare a declaration regarding the fair rate of interest that a lender should charge for a first mortgage on a fully leased industrial property located in Brea, California.
- Retained by counsel to a multifamily developer who filed a Chapter 11 to protect a 500+ unit project's equity when an offshore commercial bank's credit enhancement which they provided on underlying tax-exempt bond financing was acquired by a vulture fund thereby triggering a foreclosure on the bonds. Testimony included opinions on the appropriate rate of interest on restructured debt in a cram-down plan of reorganization.

Representative Real Estate Advisory Matters:

- Retained by counsel representing a Chinese manufacturing company, in contract to acquire an office building in Southern California subject to CMBS financing. Specific expertise was required to advise regarding the defeasing the debt, which imposed a substantial prepayment penalty, vs negotiating with the servicer to allow the loan's assumption.
- Retained by a \$2 Billion Taft Hartley pension fund as its mortgage advisor on real estate development loans that they provide to developers. Recommendations were made regarding future financing and the restructuring of over \$80 Million in outstanding underperforming development financings as well as evaluating and advising on the sale of REO assets taken back in foreclosure.

DIRECTORSHIPS

Former Director, NYSE listed Real Estate Development Company

- NYSE listed developer of large-scale retirement communities. Mr. Tenzer served as a member of the Finance, Stock Option and M.I.S. Committees. Additional responsibilities included acting as the supervising real estate broker for all new home sales in the company's Southern California and Los Angeles divisions.

Former Director, Federally Chartered Bank

- As a director of the bank, Mr. Tenzer served on both the bank's loan and credit policy committees. He was responsible for helping shape the bank's real estate lending policies as well as acting as the resident real estate expert on the loan committee. The bank made construction loans on residential, commercial, and mixed-use

properties both on a covered and uncovered basis. Mr. Tenzer was also involved in the formation and management of the bank's mortgage banking division.

Member of Advisory Board, UCLA Ziman Center for Real Estate

- The UCLA Ziman Center for Real Estate is a multidisciplinary Research Center of the UCLA Anderson School of Management and the UCLA School of Law. The Ziman Center advances thought leadership in the field of real estate by generating influential research, educating the next generation of leaders, and providing meaningful forums for industrial professionals and policy makers.

EDUCATION

University of Southern California, Los Angeles, CA

Master of Science in Business Administration (MSBA) 1979

- Major in Real Estate Finance, with specific focus on real estate economics and financial feasibility and rate of return analysis

University of Southern California, Los Angeles, CA

Master of Business Administration (MBA) 1978

- Majors in Finance and Entrepreneurship & Venture Management, specific emphasis on capital structure and creation of startup enterprises in the real estate industry

University of California, Berkeley, Berkeley, CA

Bachelor of Arts (BA) 1976

- Major in Economics, specific emphasis on Urban Land Economics and quantitative analysis; minors in Psychology and Astronomy

MEMBERSHIPS and LICENSES

- **California Real Estate Broker's License**, member (since 1978)
- **Jewish Federation of Los Angeles**, *Real Estate Cabinet*
- **City of Hope**, *National Leadership Council (prior member)*
- **Urban Land Institute**, *Transit Oriented Development Counsel (prior member)*

PUBLICATIONS

- Day in Court: Litigation Returns in a Tough Economy; in *"Commercial Property News;"* November 2008
- Litigation: The New Real Estate Reality; in *"National Real Estate Investor;"* December 2008
- Are Bankruptcies Coming Soon? in *"Real Estate Southern California;"* February 2004
- FMRR: A Programmable Calculator Implementation; in *"The Real Estate Appraiser & Analyst;"* April 1979
- Various publications - miscellaneous articles, interviews, and byline articles

SPEAKING and TEACHING ENGAGEMENTS

- Frequent panelist or moderator at commercial real estate conferences
- UCLA Anderson School of Management – guest lecturer in Real Estate and Real Estate Finance
- USC Marshall School of Business – guest lecturer in Real Estate and Real Estate Finance