

United World Infrastructure

Alameda Point Development Response to Request for Qualifications

December 4, 2006

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**Alameda Point Development
Submission of Development Proposal and Qualifications
United World Infrastructure, Inc.,
a Delaware corporation**

SUMMARY

UWI is pleased to present this Statement of Qualification for the Alameda Point project. UWI has assembled a team of international renown that has proven itself capable of producing the model urban sustainable environment and transit-oriented development demanded by Alameda Point. The transition from a brownfield remediation site to a thriving self-contained mini-urban metropolis within which to work, live, play and learn is an exciting challenge that will fully engage UWI and its team members. UWI and its partners will not ignore any aspect that affects the Alameda Point and City environment, from innovative integrated transit to alternative energy implementation, water conservation and recycling.

UWI foresees using a mixture of classic urban design elements and high technology to achieve the City's development goals at Alameda Point. The breadth of experience of UWI and its partner companies assures that each element of the project -- from the Town Center to the Sports Complex to environmental remediation and monitoring -- will be given dedicated attention by appropriate team members assigned to those tasks best suited for their capabilities.

UWI has always fully financed the projects it enters into and foresees no problems in providing the necessary funding to finish each element of the plan, as it is finally approved. The timing of the payments for the \$108.5 million does not pose a problem and all payments will be made according to the proposed schedules or subsequent ones, as later modified by the City. UWI is used to dealing with projects that require billions of dollars in capital outlays, as indicated in the financial qualifications section that follows. UWI assumes the responsibility of putting into place all the financing required.

The principal point persons for the City to contact are Mr. Jason Kiszonak of UWI, based in Dubai, UAE (011-971-4-405-7777) and his US-based representative, Mr. Neil Pennella of APTO, Inc., based in Los Angeles, CA (323-284-0530). Bay area offices already exist for many of the team partners and UWI intends to establish an office on Alameda Island once the project is confirmed.

VISION

The current economic crisis that threatens to destroy the oil-based economy provides Alameda with a timely opportunity to utilize its large Base Redevelopment Area resource to power its own economic revitalization.



Alameda stands at a critical juncture in its history. With its huge redevelopment area, ideally located beside one of the hubs of world shipping, Alameda could position its development towards industries of the future and become a center of the Green Economy.

UWI's redevelopment concept: convert the existing brownfield into a dynamic mixed-use development "Green Island" community. UWI and its partners will create on Alameda Point a model which is expected to attract "green city" commercial interests, major corporate enterprises and State and Federal investments targeted at alternative energy and a new California infrastructure.

Our vision is to establish, at Alameda Point, a world-class, fully integrated urban environment that includes residential developments for varied incomes and life-styles, and mixed commercial and clean-industrial use featuring state-of-the-art facilities for a green technology and research park.

Residents at the Green Island development will live, work, play, and learn in a connected global digital village that has a sustainable living and economic environment. Alameda Point will become the showcase for the best available urban design and technology. The partners seek to create an intelligent and integrated village capable of running either with or independent of the current municipal infrastructure services.

The Green Island development vision includes an array of "green city" infrastructure elements:

- Ultra-high bandwidth digital infrastructure for residential and commercial applications;
- Solar energy integrated into high-efficiency building designs, meeting next-generation earthquake and emergency management specifications;
- Appropriate green open space parks, hiking, walking and personal mobility paths;
- Integrated transit solutions, including an ultra light-rail automated system, improved ferry services and enhanced pedestrian walkways;
- Emergency management and backup of all critical area systems;
- Advanced wireless, grid-fault tolerant communication network;
- A green power district utility that provides electricity from solar and/or wind energy; and
- A water re-circulating ion system, area water conservation and use management systems and a new sewer system.

The UWI approach is to fully fund the plans, building and operations of the Green Island development with no fiscal contribution from the City of Alameda.

The Green Technology Park

UWI and the Coalition for a New California Infrastructure (CNCI) (along with the University of California and other research entities represented) envision a collaborative partnership with the city of Alameda for the creation of a Green Technology Park as a central component of the Green Island project. The development of the Technology Park, as with all the other components to this project, would be fully financed by the developer. As part of this vision CNCI anticipates that the operations of the GTP will annually receive over \$100 million in support from public and private sources including state and federal grants obtained for these purposes.



The GTP will provide facilities for new high-growth venture incubation, workforce training, and research and development in alternative energy and resource efficient transit and building technologies. The GTP will also serve to support the integration of clean-technology commercial activities at the Green Island development with sustainable economic development for the entire city of Alameda.

The village will become a center for global education, research and training designed to prepare students, entrepreneurs and corporate executives for the deployment and commercialization of sustainable technologies.

An industrial area aligned with the GTP is contemplated to create a significant number of local jobs, at many levels. It is expected to be the home of the following entities:

- Corporate redundancy facilities for companies which seek to fulfill their Sarbanes Oxley requirements;
- Large organizations, with a current or contemplated green focus, that may be attracted to the area by sponsorship opportunities that provide high visibility in the growing “green” marketplace, like GE, BP, ADM and others;
- Light industry, manufacturing and maritime related industry sectors;
- Light manufacturing facilities that produce “green” products, like solar panel producers,
- Professional support services for green industries, like law firms, accounting groups, architects and engineering services; and
- Financing entities for green funds, like private equity firms, venture capital and other financing groups including banks like Silicon Valley Bank.

Transit Hub

The centerpiece of development at the Green Technology Park will be an UltraLight Rail Transit system for Alameda Island connecting it to the wider Bay Area rapid transit system. This will help alleviate a major problem caused by the development of Alameda Island, the congestion that could be caused by traffic egress and ingress by private autos.

