

## **COVER PAGE**

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### **Form ADV Part 2B: Brochure Supplement**

### **METROPOLITAN REAL ESTATE EQUITY MANAGEMENT, LLC**

March 31, 2012

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This brochure supplement provides information about the qualifications and business practices of Metropolitan Real Estate Equity Management, LLC (“Metropolitan Real Estate”). If you have any questions about the contents of this brochure supplement, please contact Felipe Dorregaray at (212) 812-4923 or [fdorregaray@mreem.com](mailto:fdorregaray@mreem.com). The information in this brochure supplement has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

Metropolitan Real Estate is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. Additional information about Metropolitan Real Estate is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## **Brochure Supplement for David M. Sherman**

March 31, 2012

This brochure supplement provides information about David M. Sherman that supplements Metropolitan Real Estate's brochure. You should have received a copy of that brochure. Please contact Felipe Dorregaray, Chief Compliance Officer, at (212) 812-4923 or [fdorregaray@mreem.com](mailto:fdorregaray@mreem.com) if you did not receive Metropolitan Real Estate's brochure or if you have any questions about the contents of this supplement.

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## **ITEM 2: Educational Background and Experience**

**David M. Sherman** (6/17/57) is a Co-founder, the President and the Chief Investment Officer of Metropolitan Real Estate. Mr. Sherman has more than twenty-five (25) years of real estate finance and analytical experience. In 2000, Mr. Sherman founded D. Sherman & Company, Inc., an advisory firm focused on strategic issues and transactions in the real estate securities industry. Previously, Mr. Sherman was the Managing Director of Salomon Smith Barney's REIT research team, which covered more than sixty (60) stocks and supported the firm's \$15 billion of REIT offering activity. At Smith Barney, Mr. Sherman created a new approach to evaluate global real estate securities and initiated global coverage of the sector. The team received recognition from Institutional Investor Magazine in 1998 and 1999. Mr. Sherman also held other positions in real estate finance, investment banking, and strategic planning at Smith Barney, The Harlan Company, First Boston, and Paine Webber, including acting as the Chief Financial Officer of Paine Webber Properties, a family of real estate funds with over \$500 million in property investments. At First Boston, Mr. Sherman worked on real estate transactions in the United Kingdom, continental Europe, and Asia.

In addition, Mr. Sherman was an Adjunct Professor of Real Estate Finance at Columbia Business School for seven (7) years. Over the years, Mr. Sherman has published numerous articles in periodicals including American Banker, Pension Real Estate Association quarterly, Shopping Center Business, and National Real Estate Investor. Mr. Sherman served as a panelist for the Institutional Limited Partners Association for its first member educational webcast on private equity real estate. Currently, Mr. Sherman serves as an independent director on the board of Brookfield Homes Corporation. Mr. Sherman received his B.A. in Mathematical Economics (magna cum laude) from Brown University and his M.B.A. in Finance from Columbia Business School.

## **ITEM 3: Disciplinary Information**

This item is not applicable as there are no disciplinary events to report.

## **ITEM 4: Other Business Activities**

Except as set forth in the response to Item 2, Mr. Sherman is not actively engaged in any other investment-related business.

## **ITEM 5: Additional Compensation**

Mr. Sherman does not receive a material economic benefit from anyone who is not a Client for providing investment advisory services.

## **ITEM 6: Supervision**

Metropolitan Real Estate is committed to maintaining the highest ethical standards and fulfilling its fiduciary duty to its clients. As a result, Metropolitan Real Estate has adopted a Compliance Manual, which includes a Code of Ethics, to ensure that all advisory activity is reasonably supervised.

As the Co-founder, President and Chief Investment Officer, Mr. Sherman maintains ultimate responsibility for the operations of Metropolitan Real Estate. Mr. Sherman, together with David G. Nasaw (Co-founder and Managing Director), T. Robert Burke (Co-founder and Managing Director), Margaret G. McKnight (Managing Director), Andrew C. Jacobs (Managing Director), and Jeremy Ford (Senior Vice President), make up the senior investment team of Metropolitan Real Estate. The senior investment team approves all investment decisions made by Metropolitan Real Estate.

