June 2015 FTSE EPRA/NAREIT Real Estate Index Series Monthly Market Review EUROPEAN PUBLIC REAL ESTATE ASSOCIATION Europe % Total Returns (EUR) Jun-15 YTD 1 yr 3 yrs\* 5 yrs\* 10 yrs\* 20 yrs\* **Global Real Estate** -5.4 5.6 23.4 14.5 7.1 10.1 14.3 Global Equities (FTSE) -2.9 4.2 8.8 16.7 13.5 7.3 8.0 Global Bonds (JP Morgan) -1.4 -0.7 36 30 35 36 5.1

21.0

13.9

12.7

17.0

11.5

16.0

5.2

7.5

7.7

9.8

7.9

12.7

ETCE	<b>EPRA/NAREIT</b>	Dovolopod	Indox
FIJE	EFRAMAREII	Developed	muex

Europe Real Estate

North America Real Estate

Asia Real Estate

-4.4

-5.3

-5.8

11.5

9.5

2.0

The FTSE EPRA/NAREIT Developed (Global) Index decreased 5.4% during June 2015. Global equities decreased by 2.9% while the global bonds market lost 1.4%. Real estate markets in North America decreased 5.8% and Europe's market decreased by 4.4% while Asia was down 5.3%.

21.6

19.3

26.4

Over a one-year period, global real estate investments have returned 23.4% compared to a 8.8% and a 3.6% return from global equities and global bonds, respectively. Annualised ten-year rolling returns for real estate investments stand at 7.1%. Equities gained 7.3% while bonds markets posted a 3.6% return per annum.

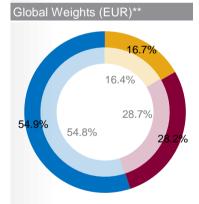
At the end of June 2015, the FTSE EPRA/NAREIT Developed Index counted a total of 326 constituents, representing a free float market capitalisation of over EUR 1,115 billion.

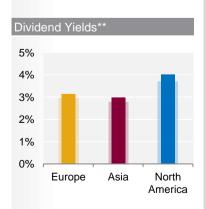




Develope	ed Asia (1	R) (E	UR)			
(EGAS)	2,708	•	-5.3%			
North America (TR) (EUR)						
(EGNA)	5,222	•	-5.8%			

Emerging (TR) (EUR)						
(ENEI)	2,654	▼	-6.1%			





### \* Annualised

\*\* Shaded bars display previous month's data

#### page. 1

### Monthly Regional Over/Under Performance



FTSE EPRA/NAREIT Rea	al Estate Index Series
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June 2015

## Monthly Market Review

	Asia	Americas

<b>FTSE</b>	FTSE EPRA/NAREIT Developed Index – Top 5 Performers					
	Company	Country	Total F	Return		
	Mack-Cali Realty *	US		9.1%		
	Grainger Plc	UK		7.9%		
	Cousins Properties *	US		7.6%		
	New York REIT Inc. *	US	<b>A</b>	7.3%		
	Granite Real Estate *	Canada	<b>A</b>	6.4%		

#### FTSE EPRA/NAREIT Developed Index – Bottom 3 Performers

Company	Country	Total Return
Hamborner REIT AG *	Germany	▼ -12.6%
Aedifica *	Belgium	▼ -15.0%
Hulic	Japan	▼ -15.5%

#### FTSE EPRA/NAREIT Developed Index – Top 10 Constituents

Company	Country	Total Return
Simon Property Group *	US	▼ -4.6%
Mitsubishi Estate	Japan	▼ -5.1%
Sun Hung Kai Props	Hong Kong	▼ -4.4%
Public Storage *	US	▼ -3.9%
Mitsui Fudosan	Japan	▼ -5.5%
Equity Residential Props *	US	▼ -4.8%
Unibail-Rodamco *	Netherlands	▼ -3.1%
Health Care REIT *	US	▼ -6.6%
Avalonbay Communities *	US	▼ -3.2%
Ventas *	US	▼ -5.5%

## **EPRA Newsletter**

#### March-April 2015

page. 2

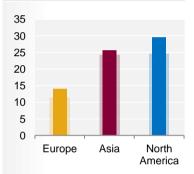
A round-up of Europe's listed real estate sector, the macro factors influencing the indices, investment flows and company performance. **Click here to read more...** 

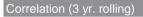
QE, sustainability, Reporting, EU regulations, BEPS, capital raisings, retail, Germany...

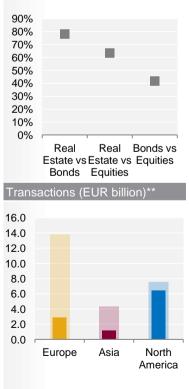












\* Shaded bars are 3 yr. \*\* Previous month





June 2015

Monthly Market Review

Asia

Ame

Emerging

-12.1%

#### FTSE EPRA/NAREIT Developed Europe Index

The FTSE EPRA/NAREIT Developed Europe Index lost 4.4% during June 2015. The UK Index decreased by 4.8% compared to a decrease of 5.3% in France. The Netherlands was down by 3.9%.

At the end of June 2015, the FTSE EPRA/NAREIT Developed Europe Index counted a total of 94 constituents, representing a free float market capitalisation of over EUR 186 billion.