The partner’s vision for Alameda Point’s transportation is one that emphasizes transit, pedestrian, and non motorized travel as much as practical. The existing Alameda street system will blend into the Alameda Point streets seamlessly. Street design and layout will discourage high speeds, lowering ambient noise and encouraging walking and biking. Streets in the NAS historic district will be organized in a way that preserves the original historic layout.

Development at Alameda Point will be transit-oriented and facilitate convenient access to multiple modes of transportation in close proximity to homes and businesses. All public and private improvements will be designed to be pedestrian friendly and transit supportive.

Car share and bicycle facilities, including a bicycle shop if possible, will be located at the Town Center. An inter-modal transit center along the north-south Ferry Point Street spine, will include a ferry terminal, relocated from its existing site at Main Street, a bus and shuttle transfer station, and a terminus station for a future east-west rail line along Atlantic Avenue. The Transit Center



will become an integral part of the Town Center's pedestrian, open space, waterfront and activity program.

Parking for the Transit Center will be located within convenient walking distance, but away from the waterfront. Minimal off - street parking will be required for neighborhood commercial and service uses in Neighborhood Center Mixed Use districts. If provided, off -street parking will be located behind the buildings to the maximum extent possible.

Town Center and Supporting Neighborhood Centers

Our vision for Alameda Point includes and embraces the Town Center concept in the PDC as the principal transit hub of the new community, and as a place where Alameda Point residents and employees will naturally gather to shop, to socialize, and to participate in community events and celebrations. The Transit Center will link the Alameda Point neighborhoods to the rest of Alameda and the Bay Area, providing bus, shuttle, ferry and light-rail service.

UWI, in partnership with the UC system, plans to develop attractive civic facilities such as art galleries, public libraries; a 57-acre sports complex, senior centers, childcare centers and health and education centers. It is also prepared to restore and renovate certain historic buildings like the firehouse, O Club and City Hall West.

Neighborhood centers, supporting the Town Center concept, will be focal points of each area. They will have within them commercial and community support services in addition to cultural, entertainment and recreational amenities. Services will include grocery stores, drug stores, laundromats/cleaners, retail establishments and shops. Entertainment and cultural facilities will include restaurants, cyber cafes, movie theaters and local community theaters. All of the services will be appropriately located within easy access to local transportation to promote pedestrian usage.

Alameda will symbolize a major paradigm shift that encourages total pattern changes in urban lifestyle for every resident, student, worker and visitor, like telecommuting to work; living in work/residence housing; decreasing dependence on single automobile travel; developing green entrepreneurial e-business opportunities; choosing alternative energy from onsite based generation and many more.

Green Port and Marina

A modern Green Port and Marina will house a commuter ferry terminal to transport residents and visitors to and from the island. It will be part of the vertical village development that will provide housing, offices, and industrial space. The design, facing out to the San Francisco skyline, will be at once unique and recognizable as a special look signifying the advanced thinking inherent throughout the community.

UWI will support and encourage the development of the proposed National Wildlife Refuge to be run by the US Fish and Wildlife Service. Community respect for the environment will be a



key factor in the success of the Green Island development project. The use of natural and porous pavements will minimize storm-water runoff, and native plant landscaping will allow for minimal irrigation and pesticide use. Sections of shoreline edged with aquatic plants will cleanse storm water and support wildlife habitat. Development of water-front play areas, lakes, fountains and waterfalls in Marina and coastal areas will be key to the ecology of the Green Island area design.

Alameda Point will become the model and showcase for the creation of a green sustainable future within which to live, work, learn and play. It will prove to other US locations that a brownfield, polluted by years of misuse, could be turned into a Greenfield of dreams.

The Alameda Green Island project will be a private-public partnership to create a sustainable future for generations to come.