All investment decisions and the activities of all supervised persons, including Mr. Sherman, are regularly reviewed and discussed by the senior investment team and are subject to the policies and procedures contained in Metropolitan Real Estate's Compliance Manual, which are administered by Felipe Dorregaray, the Chief Compliance Officer. The Chief Compliance Officer can be contacted by calling the telephone number on the cover of this brochure supplement. Senior members of the investment team can be reached by calling the telephone number on the cover of this brochure supplement.

**David G. Nasaw**

March 31, 2012

This brochure supplement provides information about David G. Nasaw that supplements Metropolitan Real Estate's brochure. You should have received a copy of that brochure. Please contact Felipe Dorregaray, Chief Compliance Officer, at (212) 812-4923 or [fdorregaray@mreem.com](mailto:fdorregaray@mreem.com) if you did not receive Metropolitan Real Estate's brochure or if you have any questions about the contents of this supplement.

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## **ITEM 2: Educational Background and Experience**

**David G. Nasaw** (11/20/43) is a Co-founder and Managing Director of Metropolitan Real Estate and a senior member of the investment team. Mr. Nasaw has more than thirty-five (35) years of real estate investment experience, including more than twenty five (25) years representing high net worth owners of real estate properties. This experience includes the creation of asset allocation and investment strategies, the implementation of investment strategies for real estate allocations, property and portfolio valuations, property disposition and acquisition strategies, as well as market studies and development analysis. In 1977, Mr. Nasaw founded Metropolitan Properties, Ltd., a firm that was engaged in ground-up development of retail/commercial properties as well as the rehabilitation of urban properties. Subsequently, he was the developer of single and multi-tenant buildings (leased to retail tenants such as Toys "R" Us, Circuit City and many others), a re-developer of distribution facilities and community shopping centers, and an asset manager of a forty (40)-building industrial portfolio. Mr. Nasaw was the President and founder of Metropolitan Real Estate Advisors, Inc. Currently Mr. Nasaw serves as a senior advisor to RMA Real Estate Investment and Advisory Services ("RMA"), an asset advisory firm engaged in the deployment of real estate investment capital for several high net worth families. RMA manages approximately \$1 billion of equity and mezzanine investments.

Mr. Nasaw has also served as a consultant to corporate clients on various property leasing and development projects. Mr. Nasaw was a principal purchase negotiator on behalf of the former owners of the Oakland Athletics baseball franchise and the leader of the consulting group to a major media conglomerate for evaluations of potential sports franchise acquisitions including the Los Angeles Dodgers, the Chicago Blackhawks, the Chicago White Sox and the Chicago Bulls. Starting in 1987, Mr. Nasaw became an asset manager and consulting developer for high net worth family owners of real estate. Mr. Nasaw also serves on the board of directors for Sutter Health, the fifth largest U.S. non-profit community based healthcare provider. Mr. Nasaw holds a B.S. and an M.B.A. from Northwestern University.

## **ITEM 3: Disciplinary Information**

This item is not applicable as there are no disciplinary events to report.

## **ITEM 4: Other Business Activities**

Mr. Nasaw currently serves as a Managing Director of Metropolitan Real Estate while also acting in an advisory role at RMA, an asset advisory firm formerly owned by Mr. Nasaw that is engaged in the deployment of real estate investment capital for high net worth families. RMA manages equity and mezzanine investments in property partnerships that focus on a variety of property types and markets. Mr. Nasaw advises RMA solely on those client accounts which he historically originated.

Since Mr. Nasaw's work at RMA may relate to or overlap with the business opportunities of Metropolitan Real Estate (e.g., identifying managers for potential investment), a potential conflict of interest may exist in certain situations where Mr. Nasaw is reviewing

investment opportunities for both Metropolitan Real Estate and RMA. In such situations, Metropolitan Real Estate has adopted internal procedures to identify, document, manage and mitigate the potential conflicts of interest.

#### **ITEM 5: Additional Compensation**

Mr. Nasaw receives compensation in his role as a senior advisor at RMA. Mr. Nasaw does not otherwise receive a material economic benefit from anyone who is not a Client for providing investment advisory services.

#### **ITEM 6: Supervision**

Metropolitan Real Estate is committed to maintaining the highest ethical standards and fulfilling its fiduciary duty to its clients. As a result, Metropolitan Real Estate has adopted a Compliance Manual, which includes a Code of Ethics, to ensure that all advisory activity is reasonably supervised.