#### FTSE EPRA/NAREIT Developed Europe - Selected Country Indices

% Total Returns	Jun-15	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Europe (EUR)	-4.4	11.5	21.6	21.0	17.0	5.2	9.8
Europe ex UK (EUR)	-5.0	7.0	12.4	16.4	13.8	6.3	11.4
UK (GBP)	-4.8	8.0	20.8	22.7	18.6	3.4	6.7
France (EUR)	-5.3	9.5	2.5	17.1	14.6	10.4	14.6
Netherlands (EUR)	-3.9	7.0	7.8	12.2	6.8	3.9	9.0

#### **Top stories - Europe**

#### Deutsche Annington Immobilien AG - (Germany - Non-REIT - Rental - Residentia 🔻

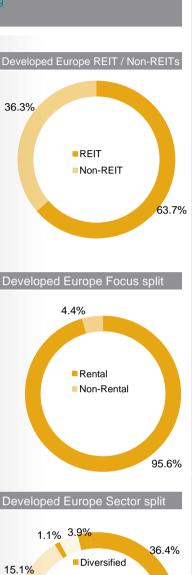
On June 14, Deutsche Annington announced the acquisition of SÜDEWO Group, a company which holds 19,800 homes which are mainly situated in Southern Germany region. The total transaction volume for the acquisition of SÜDEWO Group is EUR 1.9 billion. The closing of the transaction is expected at the beginning of July. 'In the highly fragmented German market for rented housing we are availing of another opportunity to strategically expand our nationwide position,' said the CEO of Deutsche Annington Rolf Buch. The SÜDEWO portfolio will strengthen Deutsche Annington's strategic presence in Baden-Württemberg, where the company is already represented with around 15,000 homes. The newly acquired portfolio has a very low vacancy rate of just 2.4% and is spread over several locations, alongside the cities of Stuttgart, Ulm and Mannheim, in a region with a remarkable dynamic economy. As announced today, the company plans to conduct a capital increase with subscription rights from authorised capital with expected gross issue proceeds of EUR 2.25 billion to finance the acquisition of the SÜDEWO Group.

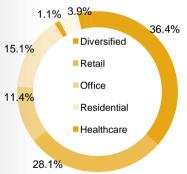
#### British Land Co - (UK - REIT - Rental - Diversified)

Notice Notice **v** -7.9%

Notice

On June 02, British Land announced that it has completed the offering of GBP 350 million of senior, unsecured convertible bonds due 2020. The bonds will have a zero coupon. The initial conversion price has been set at GBP 11.03, a premium of 27.5% above the volume weighted-average price of the ordinary shares of British Land between launch and pricing. If not previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed at par on June 09, 2020. The company intends to use the net proceeds of the offering to fund the GBP 210 million acquisition of One Sheldon Square, Paddington Central in April 2015, the GBP 135 million acquisition of Surrey Quays Leisure Park, Canada Water in March 2015, and to fund committed development spending. The GBP 210 million acquisition of One Sheldon Square was a strategic acquisition to increase British Land's ownership interest at its Paddington Central office-led campus. One Sheldon Square is fully let on a total annual contracted rent of GBP 9 million. The Surrey Quays Leisure Park acquisition completes a 46 acre site at Canada Water, assembled in four transactions over five years. This is one of the most important regeneration projects in London which could comprise up to 7 million sqf of office, retail, residential, leisure and community space alongside significant public realm.









#### Gecina - (France - REIT - Rental - Diversified)

On June 02, Gecina announced that it has signed a preliminary agreement to acquire the PSA group's historic headquarters in Paris' central business district and the T1&B towers in La Défense, occupied by Engie (formerly GDF-Suez), from Ivanhoé Cambridge for EUR 1.24 billion. This operation will be accretive thanks to an immediate net economic return of approximately 5%, enabling Gecina to revise its recurrent net income forecast upwards for 2015, with over 6% growth expected compared with 2014. With its current tenant's expected departure, the 33,600 sqm PSA building offers a unique opportunity to carry out a major redevelopment operation, repositioning the asset in line with the highest European standards, while capitalising on its outstanding visibility and location in Paris' central business district, between Place de l'Etoile and La Défense. For their part, the T1&B towers (88,600 sqm), with leases that have been renewed for 12 years, offer secure revenues over the long term. Thanks to the financing for this transaction, the cost of debt will continue to be reduced, with an average cost of less than 3% expected for 2015. In addition, the divestment of EUR 800 million of mature or non-strategic assets, as announced for 2015, will make it possible to maintain the LTV target of 40%. The transaction is expected to be finalised between mid-July and mid-August 2015 once the standard suspensive conditions have been cleared.

#### Merlin Properties Socimi SA - (Spain - REIT - Rental - Office)

Notice **V** 

Notice Notice

Notice

On June 09, Merlin Properties announced that it entered into an agreement with Sacyr to acquire the entire share capital of Testa Inmeubles en Renta for EUR 1.79 billion. Testa owns a portfolio of assets with a gross value of over EUR 3.2 billion, gross annual rental income of EUR 159 million and a gross leasable of above 1 million sqm. Merlin intends to acquire Testa in several steps. The deal will be financed mainly by upcoming capital increases.