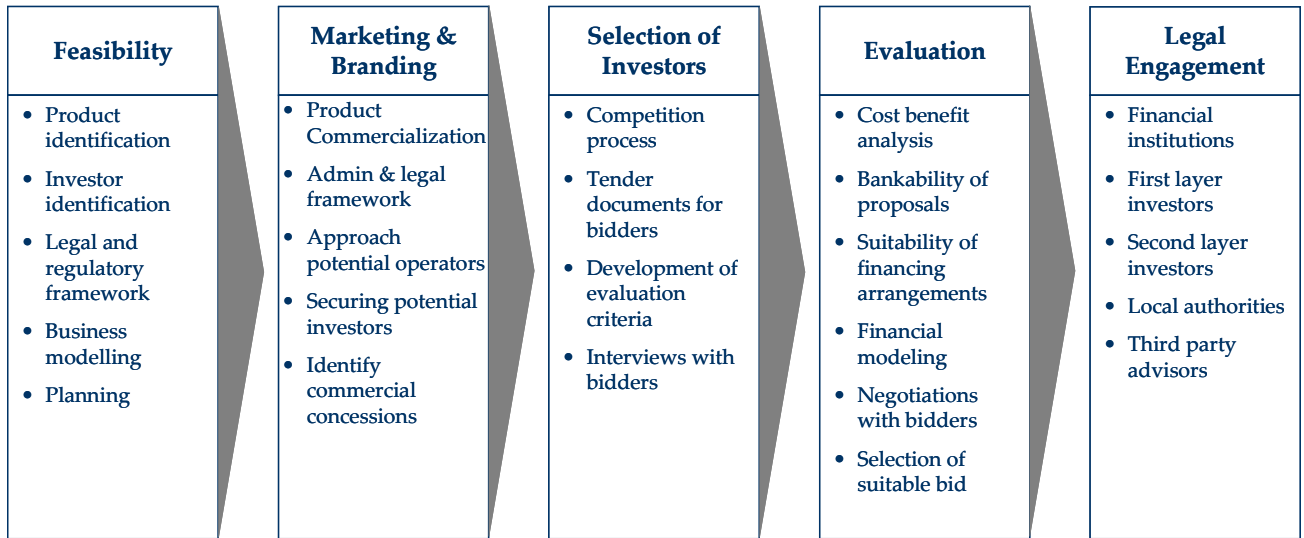
QUALIFICATION OF PARTNERS / DESCRIPTION OF PROJECT TEAM

United World Infrastructure

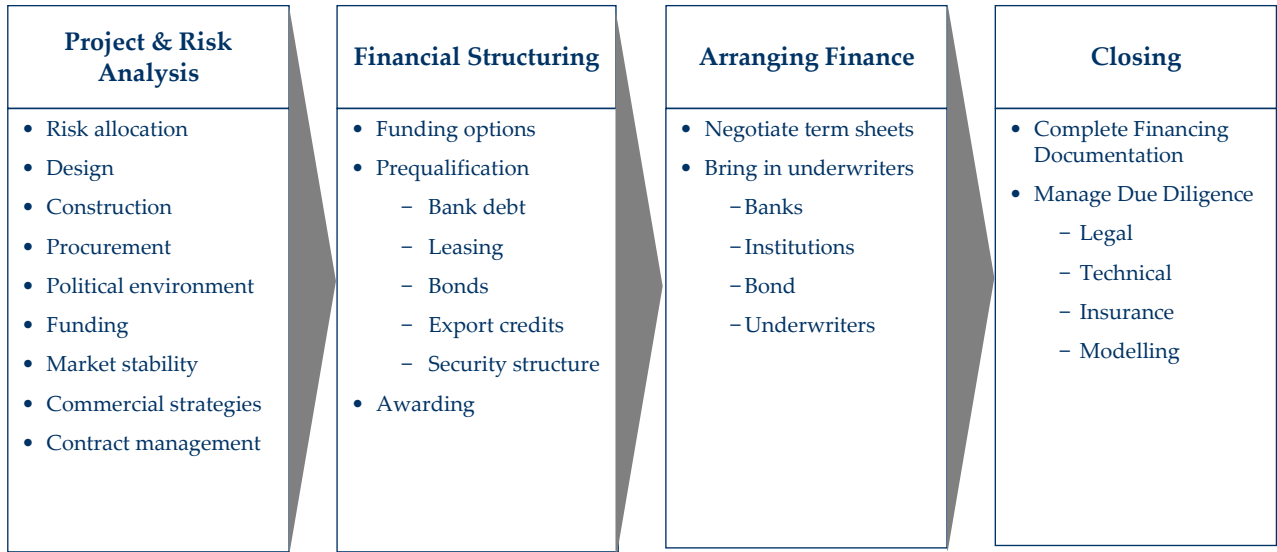
UWI will serve as the Master Developer and financial manager of the Alameda Point Development. UWI is a Delaware corporation whose principals have been operating as Jumeirah Capital, which is currently based in Dubai, UAE. UWI has been established in the US as an asset based holding company specializing in:

- Real estate and infrastructure development and portfolio management serving governments, financial institutions and institutional investors
- Acquisition and management of capital development programs for strategic international projects, allowing clients to achieve national, regional and financial objectives with a pre-determined exit strategy
- Proprietary methodology that delivers business led investment products to meet specified goals, while reducing project risk and reliance on debt finance
- Private Public Partnerships (PPPs) tailored for each transaction consistent with the applicable technical, legal and financial models

We optimize risk allocation while ensuring deliverability



And optimize funding to maximize equity returns



- Business-driven investment model



- Focused real estate & infrastructure model

- Clear stakeholder objectives

- Transparent legal and regulatory framework

Creating innovative real estate and infrastructure financing solutions

Companies and organizations that have agreed to partner with UWI on the proposed Alameda Point Development are: APTO, Inc; CNCI; Constructive Community Homes; CyberTran International, Inc.; and Carter & Burgess, Inc.

APTO

APTO, Inc. was formed early in 2006 in order to bring together the diverse skills of its founders and to establish an international business that brought the experience of each into active participation. This Delaware corporation was established originally to help manage upgrading US ports, terminals and related shipping operations and immediately was brought into an array of diverse projects indicated below. The company has been authorized to do business in the State of California.



The Directors have already placed the first fully funded project: an innovative new technology to manufacture ethanol in Central California's Imperial Valley. This marks the first such project in California and will incorporate powerful new methods for production. The first investment was for US\$45 million intended to move from development to full production by the end of 2007.

Currently, the corporation is involved with seeking and closing the funding for several other very high profile projects in the infrastructure, biofuel and technology sectors. Here is a representative sample of a few of them in which APTO and/or its principals are involved:

- Large computer chip production facility abroad, entailing several hundred urban acres with industrial park;
- Large real estate "satellite city" project including homes, businesses and leisure development in excess of 5,000 acres;
- Strategic planning for the development of large green technology parks, like the Temescal Valley in Riverside County;
- Planning and installation of solar farms in major green village mixed use developments, like Corona, CA;
- Development of a hydrogen station as part of Gov. Scharzenegger's Hydrogen Highway Program;
- Ethanol and biofuel production facilities in US, Jamaica and India;
- US urban reclamation projects on the West Coast, each several hundred acres;
- Global supply chain management technology deployed at Fortune 1000 companies;
- Environmental and manufacturing process monitoring and optimization software;
- Innovative US software company with ground-breaking information technology; and
- Commercial space tourism project with many ancillary businesses.