Mr. Nasaw, together with David M. Sherman (Co-founder, President and Chief Investment Officer), T. Robert Burke (Co-founder and Managing Director), Margaret G. McKnight (Managing Director), Andrew C. Jacobs (Managing Director), and Jeremy Ford (Senior Vice President), make up the senior investment team of Metropolitan Real Estate. The senior investment team approves all investment decisions made by Metropolitan Real Estate.

All investment decisions and the activities of all supervised persons, including Mr. Nasaw, are regularly reviewed and discussed by the senior investment team and are subject to the policies and procedures contained in Metropolitan Real Estate's Compliance Manual, which are administered by Felipe Dorregaray, the Chief Compliance Officer. The Chief Compliance Officer can be contacted by calling the telephone number on the cover of this brochure supplement. Senior members of the investment team can be reached by calling the telephone number on the cover of this brochure supplement.

**T. Robert Burke**

March 31, 2012

This brochure supplement provides information about T. Robert Burke that supplements Metropolitan Real Estate's brochure. You should have received a copy of that brochure. Please contact Felipe Dorregaray, Chief Compliance Officer, at (212) 812-4923 or [fdorregaray@mreem.com](mailto:fdorregaray@mreem.com) if you did not receive Metropolitan Real Estate's brochure or if you have any questions about the contents of this supplement.

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## **ITEM 2: Educational Background and Experience**

**T. Robert Burke** (12/15/42) is a Co-founder and Managing Director of Metropolitan Real Estate and a senior member of the investment team. Mr. Burke has co-founded two (2) successful real estate organizations (AMB Property Corporation (NYSE: AMB), acquired by Prologis in 2011, and Institutional Housing Partners, a leading homebuilding finance company) and has more than thirty-five (35) years of real estate experience. Prior to founding AMB, he was a senior real estate partner with the law firm of Morrison & Foerster and, for two (2) years, served as that firm's Managing Partner of Operations. In addition, he served as a Trustee of Stanford University for ten (10) years and has served on the investment committees of the Stanford Management Company, the Hewlett Foundation and the UCSF Foundation. He is also the former Chairman of the Board of Directors of the Pension Real Estate Association, and a former member of the Board of Governors of the National Association of Real Estate Investment Trusts. Mr. Burke received his B.A. from Stanford University and a J.D. degree from Stanford Law School.

## **ITEM 3: Disciplinary Information**

This item is not applicable as there are no disciplinary events to report.

## **ITEM 4: Other Business Activities**

Except as set forth above, Mr. Burke is not actively engaged in any other investment-related business.

## **ITEM 5: Additional Compensation**

Mr. Burke does not receive a material economic benefit from anyone who is not a Client for providing investment advisory services.

## **ITEM 6: Supervision**

Metropolitan Real Estate is committed to maintaining the highest ethical standards and fulfilling its fiduciary duty to its clients. As a result, Metropolitan Real Estate has adopted a Compliance Manual, which includes a Code of Ethics, to ensure that all advisory activity is reasonably supervised.

Mr. Burke, together with David M. Sherman (Co-founder, President and Chief Investment Officer), David G. Nasaw (Co-founder and Managing Director), Margaret G. McKnight (Managing Director), Andrew C. Jacobs (Managing Director), and Jeremy Ford (Senior Vice President), make up the senior investment team of Metropolitan Real Estate. The senior investment team approves all investment decisions made by Metropolitan Real Estate.

All investment decisions and the activities of all supervised persons, including Mr. Burke, are regularly reviewed and discussed by the senior investment team and are subject to the policies and procedures contained in Metropolitan Real Estate's Compliance Manual, which are administered by Felipe Dorregaray, the Chief Compliance Officer. The Chief

Compliance Officer can be contacted by calling the telephone number on the cover of this brochure supplement. Senior members of the investment team can be reached by calling the telephone number on the cover of this brochure supplement.

## **Brochure Supplement for Margaret G. McKnight**

March 31, 2012

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## **ITEM 2: Educational Background and Experience**

**Margaret G. McKnight** (12/22/66) is a Managing Director of Metropolitan Real Estate and a senior member of the investment team. Ms. McKnight has more than twenty (20) years of real estate experience. Ms. McKnight is responsible for identifying, evaluating, and analyzing Underlying Fund managers and investment opportunities and is responsible for sourcing opportunities to purchase interests in Underlying Funds on the secondary market.