#### Wereldhave - (Netherlands - REIT - Rental - Retail)

On June 24, Wereldhave announced that it has entered into a conditional agreement with Klépierre pursuant to which the company intends to acquire nine shopping centres in the Netherlands and a development project for the extension of one of these centres for a total consideration of EUR 730 million, excluding transaction costs. Adding these assets to Wereldhave's existing ten shopping centres creates the single largest portfolio of mid-sized shopping centres in the Netherlands. The Target Portfolio is being acquired at a yield of 6%. Wereldhave intends to finance the acquisition via an equity offering of up to 5,250,000 new ordinary shares (completed on June 25) and existing debt facilities. Additionally, Wereldhave also expects to dispose of EUR 350 to EUR 450 million of assets by the end of 2016. The company intends to maintain an LTV ratio of 35-40% by year end 2016. Completion of the transaction is expected to take place before the end of 2015.

#### Grand City Properties - (Germany - Non-REIT - Rental - Residential)

On June 23, Grand City Properties announced the portfolio expansion to 66,000 units via the successful acquisition of 10,500 units in several transactions with a total net rent of EUR 28.5 million and vacancy rate of 17% at a cost of EUR 330 million and offset with the sell in process of 4,500 non-core units. The net growth effect will be mainly in Leipzig which is one of the strategic locations of the Grand City Properties. Considering these transactions the total portfolio generates a rental income run rate of EUR 355 million.

#### Notice **V**

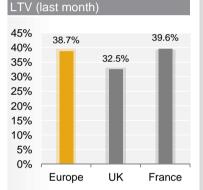
-7.6%

-7.5%

-7.5%

-2.1%





\*shaded bars are 20-year averages





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N PUBLIC ATE ASSOCIATION	Europe	Asia	Americas	Emerging	

#### FTSE EPRA/NAREIT Developed EMEA Index – Top 5 Performers

Company	Country	Total Return
Grainger Plc	UK	<b>▲</b> 7.9%
UK Commercial Property Trust	UK	<b>▲</b> 4.7%
Capital & Counties Properties	UK	<b>▲</b> 3.7%
Safestore Holdings	UK	<b>▲</b> 3.7%
F&C Commercial Prop	UK	<b>▲</b> 2.6%

#### FTSE EPRA/NAREIT Developed EMEA – Bottom 3 Performers

Company	Country	Total Return
Deutsche Annington	Germany	▼ -12.1%
Hamborner REIT AG *	Germany	▼ -12.6%
Aedifica	Belgium	▼ -15.0%

#### FTSE EPRA/NAREIT Developed EMEA – Top 10 Constituents

Company	Country	Total Return
Unibail-Rodamco *	Netherlands	▼ -3.1%
Land Securities *	UK	▼ -7.7%
Deutsche Annington Immobilien AG	Germany	▼ -12.1%
British Land *	UK	▼ -7.9%
Klepierre *	France	▼ -2.5%
Deutsche Wohnen	Germany	<b>▼</b> -0.3%
Hammerson *	UK	▼ -7.9%
Derwent London *	UK	▼ -4.5%
Capital & Counties Properties	UK	<b>▲</b> 3.7%
Swiss Prime Site	Switzerland	▼ -5.7%

#### **Corporate Actions**

page. 5

Last month four index constituents had a rights issue. Belgian Aedifica had a two-for-seven rights issue at EUR 49; the new number of shares is 14,045,887. Citycon from Finland had a one-for-two rights issue at EUR 2.05; the new number of shares is 889,992,629. Deutsche Annington Immobilien had a rights issue of three-for-ten at EUR 20.9; the new number of shares of 453,372,838. Hamborner REIT AG had one-for-three rights issue at EUR 8.50 and the new number of shares of 66,723,553. Intervest Offices & Warehouses has a new free float percentage of 85% (was 46%).

During the quarterly index review on Thursday June 04 (with effective date June 22), three companies were added to the Developed EMEA Index: Target Healthcare REIT (UK, 100% free float and 142,298,226 shares), Lar España Real Estate SOCIMI SA (Spain, 85% free float and 40,000,000 shares), and Hispania Activos Inmobiliarios SAU (Spain, 82% free float and 82,590,000 shares). Alstria Office and UK Commercial Property Trust have new free float percentages of respectively 95% (was 86%) and 47% (was 34%).

Four companies were reclassified from rental to non-rental: Azrieli Group, Icade, Swiss Prime Site, and Wallenstam. Three companies were reclassified to the Industrial/Office sector; Intervest Offices & Warehouses, Kungsleden, and Standard Life Investment Property Income Trust. Icade and Merlin Properties were reclassified from Diversified to the Office sector. Schroder Real Estate Investment Trust was reclassified to REIT and will be added to the REIT Index.

Following the quarterly review, the following companies have an updated number of shares in issue: Befimmo (22,138,280), Deutsche Wohnen (336,812,771), Grand City Properties (121,668,184), Klepierre (310,990,936), TAG Immobilien (122,143,669), Unibail-Rodamco (98,473,218), Wallenstam (299,500,000), and Warehouses De Pauw (18,120,472).

**June 2015** 



**EPRA** 

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June 2015

Monthly Market Review

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Emerging

#### FTSE EPRA/NAREIT Developed Asia Index

The FTSE EPRA/NAREIT Developed Asia Index decreased by 5.3% during June 2015. The Hong Kong Index was down by 3.4% compared to a decrease of 5.2% in Japan. The Australia Index was up down 4.3%, while Singapore decreased 3.7% during the month.

At the end of June 2015, the FTSE EPRA/NAREIT Developed Asia Index counted a total of 76 constituents, representing a free float market capitalisation of over EUR 314 billion.