APTO funding sources are international and are headquartered in several locales, including the US, Europe, India and the Middle East. The company plans to fund its own projects, as well.

APTO principals are now in active pursuit of large infrastructure projects in a number of countries around the world. Their aim is to imbue each with "green" technologies that work to restore and preserve the environment while meeting the most demanding requirements for modern living and working. They mandate this "sustainability" in every relevant project.

Principals of APTO: There are three Directors of APTO- the founders Neil Pennella, Aurora Christidis and Dr. Gurminder Singh. Each is also an officer of the company. Les Hamasaki and Hugo Daley are officers of the company; however, not members of the Board of Directors.

CNCI

The Coalition for a New California Infrastructure was formed to enable and facilitate the transition from a nation that is overwhelmingly reliant on petroleum for transportation to one that increases the use of more environmentally friendly and renewable forms of energy. CNCI is a partnership of:

- The University of California, Berkeley (UCB)
- The University of California, Davis (UCD)
- Lawrence Berkeley National Laboratory (LBNL)



- Lawrence Livermore National Laboratory (LLNL),
- The California Department of Health Services (DOHS)
- San Francisco Bay Area Rapid Transit District (BART)
- The Electric Power Research Institute (EPRI)
- WestStart-CALSTART
- The Los Angeles County Metropolitan Transportation Authority (LACMTA)
- Cooperative Community Energy.

The resources of both the above current members and the following prospective members can be tapped for this project:

- University of California, Irvine (UCI)
- University of California, Los Angeles (UCLA)
- University of California, Merced (UCM)
- University of California, Riverside (UCR)
- University of Southern California (USC)

In association with CyberTran international, CNCI has expressed the intention to assist and cooperate with the proposed Alameda Point program. CNCI brings many skills to the team.

Managed by the University of California at Berkeley, CNCI members have extensive experience in, environmental analysis and cleanup. For example, the University of California was a partner in the privatization of the cleanup of the Presidio in San Francisco, where their inclusion in the cleanup project led to an accelerated remediation program.. Lawrence Berkeley Laboratory has some of the leading edge cleanup technologies in the world today, and CNCI management has expressed interest in utilizing these new technologies to assist in the clean up the Alameda Point site, potentially funded by grants.

In addition, CNCI has identified the Alameda Point development as a candidate for the location of CNCI projects involving advanced transportation engineering, community design, green technology startup company incubation, and Research and Development activities. CNCI's interest in the property can lead to the creation of numerous jobs in commercial and light industrial activities. In addition, the University has extensive experience in real estate development at and around its campuses, for example the 1700 acre project at UC Merced, currently in partnership with Lennar.

Another CNCI member is the California Department of Health Services that has an interest and expertise in the areas of toxicology and epidemiology. UC San Francisco and UCLA also have extensive and world famous centers in the evaluation of the health impacts of toxics in the environment. Much groundbreaking work in both environmental engineering and health impacts of pollution can be found throughout the University of California system and in CNCI member institutions.

CNCI will be involved in the executive management of the Alameda Point development project. Drawing on the talents of researchers at centers such as the Fisher Center for Real estate and Urban Economics, CNCI brings an extraordinary intellectual resource to the team. CNCI is led by Dr. George Cluff, Ph.D., of the Haas Graduate School of Business at UC Berkeley, consistently ranked in the top ten Business Schools in the country.



Constructive Community Homes

CCH is a San Francisco Bay Area consortium of developers specializing in sustainable housing and property environmental remediation. CCH has had notable experience directly relevant to the development project in the following areas:

- Produced green nationwide education projects and promotions that impacted over 20 million consumers.
- Authored the core hydrogen energy transport patents and secured major DOE grant via congressional action in the Iraq war bill.
- Created and produced the NowHouse, national green demo home in the SF Giants Stadium and donated it to Mayor and community to become Hunters Point women's/community center on a remediated site.
- Produced the Better Homes & Gardens America's Home project featured as series on Discovery Home Channel nationally.
- Developed simulation technology for cancer efficacy studies
- Developed anti-emf environmental shielding technology
- Developed household toxin for pets reduction technology
- Project Director for Green Hill Home project national leading air quality CO2 reduced home demonstration.
- Founded green Pre-fan home company featured in more media than most competitors in industry.
- Developed the combination Array neighborhood micro generation sustainable energy plant project.
- Developed green sustainable city project in Alameda, CA.
- Winner National NREL VC presentation
- Winner State CleanTech VC Presentation
- Recipient of 2 White House commendation letters from Vice President Al Gore
- Co-Producer of redevelopment of Ft. Mason Center from Military to Public Use and remediation of the site.

CyberTran International, Inc.

CyberTran is an UltraLight Rail Transit (ULRT) system developed for group rapid transit in cities and suburbs. It uses small cars carrying 20 passengers. Small, light cars run on cheaper tracks. The total capital cost of a CyberTran urban system (including rail and guideways) is substantially lower than the cost per passenger mile of conventional light rail.

CyberTran is a form of Automated Direct Transport Systems (ADTS) that has been evaluated by BART for future deployment. It is a precision automated driverless system. Outside of rush hour, it would be an on-demand system, calculating routes on the fly. During rush hour in dense urban areas, a series of CT cars following one another closely would mimic a conventional multi-car train with fixed schedules. Passengers would never have to wait more than five minutes or so for a car -- usually less. There will be many stations available. Stops are offline from main guide ways -- one CT car stopping does not delay others. CT stations can be as frequent as bus stops.