Prior to joining Metropolitan Real Estate, Ms. McKnight spent six (6) years with Cambridge Associates where she led their real assets specialist consulting practice. She advised clients on all aspects of building global real assets portfolios, from setting policy to selecting and monitoring managers. Prior to joining Cambridge Associates, Ms. McKnight spent eleven (11) years with J.P. Morgan where she was a Vice President, Real Estate Equity Investments, and served on the investment team of the Argo Partnerships, some of which invested in real estate properties located outside of the United States. Prior to that role, she was part of the investment banking group at J.P. Morgan; her advisory assignments included an extensive review and restructuring of an \$8 billion national portfolio and the sale of a subsidiary of The Equitable (at that time the nation's largest real estate investment management company). Ms. McKnight graduated with high honors from Swarthmore College and received an M.B.A. from New York University.

## **ITEM 3: Disciplinary Information**

This item is not applicable as there are no disciplinary events to report.

## **ITEM 4: Other Business Activities**

Ms. McKnight is not actively engaged in any other investment-related business.

## **ITEM 5: Additional Compensation**

Ms. McKnight does not receive a material economic benefit from anyone who is not a Client for providing investment advisory services.

## **ITEM 6: Supervision**

Metropolitan Real Estate is committed to maintaining the highest ethical standards and fulfilling its fiduciary duty to its clients. As a result, Metropolitan Real Estate has adopted a Compliance Manual, which includes a Code of Ethics, to ensure that all advisory activity is reasonably supervised.

In her capacity as Managing Director, Ms. McKnight reports directly to and is supervised by David M. Sherman (Co-founder, President and Chief Investment Officer) on a continuous basis. In addition, Ms. McKnight, together with David M. Sherman, David G. Nasaw (Co-founder and Managing Director), T. Robert Burke (Co-founder and Managing Director), Andrew C. Jacobs (Managing Director), and Jeremy Ford (Senior Vice President), make up the senior investment team of Metropolitan Real Estate. The

senior investment team approves all investment decisions made by Metropolitan Real Estate.

All investment decisions and the activities of all supervised persons, including Ms. McKnight, are regularly reviewed and discussed by the senior investment team and are subject to the policies and procedures contained in Metropolitan Real Estate's Compliance Manual, which are administered by Felipe Dorregaray, the Chief Compliance Officer. The Chief Compliance Officer can be contacted by calling the telephone number on the cover of this brochure supplement. Senior members of the investment team can be reached by calling the telephone number on the cover of this brochure supplement.

## **Brochure Supplement for Andrew C. Jacobs**

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## **ITEM 2: Educational Background and Experience**

**Andrew C. Jacobs** (2/22/66) is a Managing Director of Metropolitan Real Estate and a senior member of the investment team. Mr. Jacobs has more than twenty (20) years of real estate experience. Mr. Jacobs is responsible for identifying, evaluating and analyzing Underlying Fund managers and investment opportunities and is responsible for sourcing opportunities to purchase interests in Underlying Funds on the secondary market. Prior to joining the Manager, Mr. Jacobs was with Angelo, Gordon & Co. for ten (10) years where he undertook senior level acquisition and asset management responsibilities for a diversified portfolio consisting of fifty (50) properties located throughout the U.S. with a total capitalization of \$1.7 billion. While at Angelo Gordon, Mr. Jacobs focused on the “opportunistic” and “core- plus” strategies.

Prior to Angelo Gordon, Mr. Jacobs was a project manager for Hines at their corporate headquarters in Houston. There, Mr. Jacobs oversaw the development of a four hundred and seventy-three (473) room Westin hotel and the disposition of a large portfolio of industrial properties. Before Hines, Mr. Jacobs worked for Campbell Soup, selling surplus industrial properties and selecting retail locations for Campbell's subsidiary, Godiva Chocolatier. Mr. Jacobs has been a member of the Urban Land Institute since 1994. He is also an Adjunct Professor of Real Estate Finance at Columbia Business School. Mr. Jacobs received his B.A. in Art History from the University of Pennsylvania and his M.B.A. in Real Estate Finance from Columbia Business School.