#### FTSE EPRA/NAREIT Developed Asia - Selected Country Indices

% Total Returns	Jun-15	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Asia (EUR)	-5.3	9.5	19.3	13.9	11.5	7.5	7.9
Hong Kong (HKD)	-3.4	5.8	14.1	11.4	7.5	9.7	8.5
Japan (JPY)	-5.2	0.3	5.6	27.7	19.9	8.8	6.9
Australia (AUD)	-4.3	6.6	20.3	18.0	14.1	1.8	8.5
Singapore (SGD)	-3.7	2.6	5.4	9.2	5.8	7.0	2.2

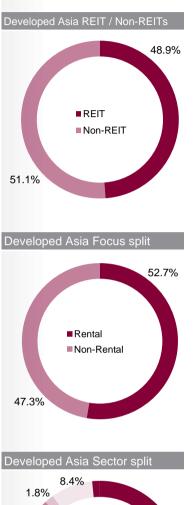
#### **Top stories - Asia**

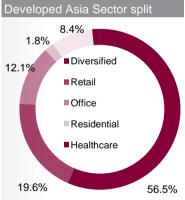
#### Mitsui Fudosan - (Japan - Non-REIT - Non-Rental - Diversified) Notice Notice ▼ -5.5%

Mitsui Fudosan announced on June 05 that through its UK subsidiary. Mitsui Fudosan UK, it has started to participate in a large-scale multi-purpose redevelopment project located in White City of Central London. Combined with the adjacent Television Centre, it is the largest-ever city development in London by a Japanese company. The entire area is undergoing a transformation with the construction of a new campus for Imperial College and major expansion of Westfield London. White City Place involves the construction of new buildings and renovation of existing buildings on the site acquired from the British Broadcasting Corporation (BBC). The total area of the site is approximately 69,000 sqm, with plans for total gross floor area of approximately 209,000 sqm. Three buildings will continue to be leased to the BBC as a long-term occupier. Television Centre plans to redevelop former BBC studios and offices into a mixed-use facility comprising offices, residential housing (approximately 900 units), a hotel, and other facilities in a project with total gross floor area of approximately 185,800 sqm. These two projects will be undertaken in partnership with Stanhope and an additional institutional investor. Mitsui Fudosan also announced that through its US subsidiary, Mitsui Fudosan America, it will take part in a rental residential apartment development project tentatively named "525 West 52nd Street" (392 units) in Manhattan and commenced construction on June 10. This will be Mitsui Fudosan Group's second property in New York City, following its "160 Madison Development Project" (working name) which is also in Manhattan, and it brings the number of Mitsui Fudosan Group residential housing development projects in the US to four. With this project, the total number of residential units provided by Mitsui Fudosan in the US will exceed 1,000.

#### Nomura Real Estate Master Fund - (Japan - REIT - Rental - Diversified) Notice **v** -2.4%

Nomura Real Estate Master Fund announced on June 16 its resolution to submit the agenda for the approval of the consolidation-type merger agreement at the 3rd General Meeting of Unitholders. This is scheduled for July 30, 2015.





\* Annualised



Notice Notice

#### Federation Centres - (Australia - REIT - Rental - Retail)

Federation Centres (FDC) advised on June 11 that the merger with Novion Property Group (Novion) has been implemented. Accordingly, FDC has acquired all of the securities of Novion from Novion securityholders in consideration for the allotment and issue of 2,531,009,071 FDC stapled securities. Following the allotment, the number of stapled securities on issue in FDC is 3,958,650,636. Federation Centres also announced that it intends to rebrand as Vicinity Centres following securityholder approval to change the name of Federation Limited to Vicinity Limited. Federation Limited is the listed company within the FDC stapled group. Federation Centres Chairman, Peter Hay said: "As part of the merger between Federation Centres and Novion Property Group, it was recognised early on that the merged group's name should signify its new identity. 'Vicinity' by definition is a place name – the place to shop, meet, socialise and experience a great environment – a key destination to bring people together. Our centres are 'in the Vicinity', close and convenient, and aim to enrich the local communities where Australian families live, work and shop''.

#### Kiwi Property Group - (New Zealand - REIT - Rental - Diversified)

Notice

2.0%

-3.9%

Kiwi Property's office building at 44 The Terrace in Wellington will receive a NZD 12.6 million upgrade, after the Company secured three new 12-year Crown lease agreements over 84% of the building's office area. The lease agreements over ten of the building's 12 floors of office accommodation, or 8,059 sqm of space, are with the Tertiary Education Commission, the Commerce Commission and the Energy Efficiency and Conservation Authority. Chris Gudgeon, CEO, said: "Taken together with our 24,000 sgm lease agreement with the Ministry of Social Development at 56 The Terrace, we have now concluded leases with the New Zealand Government for over 32,000 sqm of office space in adjacent buildings. These two buildings are being upgraded and will become a strong government office precinct conveniently located close to Parliament at the northern end of The Terrace." The development works at 44 The Terrace will include refurbishment of base building finishes, upgrading of building services and structural strengthening to 80% of New Building Standard. The new lease agreements provide a 23% uplift on existing rental levels commencing on completion of staged floor refurbishments. The refurbishment works are due to commence in June 2015, with tenants remaining in occupation during the progressive works programme thereby avoiding any rental downtime. 44 The Terrace is currently valued at NZD 23.5 million and is projected to have a value on completion of NZD 38.5 million.