When a passenger buys a ticket, the system knows when and where they are going. Due to the high degree of computerization (each car will have an on-board computer and the system has a



central computer bank) routing will be optimized. Travel is also optimized to minimize the number of stops. Sometimes this results in a virtual express train with few or no stops between entry and exit.

In most cases passengers will have a stop within easy walking distance of both ends of your journey. In addition, even major stops don't have to be major multi-acre lots like the BART Park 'n' Rides in San Francisco. Park 'n' Rides can consist of many small parking lots. If a passenger lives in a suburban development, with acre after acre of housing and no shops or suitable areas for a transit stop within walking distance, they will still find a (comparatively) small, pleasant CT stop with parking a short drive from their home.

CyberTran is safer than auto travel, with a lower probability of accidents, better crash resistance, and built-in airbags. While ULRT is not quite door-to-door, there is no reason everyone can't have it near their home -- anywhere a bus stop could go. Unlike conventional light rail, ULRT does not require high-density development. It will fit well anywhere, whether city or suburb.

Because CyberTran consumes less land per passenger mile, disturbs the land less than highways or even conventional light rail, and gets much higher utilization out of its vehicles, we can also expect infrastructure savings of close to 90% compared to an automobile-based system.

Carter & Burgess

Carter & Burgess provides a full range of project and construction management services for large scale developments. Carter & Burgess consistently ranks among the top firms in the nation. Professional ranking by sector is as follows:

Engineering News Record #10

- Top 100 'Pure' Design Firms (April 2006) #31
 - Top 500 U.S. Design Firms (April 2006) #1
 - Distribution & Warehouse - Top 10 (2006) #6
 - Retail - Top 25 (2006) #9
 - Sanitary & Storm Sewers Top - 25 (2006) #10
 - Government Offices Top - 25 (2006) #13
 - Airports - Top 25 (2006) #13
 - Highways - Top 25 (2006) #14
 - General Building - Top 20 (2006) #14
 - Transportation - Top 20 (2006) #15
 - Transmission Lines & Aqueducts - Top 25 (2006) #17
 - Mass Transit & Rail - Top 20 (2006) #18
 - Commercial Offices - Top 25 (2006) #19
 - Program Management Firms - Top 40 (2006) #19
 - Sewerage & Solid Waste - Top 25 (2006) #24
 - Education - Top 25 (2006) #25
 - Construction Management-For-Fee - Top 100 (2006)
- #### ***Building Design and Construction #6***
- Giants 300 Engineers/Architects (2006) #15
 - Giants 300 Construction Managers (2006) #4
 - Government Design Firms - Top 20 (2006) #4



Reconstruction Design Firms - Top 20 (2006) #7
Commercial Design Firms - Top 20 (2006) #8
Construction Management Revenue - Top 20 (2006)
Consulting Specifying Engineer#7
Giants 100 Report (2006)
Visual Merchandising + Store Design#7
Retail Design Firms - Top 50 (2006).
Display & Design Ideas #1
Retail Square Footage Designed (2006). #5
Revenue from Retail Design Services (2006).
Retail Construction Magazine #1
Retail Square Footage (2006). #8
Retail Projects (2006) #9
Retail Billings (2006)
EC&M #13

— Electrical Design Firms - Top 40 (2006)



PRIOR EXPERIENCE

UWI is an integrated service provider specialized in the modeling, management, capitalization and implementation of real estate and infrastructure projects for governments. We currently have projects underway in various countries, all servicing the ambitions of governmental entities within a unique investment model.

We research and identify tangible market needs and provide integrated management solutions for global real estate and infrastructure transactions. Real estate is used as a means of achieving objectives for government and large institutions to turn a cost center into a profit center. We know that cost, quality and time are integral to implementation and utilize precise control and planning to ensure superior performance and outcome.

More than investors and advisors, UWI offers our clients, investors and partners unique alternatives to debt financing, such as PPP's, concessions and lease buybacks (see Addendum for White Paper) to achieve strategic, financial or national goals. Other applications include privatization programs, affermages, BOT / BOOT contracts, divestures and operational permits. Within these applications, UWI provides project and risk analysis, financial structuring, capitalization and monetization planning, feasibility studies, marketing, tender management, evaluation and contractual support.

Our deal flow is derived from our reputation of delivering excellence where others have failed.

A New Approach

UWI is a real estate and infrastructure investment and development management organization that provides innovative market driven solutions for corporate and governmental institutions. Our aim is to find cost efficient methods and add value to any project. Factored expansions including dynamic returns are mandatory. UWI relationships extend to five continents in a fully integrated network of specialists, providing both universal expertise and valuable local knowledge.

We collaborate to provide total solutions in real estate and utilize professional research methodologies and integrate with global leading-edge companies to create best practice in combining land, tenant and capital investment. We are conservative in our planning, but uncompromising in our implementation.

Delivering exceptional results requires superior knowledge of the international real estate and infrastructure industry. It demands constant research and the preservation of insights. Our strength lies in something we call 'thought leadership', which encapsulates our body of intellectual capital. This enables us to constantly provide superior quality, clearly defined and highly appropriate projects that are beneficial to the community at large.



We know that significant corporate organizations and government entities will at some point in their business cycle need to be involved in real estate. UWI identifies these opportunities and present a sound solution that will facilitate a proficient process.