## **ITEM 3: Disciplinary Information**

This item is not applicable as there are no disciplinary events to report.

## **ITEM 4: Other Business Activities**

Mr. Jacobs is not actively engaged in any other investment-related business.

## **ITEM 5: Additional Compensation**

Mr. Jacobs does not receive a material economic benefit from anyone who is not a Client for providing investment advisory services.

## **ITEM 6: Supervision**

Metropolitan Real Estate is committed to maintaining the highest ethical standards and fulfilling its fiduciary duty to its clients. As a result, Metropolitan Real Estate has adopted a Compliance Manual, which includes a Code of Ethics, to ensure that all advisory activity is reasonably supervised.

In his capacity as Managing Director, Mr. Jacobs reports directly to and is supervised by David M. Sherman (Co-founder, President and Chief Investment Officer) on a continuous basis. In addition, Mr. Jacobs, together with David M. Sherman, David G. Nasaw (Co-founder and Managing Director), T. Robert Burke (Co-founder and Managing Director), Margaret G. McKnight (Managing Director), and Jeremy Ford (Senior Vice President),

make up the senior investment team of Metropolitan Real Estate. The senior investment team approves all investment decisions made by Metropolitan Real Estate.

All investment decisions and the activities of all supervised persons, including Mr. Jacobs, are regularly reviewed and discussed by the senior investment team and are subject to the policies and procedures contained in Metropolitan Real Estate's Compliance Manual, which are administered by Felipe Dorregaray, the Chief Compliance Officer. The Chief Compliance Officer can be contacted by calling the telephone number on the cover of this brochure supplement. Senior members of the investment team can be reached by calling the telephone number on the cover of this brochure supplement.



## **Brochure Supplement for Jeremy Ford**

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## **ITEM 2: Educational Background and Experience**

**Jeremy Ford** (5/30/74) is a Senior Vice President of Metropolitan Real Estate and a senior member of the investment team. He is responsible for identifying, evaluating, and analyzing Underlying Fund managers and investment opportunities primarily in Europe and is responsible for sourcing opportunities to purchase interests in Underlying Funds on the secondary market. Prior to joining the Manager, he was a management consultant with Simon-Kucher & Partners where he specialized in pricing and marketing strategies across a broad range of industries in Europe, Latin America, and the U.S. Mr. Ford received a B.S. in Foreign Service and International Economics (cum laude) and an M.B.A. with high distinction from Georgetown University. He was a J. William Fulbright scholar at the Juan March Institute in Madrid, Spain.

## **ITEM 3: Disciplinary Information**

This item is not applicable as there are no disciplinary events to report.

## **ITEM 4: Other Business Activities**

Mr. Ford is not actively engaged in any other investment-related business.

## **ITEM 5: Additional Compensation**

Mr. Ford does not receive a material economic benefit from anyone who is not a Client for providing investment advisory services.

## **ITEM 6: Supervision**

Metropolitan Real Estate is committed to maintaining the highest ethical standards and fulfilling its fiduciary duty to its clients. As a result, Metropolitan Real Estate has adopted a Compliance Manual, which includes a Code of Ethics, to ensure that all advisory activity is reasonably supervised.

In his capacity as Senior Vice President, Mr. Ford reports directly to and is supervised by David M. Sherman (Co-founder, President and Chief Investment Officer) on a continuous basis. In addition, Mr. Ford, together with David M. Sherman, David G. Nasaw (Co-founder and Managing Director), T. Robert Burke (Co-founder and Managing Director), Margaret G. McKnight (Managing Director), and Andrew C. Jacobs (Managing Director), make up the senior investment team of Metropolitan Real Estate. The senior investment team approves all investment decisions made by Metropolitan Real Estate.

All investment decisions and the activities of all supervised persons, including Mr. Ford, are regularly reviewed and discussed by the senior investment team and are subject to the policies and procedures contained in Metropolitan Real Estate's Compliance Manual, which are administered by Felipe Dorregaray, the Chief Compliance Officer. The Chief Compliance Officer can be contacted by calling the telephone number on the cover of this brochure supplement. Senior members of the investment team can be reached by calling the telephone number on the cover of this brochure supplement.