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PRESS RELEASE

Ireland needs “best-in-class” REIT model to attract investors, boost economy – EPRA

Dublin, January 24, 2013 – Ireland should look to its neighbours in the UK and France for examples of how to establish a “best-in-class” model for its new listed real estate investment trust (REIT) regime to attract domestic and international investors and boost its economy, the Chief Executive of the European Public Real Estate Association (EPRA) told an Irish REITs conference in Dublin on Thursday.

Philip Charls, EPRA CEO said: “Ireland only has to look next door to the UK and France, the biggest listed property markets in Europe, to see how REITs own some of the most attractive office and retail properties in those countries. These companies play a major role in contributing to their local economies through job creation, providing accommodation for businesses, investments in improving the urban environment, and adopting cutting edge environmental standards and technologies in their buildings.”

Irish Finance Minister Michael Noonan announced during the country’s 2013 Budget presentation on December 05 that he would make provision for the establishment of Irish REITs this year.

Commercial and residential property values in Ireland have started to show signs of stabilising after the record crash of 2006/2007 and yield levels are becoming attractive for international investors. But with Irish banks severely constrained in the credit they can offer to the property sector, international investment capital of the type that could be channelled through REITs is required to help sustain the momentum of the incipient recovery in the market.

Charls added that REITs are also a vital source of stable dividends, derived from rents, that are well matched to the long-term retirement income liabilities of pension funds, faced with rapidly ageing populations and record low yields on investment assets.

The average European REITs dividend yield was just above 5% over the last five years – comfortably outpacing the general equities dividend yield of Europe’s largest companies and the yield on ten-year government bonds. It was also well above average five-year inflation in the eurozone countries.

European listed property companies adhere to high standards of transparency and corporate governance, with nearly 90% of the firms included in EPRA’s European market index using the Association’s Best Practice Recommendations (BPR) on financial reporting and governance. Two thirds of the market is already using EPRA BPR for sustainability, which were only launched in 2011.

Philip Charls concluded: “Despite the clear economic and environmental benefits that publicly quoted property companies bring, the industry in Europe is losing ground in comparison with the listed real estate sectors in North America and Asia. These first steps by Ireland towards the creation of a vibrant REITs market, together with similar moves afoot in Spain and Italy, are a clear signal to policy makers across Europe, that listed real estate has potentially a lot to offer in these difficult economic times.”

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Note to editors:

About EPRA

The European Public Real Estate Association – is the voice of the publicly traded European real estate sector. With more than 200 active members, EPRA represents over EUR 250 billion of real estate assets and 90% of the market capitalisation of the FTSE EPRA/NAREIT Europe Index. Through the provision of better information to investors, improvement of the general operating environment, encouragement of best practices and the cohesion and strengthening of the industry, EPRA works to encourage greater investment in listed real estate companies in Europe.

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