Total Real Estate and Infrastructure Solutions

The extent of our services encompasses every requirement to facilitate a global standard outcome. We restructure the real estate value chain to make it easier, faster and more efficient from every aspect for every participant.

Our initial approach involves the product identification / pre-planning phase designed to establish the viability of any particular project, whether it is a mass transit system, medical city or airport that needs to be built. Any substantial project requires a considerable amount of thought, understanding and preplanning. Our scope goes beyond the stipulated requirements to the minute detail required to achieve specific goals.

Capital considerations are identified.

- Relationship with financial sources
- Raising equity
- Financial monitoring and tracking
- Legalities and by-laws

Product identification reports and analysis

- Economical research and studies by our dedicated R&D department
- Commercial study reports
- Business appraisal and feasibility reports
- Investment structure reports
- T&L advisory services
- Baseline planning services

Our knowledge base then starts to refine the details.

- Client's requirements
- Tenants requirements
- Planning and logistics
- Design management
- Construction management
- Procurement management
- Value engineering
- Cost management
- Investment modeling
- Sales and marketing
- Business modeling
- Information Technology
- Facilities management
- Financials and accounts



- Legalities and by-laws
- Special expertise

Land considerations are factored to identify any specific requirements or concerns.

- Location and accessibility
- Environmental conditions
- Value identification
- Planning regulations
- Soil conditions
- Special features
- Legalities and by-laws

Tenant considerations are of utmost importance.

- Sales manuals
- Facilities management
- Sales and marketing
- Building management

Asset Identification and Feasibility

UWI identifies areas that have the potential for development and an apparent market need they will serve. We base our decision on location, relevance, accessibility and convenience for all users. Research and development continually conducts market analysis in conjunction with our integrated team, to determine the future profitability of any chosen site. Due diligence is of course, conducted and assessed.

Market opportunity and asset identification key activities:

- Market research
- Commercial concept
- Concept design
- Business model
- Investment model

Due diligence:

- Cost analyses
- Revenue analyses
- Financial appraisal
- Investment model
- Pre design
- Legal structure
- Validation



Asset Development

The tangible aspects of the chosen project are now put in motion. The strategic team is briefed on the requirements of a particular project and deliverables are reviewed. The sales agents and marketing team are included to ensure seamless communication between all parties from the start. This ensures greater efficiency and transparency at all times.

Project development key activities:

- Finance of consortium
- Design management
- Construction management
- Logistics
- Cost management
- Procurement management
- Program management
- Arbitration
- Information management

Marketing and sales areas:

- Marketing analyses
- Marketing strategies
- Sales strategies
- Communication strategies
- Product branding
- Planning and implementation

Asset Management

The ongoing success of your project is critical and certain needs will have been identified to be lease, sell and maintain the future profitability.

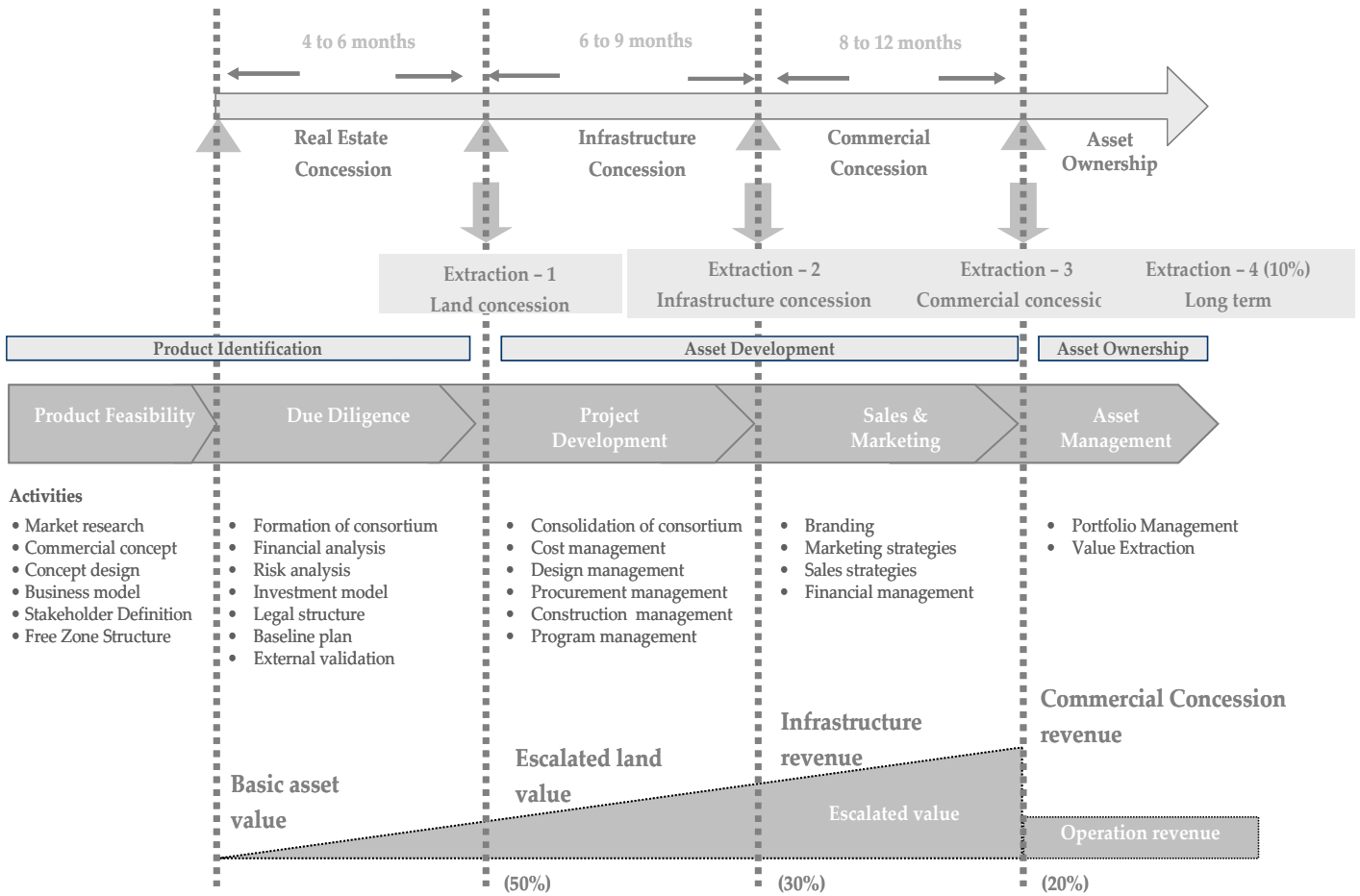
- Building operator
- Legal format
- Financial plan