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**June 2015** 

<b>≈</b> EPRA	Monthly Ma	arket R
EUROPEAN PUBLIC REAL ESTATE ASSOCIATION	Europe Asia	Americas
FTSE EPRA/NAREIT Developed Asia	a Index – Ton 5 Performers	
Company	Country	Total Return
Link REIT *	Hong Kong	▲ 3.0%
Ascendas REIT *	Singapore	<b>▲</b> 2.5%
Mori Trust Sogo REIT *	Japan	<b>2.3%</b>
Aeon REIT	Japan	<b>2.0%</b>
Kiwi Property Group *	New Zealand	<b>A</b> 2.0%
TSE EPRA/NAREIT Developed Asia		
Company	Country	Total Return
Sumitomo Realty & Dev	Japan	▼ -10.4%
Tokyo Tatemono	Japan	▼ -11.6%
Hulic	Japan	▼ -15.5%
TSE EPRA/NAREIT Developed Asia	a – Top 10 Constituents	
Company	Country	Total Return
Mitsubishi Estate	Japan	▼ -5.1%
Sun Hung Kai Props	Hong Kong	▼ -4.4%
Mitsui Fudosan	Japan	▼ -5.5%
Sumitomo Realty & Dev	Japan	▼ -10.4%
Scentre *	Australia	▼ -5.1%
Westfield Corp. *	Australia	▼ -5.8%
Link REIT *	Hong Kong	▲ 3.0%
Hongkong Land Hldgs	Hong Kong	▼ -4.8%
Wharf Holdings	Hong Kong	▼ -3.6%

#### **Corporate Actions**

Goodman Group \*

After a successful merger between two Australian constituents - Federation Centres and Novion Property Group -Novion Property Group was deleted from the indices and Federation Centres had updated its number of shares in issue to 3,909,738,487 and a new free float percentage of 84% (was 100%). Henderson Land Development had a 0.1 for every one shares held bonus issue, the new number of shares in issue is 3,300,373,120. Japanese Constituent Tokvo Tatemono had a one-for-two consolidation stock-split resulting in a new number of shares of 216,529,584.

-2.6%

Australia

During the quarterly index review on Thursday June 04 (with effective date June 22), Shopping Centres Australasia Property Group was added to the indices with 681,884,582 shares in issue and a free float percentage of 100%. City Developments from Singapore was deleted from the indices after a failed EBITDA test. Three companies were reclassified to Non-Rental; Hang Lung Properties, Swire Properties, and Hong Kong Land Holdings.

Following the quarterly review, the following companies have an updated number of shares in issue: BWP Trust (642,383,803), CapitaLand Commercial Trust (2,946,694,080), CDL Hospitality Trusts (982,232,082), Champion REIT (5,758,888,964), Charter Hall Retail REIT (375,554,374), Cromwell Property Group (1,737,728,114), Daiwa Office Investment (482,045), Dexus Property Group (960,176,606), Fortune REIT (1,879,418,796), Global Logistic Properties (4,840,744,556), Goodman Group (1,735,035,922), Kerry Property Trust (1,445,573,228), Mapletree Commercial Trust (2,111,947,466), Mapletree Industrial Trust (1,747,008,005), Mapletree Logistics Trust (2,474,101,984), Scentre Group (5,324,296,678), Sino Land (6,086,365,395), Stockland Trust Group (2,361,717,862), Sun Hung Kai Properties (2,873,693,738), and UOL Group (788,166,153).





**June 2015** 

North America REIT / Non-REITs

REIT

1.2%

Monthly Market Review

Asia

America

Emerging

#### **FTSE EPRA/NAREIT North America Index**

The FTSE EPRA/NAREIT North America Index decreased by 4.2% during June 2015. The United States Index lost 4.4% compared to a decrease of 1.0% in Canada .

At the end of June 2015, the FTSE EPRA/NAREIT North America Index counted a total of 155 constituents, representing a free float market capitalisation of over EUR 612 billion.

#### FTSE EPRA/NAREIT North America - Country Indices

% Total Returns	Jun-15	YTD	1 yr	3 yrs*	5 yrs*	10 yrs* 2	0 yrs*
North America (USD)	-4.2	-6.1	2.8	7.9	13.8	6.9	11.5
United States (USD)	-4.4	-6.1	3.9	8.8	14.2	6.7	11.3
Canada (CAD)	-1.0	2.5	3.0	4.6	11.7	8.1	11.3

#### **Top stories - North America**

#### Sabra Health Care REIT - (US - REIT - Rental - Health Care)

Notice **V** 

-2.9%

-0.3%

Sabra Health Care REIT announced that it has purchased a portfolio of four transitional care facilities located in Maryland for USD 234 million. Upon completion of the acquisition, Sabra and the current operator will enter into a lease agreement on the facilities and collectively the leases are expected to generate annual lease revenues determined in accordance with GAAP of USD 24.5 million and an initial yield on cash rent of 8.75%. Sabra expects to fund the acquisition with available cash and proceeds from their revolving credit facility. Following the acquisition, Sabra's total investments year-to-date for 2015 are USD 406.5 million, with a blended cash yield of 7.89%.

#### Equity Commonwealth - (US - REIT - Rental - Office)

Notice **V** 

Equity Commonwealth announced that it is under contract to sell two buildings in Chicago, 111 East Wacker Drive and 233 North Michigan Avenue, together known as Illinois Center, for a gross sale price of USD 376 million. As of March 31, 2015, the 2.1 million sqf property was 73.5% leased. The transaction is subject to customary closing conditions.