The UWI Experience

The population globally is growing and land - unlike cars, furniture, buildings or other structures - cannot be created. Therefore people with vision, who think creatively and are willing to assume some level of risk, have been integrated into one organization. However that risk can be reduced significantly when a project is master planned with an abundance of detailed research findings and an integrated knowledge base at its disposal, a company with a long-term investment strategy and geared towards maximizing the financial value of every square foot. UWI is one such company.



A total real estate and infrastructure development solution through integrated management networks is the future. UWI delivers this new model to governments and institutions globally.



FINANCIAL QUALIFICATIONS

UWI and its affiliated financing entities have fully funded and managed large commercial and residential infrastructures projects around the world. A representative sample is summarized below.

GCC Infrastructure (\$1.6b): This is a national project for the government in the transportation sector. UWI and its affiliates are offering all of the technical and financial requirements of the project on a BOT/BOO basis.

South Asia Infrastructure (\$10b): A regional infrastructure project in the transportation sector. UWI and its affiliates are providing technical and financial modeling for the project.

Eurasia Science and Technology Park (\$0.8b): The science/technology park is aligned with the city's overall objective to contribute to the enrichment and diversification of the country's economic activities thus increasing their regional and international competitiveness and leading the economy to an increased rate of sustainable development. Providing technical and financial modeling throughout the three project phases.

Island Nation National Master Plan (\$100m): This island nation is looking to expand its economy by diversifying away from tourism as major hard currency source. UWI and its related companies are assisting the executive branch of government to develop and implement a national master plan including real estate development, institution building and attracting FDI.

Environmental University and Town (\$30m): A GCC project that involves the establishment of the region's first environmental university and eco friendly real estate development. Technical and financial modeling and project finance.

Levant Resort (\$340m): A high visibility development in which UWI is providing technical and financial modeling, along with fund structuring and tender management.

West African Nation (\$1b): Port, airport, multimodal logistics centre and free zone to support the burgeoning petroleum sector.

Details can be provided to the City upon request.



REFERENCES

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Additional references available upon request



ADDENDUM

R & D Department White Paper 115.01.06.001
Dubai Analysis

Dubai Real Estate Sector

Date: January 19, 2006
Heading: Country Reports
Subheading: Dubai
Subject: Retrospective Analysis of Success of Dubai in Attracting Foreign Direct Investment (FDI) in the Real Estate Sector and Maintaining Growth
Title: Executive Summary
Supplement: Report: Introduction to Dubai, U.A.E. / Real Estate Sector
Author: J. Kiszona (P.O. Box 9533, Dubai, U.A.E.)

Introduction

Dubai has experienced unprecedented growth in terms of GDP and FDI, while maintaining real estate sector sustainability. The previous 10 years, where GDP increased from US \$ 11 billion to over \$37 billion, with real estate representing 12% thereof, have been a benchmark by which other emerging economies are judged. The following executive summary seeks to provide the structure of the framework that led to the success in the real estate sector in Dubai, while attempting to extract the scaleable and reproducible factors.

Geographical Orientation

Strategically located at the crossroads of East and West, Dubai lies at the heart of a global territory representing over 1.6 billion inhabitants with an aggregate economy valued at \$1.8 trillion in terms of GDP. Dubai began to position itself by defining the tangible and intangible elements and capitalize in certain areas in order to accomplish the principal of growth.

The physical location encouraged the Government of Dubai to position itself as a trading hub and a convenient center for regional product distribution. To this aim, a dedicated team in 1987 was assigned to achieve this objective. This has encouraged the development of ports, free zones, airports and distribution centers, which in turn have a mitigating effect on other sectors, including real estate. At this point, real estate was identified as a key contributor to the GDP and as a catalyst to growth in other sectors of the GDP as well.

Geopolitical Orientation

Since its inception, Dubai has been a haven of calm and stability in an otherwise turbulent area. While this non-volatile nature would suffice in terms of attracting investment and spawning growth, Dubai actively established an investor-friendly environment, via new foreign



investment bylaws and non-restrictive policies to attract visitors (i.e. new immigration bylaws eliminating visa requirements for over 30 nationalities). It was critical to outwardly promote this orientation to achieve competitive advantage vis-à-vis other GCC states and to attract international corporations and investors.

Specifically, Dubai identified the areas that were particularly deficient or cumbersome in the region and developed a targeted “product” to attract attention, whether it be a streamlined process, a tourist destination or availability of a service.