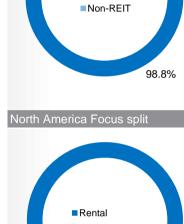
#### Ashford Hospitality Trust - (US - REIT - Rental - Lodging/Resort: Notice Notice -1.6%

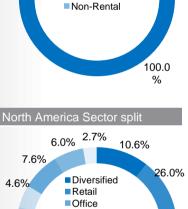
Ashford Hospitality Trust announced that it has completed the acquisition of a nine-hotel portfolio for a total of USD 224 million. The company has financed the portfolio with USD 179 million worth of debt. The first tranche of financing is a USD 144 million mortgage loan secured by the eight select-service assets. The second tranche is a USD 35.2 million mortgage loan secured by the Sheraton Ann Arbor, the only full-service hotel in the portfolio. All of the properties are now managed by Remington Lodging. In a separate announcement, the company announced that it has signed a definitive agreement to acquire two Minneapolis hotels, the W Minneapolis Hotel - The Foshay, and the Le Méridien Chambers Minneapolis hotel, for a total of USD 101 million in cash. As part of the transaction, the company will assume approximately USD 56 million of mortgage debt on the W

#### Gramercy Property Trust - (US - REIT - Rental - Industrial/Office Mixed) Notice • -6.5%

Gramercy Property Trust announced that it closed on a 20-year sale leaseback transaction with Life Time Fitness to acquire a portfolio of ten, large-format, high-end fitness centres for an aggregate purchase price of approximately USD 300.5 million. The portfolio totals approximately 1.3 million sqf located in major markets across the US. For the combined portfolio, Year 1 net operating income is

\* Annualised









affiliate of Lone Star Funds, in a transaction valued at approximately USD 7.6 billion, including the assumption of existing debt. Upon completion of the transaction, Home Properties will become a privately held company. Under the terms of the agreement, Lone Star Funds will acquire all of the outstanding common stock of Home Properties for USD 75.23 per share in an all-cash transaction. The offer price represents a premium of approximately 11% over the average closing price of Home Properties' common stock for the 60 days ended April 24, 2015.

#### New Senior Investment Group - (US - REIT - Rental - Health Care) <u>Notice</u> **-**12.3%

New Senior Investment Group announced it will acquire a 28-property portfolio of private pay, independent living senior housing properties from affiliates of Holiday Retirement for approximately USD 640 million. The company expects to invest approximately USD 190 million of equity and incur approximately USD 450 million of debt to acquire the portfolio. The portfolio contains 3,298 independent living units located across 21 states and had an average occupancy rate of 88% as of May 2015. The company expects the portfolio to generate an initial cash net operating income yield

#### Extra Space Storage - (US - REIT - Rental - Self Storage)

Notice V

-6.9%

Extra Space Storage announced it has entered into a definitive agreement to acquire SmartStop Self Storage, a public, non-traded real estate investment trust (REIT). SmartStop stockholders will receive USD 13.75 per share in cash which represents a total purchase price of USD 1.4 billion. Extra Space will pay USD 1.29 billion, and the remaining USD 120 million will come from the sale of certain assets by SmartStop at or prior to the closing. Upon completion of the acquisition, Extra Space will own 121 SmartStop stores and will assume the property management of 43 third-party

#### **Corporate Actions**

During the quarterly index review on Thursday June 04 (with effective date June 22), six US-based companies were added to the indices: Gaming & Leisure Properties (free float of 76% and 115,846,867 shares in issue), Gramercy Property Trust (free float of 97% and 57,279,622 shares in issue), Medical Properties Trust (free float of 100% and 207,782,359 shares in issue), New Senior Investment Group (free float of 96% and 66,399,857 shares in issue), QTS Realty Trust (free float of 73% and 40,744,211 shares in issue), Starwood Waypoint Residential Trust (free float of 100% and 38,172,999 shares in issue) and, Xenia Hotels & Resorts (free float of 100% and 113,397,997 shares in issue).

American Realty Capital Properties was reclassified to the Diversified sector and Spirit Realty Capital was reclassified to the Retail sector. After the effective date of the quarterly review, Hersha Hospitality Trust had a one-for-four stock-split resulting in a new number of shares in issue of 49,079,131.

Following the quarterly review, the following Canadian companies have an updated number of shares in issue: Calloway REIT (124,504,248), Canadian Apartment Properties REIT (118,005,235), Killam Properties (61,912,447) and, Riocan REIT (317,127,278).