Background to Real Estate Sector

The most recent data indicate that the real estate sector in Dubai is growing at an annual rate of over 16%. With \$150 billion in new projects announced by 2005, the contribution of real estate to Dubai’s GDP had increased to nearly 12%¹, with sectors enabled by real estate, such as construction, hotels and retail contributing a further 22%. Many decisions and policies taken by the Government of Dubai contributed to this stunning success, starting with a dedicated team in 1997 addressing the means of approach and implementing strategies.

Macroeconomic analysis of the attraction of the Dubai real estate market would yield the standard conclusion: low land prices and cheap construction rates create healthy yields. But these conditions are also present in other GCC states and countries around the world without similar results. A closer look at the development of the sector provides insight into the performance.

Real Estate Players

Dubai Municipality- 100% Conventional Governmental Entity

In the early 1990’s, the Dubai Municipality was the only real estate player of any significant size. True to the form of most governmental entities, the approach to real estate was based on fulfilling the needs of the existing market. As such, the transactions that did take place in the market contributed insignificantly to the GDP (not exceeding 2.6% contribution to the GDP), which were limited to the standard fees and surcharges issued per transaction.

Emaar- Quasi-Governmental Role with Corporate Structuring

In the mid 1990’s, the Government of Dubai established a quasi-governmental entity named Emaar, listed as a joint stock public company, and granted them a significant amount of land for green field development. While the initial success was in place, Emaar began to suffer from an inadequate national regulatory framework and the burdensome relationship with Dubai Municipality, which remained as the sole governmental entity overseeing Emaar’s developments. The combined effect of these factors, along with a lack of transparency in the local real estate market, foreign investment bylaws and land ownership laws, created a difficult operating environment for the company. Similar entities in other markets have also faced these underlying deficiencies which often undermine the full potential to capitalize on the real estate sector as a foundation for growth and prosperity.

The Executive Office- Developer’s Role with Governmental Authority

In the late 1990’s, the Government took a series of bold steps to turn around the situation and create the platform necessary to achieve its economic objectives, many of which centered around the real estate sector. “The Executive Office” was formed as a lobby within the Government of Dubai, fully empowered to take the responsibility of laying the roadmap towards an internationally recognized real estate market. This roadmap had a clear direction: to act as developer commercially driven but empowered as a regulatory authority in order to create a proper regulatory environment, encourage competition, achieve transparency and arrive at value-added products to stabilize the growth. Within each of the targeted objectives, detailed development exercises took place to identify the legal, operational and financial decisions that were attendant with the desired outcomes. The Executive Office also identified



a second layer of objectives, ensuring that each area was addressed in the implementation of the first projects, Dubai Internet City / Dubai Media City, Dubai International Financial Centre, Dubai Healthcare City. These included:

Establishing Rules and Regulations	Garnering International Support
Managing Risk Analysis	Identifying Tangibles and Intangibles
Attracting Private Sector	Incubating New Industries
Job Creation	Achieving Global Awareness
Professional Association	Managing Existing Governmental Employees
Integrating Existing Entities (Gov't)	Responding to Market Demands

With the above considerations in place, the Executive Office launched the projects, all of which were centered around technology transfer, and instilled a critical and permanent aspect to the real estate sector culture: speed in delivery. The ability to be agile and responsive is a result of the methodology developed, initially as part of a theoretical exercise, but then fully implemented and refined within the DIC project.

DIC / DMC Case Synopsis

The existence of the Executive Office was a condition-precedent step toward the results that Dubai has experienced. Instead of existing as one of many entities operating under the auspices of the Government of Dubai, The Executive Office became the governmental entity empowered to issue decrees and instill the culture that defines the "Dubai way".

Projects like the Jebel Ali Free Zones and DIC created a critical mass of stakeholders that quickly formed a secondary market of real estate consumers. Having learned from the difficulties that Emaar experienced, the Executive Office decreed that the DIC /DMC area would not only be a free zone, but also would not be subject to the municipal regulatory framework or the existing service provider monopolies, such as Dubai Electricity, Water Authority (DEWA) and the telecom provider Etisalat. This was done for a myriad of reasons, some of which relate to the commercial considerations to attract FDI, and others for purely real estate model concerns and their potential impact on the financial output of the project.

While bypassing these entities was important, it was more important not to alienate the existing authorities and service providers entirely. The resistance to loss of authority, control and financial reward is a natural phenomenon that would hinder the level of success achieved. To overcome this, the concerned entities were fully integrated into the process, both in terms of financial reward and human resources. The formula for accomplishing this became a decisive factor in the future of Dubai's projects, one that is both scaleable and reproducible.

At the development level, a series of intangible commercial concessions were offered targeting improved performance while involving the public sector. This resulted in a snowball effect whereby the buy-in of local, regional and international participants was secured. This is also an integral part of the success, identifying the needs of all parties and delivering at multiple levels. The real estate was not only modeled correctly, but the entire process of engaging with DIC addressed the common concerns of business, regardless of location.

Summary

Dubai has achieved its success by responding to market needs holistically, by merging commercial considerations with regulatory authority. A culture of "problem finding" to identify future potential problems, as opposed to "problem solving" once problems occur, is paramount to this. Speed is another factor. But most importantly, Dubai made a concerted effort to place the real estate sector in a preeminent position, allowing it to be the catalyst for further development of other sectors of the economy. The applied real estate model is one that warrants further study by any real estate sector participant.

¹ All data from UAE Ministry of Economy and Planning, DED, MEED



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