The following American companies have an updated number of shares in issue; American Campus Communities (112,301,25), American Realty Capital Properties (905,138,182), Boston Properties (153,407,015), Chesapeake Lodging Trust (59,651,190), Corporate Office Properties Trust (94,537,019), CubeSmart (166.345.360), Diamondrock Hospitality (200,711,085), Douglas Emmett (145,862,757), Duke Realty Corp. (345,048,546), Eastgroup Properties (32,303,532), Empire State Realty Trust (111,468,815), Equity One (129,455,089), Equity Residential Properties (363,988,765), Essex Property Trust (65,602,146), Excel Trust (63,403,152), Felcor Lodging Trust (143, 276, 171), Healthcare Realty Trust (100,391,509), Healthcare REIT (350,626,627), Healthcare Trust Of America (125,199,971), Highwoods Properties (94,052,036), Home Properties of New York (57,916, 338), Investors Real Estate Trust (122,600,010), Kilroy Realty (88052,036), Lexington Realty Trust (235,916,338), Liberty Property Trust (149,471,760), LTC Properties (35,40,762), National Retail Properties (134,007,840), Pebblebrook Hotel Trust (71,854,732), Pennsylvania REIT (69,117,235), Physicians Realty Trust (70,314,808), Prologis (524,047,000), Ramco-Gershenson Properties Trust (79,148,366), Realty Income (232,531,904), Retail Opportunity Investments Corp. (93,967,231), Ryman Hospitality Properties (51,254,143), Saul Centers (21,100,000), SL Green Realty Corp. (99,582,364), Spirit Realty Capital (438, 400,112), STAG Industrial (65,155,340), Sunstone Hotel Investors (208,684,693), Taubman Centers (61,809,208), Terreno Realty (43,011,685), UDR (258,985,923), Universal Health Realty Income Trust (13,302,259), Vornado Realty Trust (188,272,702), Washington Real Estate Investment Trust (68,142,406) and Weingarten Realty Investors (123,904,939).



FISE EPR	A/NAREII	Real	Estate II	ndex Series	

June 2015

## **EPRA** Monthly Market Review

AN PUBLIC TATE ASSOCIATION	Europe	Asia	Americas	Emerging
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#### FTSE EPRA/NAREIT North America Index – Top 5 Performers

Company	Country	Total Return
Mack-Cali Realty *	US	<b>▲</b> 9.1%
Cousins Properties *	US	<b>▲</b> 7.6%
New York REIT Inc. *	US	<b>▲</b> 7.3%
Granite Real Estate *	Canada	<b>▲</b> 6.4%
Silver Bay Realty Trust	US	▲ 5.5%

#### FTSE EPRA/NAREIT North America – Bottom 3 Performers

Company	Country	Total Return
Gramercy Property Trust	US	▼ -12.2%
Senior Housing Prop *	US	▼ -12.3%
New Senior Investment Group	US	▼ -16.2%

#### FTSE EPRA/NAREIT North America – Top 10 Constituents

Company	Country	Total Return
Simon Property Group *	US	▼ -4.6%
Public Storage *	US	▼ -3.9%
Equity Residential Props *	US	▼ -4.8%
Health Care REIT *	US	▼ -6.6%
Avalonbay Communities *	US	▼ -3.2%
Ventas *	US	▼ -5.5%
Prologis *	US	▼ -6.3%
Boston Properties *	US	▼ -6.4%
HCP *	US	▼ -5.8%
Vornado Realty Trust *	US	▼ -5.0%





### **Reporting in colour**

The EPRA Best Practices Recommendations (BPR) make the financial statements of publically listed real estate companies clearer and more comparable across Europe. This enhances the transparency and coherence of the sector as a whole and plays in important role in attracting global flows of capital.



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June 2015

Monthly Market Review

Asia

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Emerging

#### FTSE EPRA/NAREIT Emerging Index

The FTSE EPRA/NAREIT Emerging Index lost 6.1% during June 2015. Emerging EMEA was down by 1.5%, while Emerging Asia Pacific lost 7.5%. Real estate markets in Emerging Americas lost 5.6% over the month.

At the end of June 2015, the FTSE EPRA/NAREIT Emerging Index counted a total of 152

#### FTSE EPRA/NAREIT Emerging - Country Indices

% Total Returns	Jun-15	YTD	1 yr	3 yrs*	5 yrs*	
Emerging (EUR)	-6.1	14.5	30.0	9.9	6.0	
Emerging EMEA (EUR)	-1.5	11.7	26.4	16.6	11.1	
Emerging Europe (EUR)	-10.0	-1.4	-5.4	5.3	-6.6	
Emerging MEA (EUR)	0.1	14.2	35.3	19.7	15.9	
Emerging Asia Pacific (EUR)	-7.5	22.1	49.6	16.3	12.8	
Emerging Americas (EUR)	-5.6	-11.7	-22.4	-18.1	-15.5	* Annualise

#### FTSE EPRA/NAREIT Emerging Index – Top 5 Constituents

Company	Country	Total Return
China Overseas Land & Inv (Red Chip)	China	▼ -2.7%
China Resources Land (Red Chip)	China	▼ 0.2%
Fibra Uno Administracion S.A. de C.V.	Mexico	<b>▲</b> -5.0%
Growthpoint Prop Ltd *	South Africa	▼ 2.6%
Ayala Land	Philippines	-6.9%

#### **Corporate Actions**

Last month, South African company Resilient Property Income Fund had a 9.50326-for-100 rights issue at ZAR 85 resulting in a new number of shares in issue (SII) of 374,730,199. Yuzhou Properties has a new free float of 33% (was 38%) and a new number of SII of 3,815,999,999. China Overseas Land & Investment has a new free float of 39% (was 50%) and a new number of SII of 9,860,581,381. Mah Sing Group had a bonus issue of 0.25 for every one share held resulting in a new number of SII of 2,398,027,863. Franshion Properties China has a new free float of 32% (was 40%) and a new number of SII of 10,671,180,009. KSL Holdings BHD had a decreased free float of 46% (was 50%) and a new number of SII of 956,022,591.

During the quarterly index review on Thursday June 04 (with effective date June 22), five companies were added to the Emerging Asia index: CapitaLand Retail China Trust Management (free float of 60% and 839,182,031 SII), China Oceanwide Holdings (free float of 41% and 10,761,768,707 SII), Gemdale Properties and Investment (free float of 34% and 15,147,101,032 SII), Lippo Malls Indonesia Retail Trust (free float of 48% and 23,077,689,619 SII) and Yuexiu Real Estate Investment Trust (free float of 38% and 2,815,276,784 SII). Six companies were deleted from the merging indices following the quarterly review; Emaar Properties, General Shopping Brasil, Glomac Berhad, Greenland Hong Kong Holdings, MKH, and Tropicana.

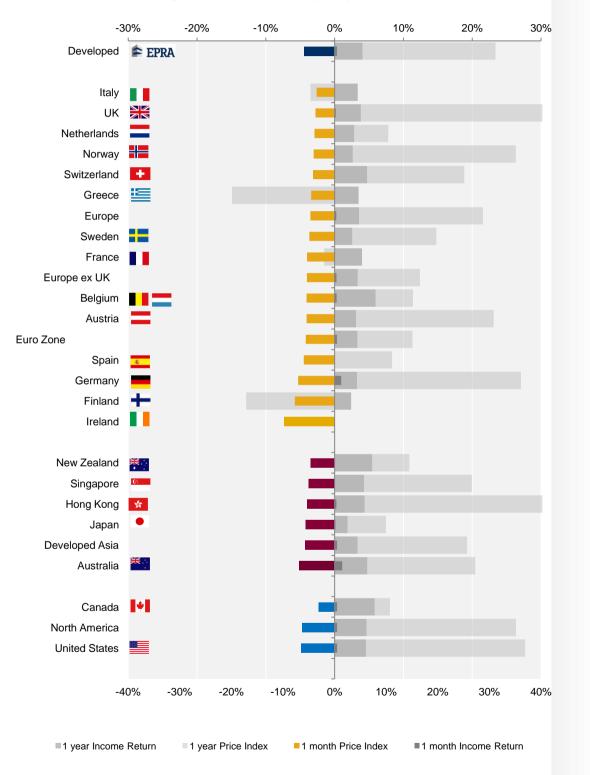
Two companies were reclassified to Non-Rental: Ciputra Property and Robinson's Land Corporation, Sao Carlos Empreendimentos e Participacoes was reclassified to Rental, and Yuexiu Property Co got reclassified to the Residential sector.

Following the quarterly review, the following companies have an updated number of shares in issue: Aliansce Shopping Centers (162,735,921), Arrowhead Properties A and B (422,107,408), Ascendas India Trust (921,452,680), BR Malls Participacoes (463,712,961), Dalian Wanda Commercial Properties (4,527,347,600), Evergrande Real Estate Group (14,788,391,900), First Real Estate Investment Trust (742,111,041), Growthpoint Prop (2,711,056,264), IGB Real Estate Investment Trust (3,459,350,693), Immofinanz AG (964,787,941), JHSF Participacoes (525,000,000), KWG Property Holdings (2,947,319,908), Land & Houses (11,694,995,532), Longfor Properties (5,819,040,605), Mapletree Greater China Commercial Trust (2,721,032,794), Powerlong Real Estate Holdings (3,997,303,000), Redefine Properties (3,904,153,777), Sino-Ocean Land Holdings (7,523,795,848), Soho China (5,199,524,031), SP Setia (2,542,289,558), Sunac China Holdings (3,397,597,716). The following companies have an updated free float and SII: China Resources Land 39% (was 32%) and SII of 6,930,939,579. CIFI Holdings 40% (was 30%) and SII of 6,765,997,602. Shenzhen Investment 40% (was 33%) and SII of 7,381,579,119. CapitaMalls Malaysia Trust 54% (was 59%).





#### FTSE EPRA/NAREIT Monthly Index Performances (EUR)



\* data on 1-year returns for Ireland will become available at the end of April 2016

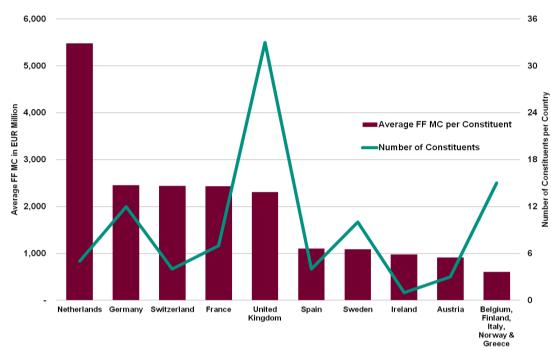
# TSE EPRA/NAREIT Real Estate Index Series Monthly Market Review

Asia

June 2015

EUROPEAN PUBLIC REAL ESTATE ASSOCIATION

#### **Chart of the Month**



Currently the FTSE EPRA/NAREIT Developed Europe Index has a record number of 94 constituents with a free float market cap of over EUR 187 billion.

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#### Links to Reports

Emerging

#### Monthly Statistical Bulletin June 2015

Monthly Index Chartbook May 2015

Monthly Company Chartbook May 2015

Monthly Published NAV Bulletin May 2015

Monthly LTV report June 2015

Monthly Transactions Bulletin May 2015

Index Ground rules Version 6.4

EPRA Newsletter March/April 2015

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