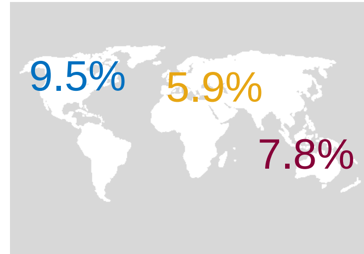
FTSE EPRA/NAREIT Real Estate Index Series
October 2011

# Monthly Market Review

EPRA
EUROPEAN PUBLIC REAL ESTATE ASSOCIATION

Europe | Asia | Americas | Emerging

| % Total Returns (EUR) | Oct-11 | YTD | 1 yr | 3 yrs* | 5 yrs* | 10 yrs* | 20 yrs* |
|---|---|---|---|---|---|---|---|
| Global Real Estate | **8.3** | -5.0 | 0.3 | 11.9 | -4.6 | 6.1 | 8.1 |
| Global Equities (FTSE) | **8.7** | -5.1 | -0.3 | 9.6 | -1.0 | 4.1 | -NA- |
| Global Bonds (JP Morgan) | **-0.8** | 4.6 | 2.7 | 5.0 | 4.5 | 4.0 | 6.1 |
| Europe Real Estate | **5.9** | -4.7 | -3.6 | 8.3 | -10.0 | 5.9 | 6.3 |
| Asia Real Estate | **7.8** | -14.7 | -9.1 | 11.0 | -3.8 | 5.7 | 6.1 |
| North America Real Estate | **9.5** | 3.4 | 9.8 | 13.9 | -2.7 | 6.6 | 12.5 |




| Developed Index (TR) (EUR) | | | |
|---|---|---|---|
| (ENGL) | **2,144** | ▲ | 8.3% |

| Developed Europe (TR) (EUR) | | | |
|---|---|---|---|
| (EPRA) | **2,044** | ▲ | 5.9% |

| Developed Asia (TR) (EUR) | | | |
|---|---|---|---|
| (EGAS) | **1,555** | ▲ | 7.8% |

| North America (TR) (EUR) | | | |
|---|---|---|---|
| (EGNA) | **2,879** | ▲ | 9.5% |

| Emerging (TR) (EUR) | | | |
|---|---|---|---|
| (ENEI) | **1,750** | ▲ | 8.3% |

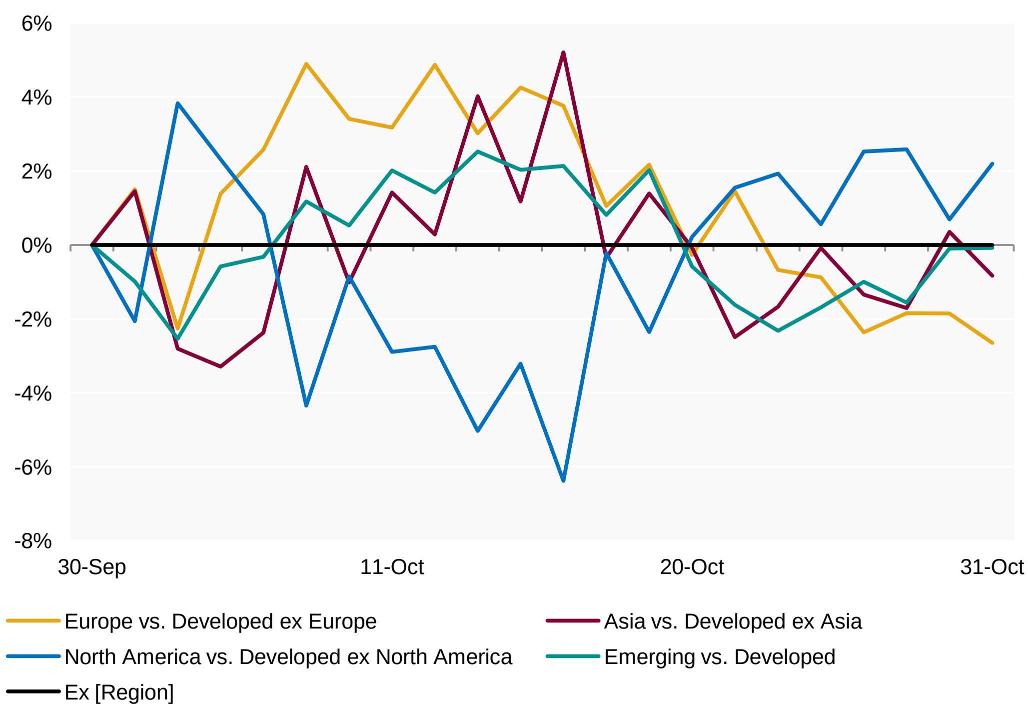
## FTSE EPRA/NAREIT Developed Index

The FTSE EPRA/NAREIT Developed (Global) Index gained 8.3% during October 2011. Global equities increased 8.7% while the Global Bonds market decreased 0.8%. Real estate markets in North America gained 9.5%. Europe gained 5.9%, while Asia was up 7.8% over the month.

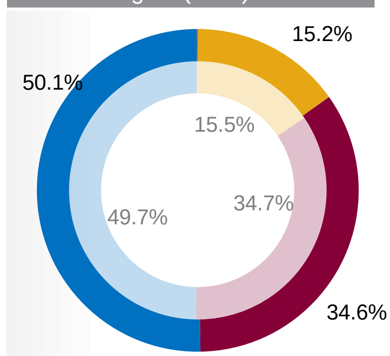
Year-to-date, global real estate lost 5.0% compared to a drop of 5.1% for global equities and a gain of 4.6% for global bonds. Annualised 10-year rolling returns for real estate investments stands at 6.1%. Equities gained 4.1% while bonds markets achieved a 4.0% return per annum.

At the end of October 2011, the FTSE EPRA/NAREIT Developed Index counted a total of 287 constituents, representing a freefloat market capitalisation of over EUR 578 billion.

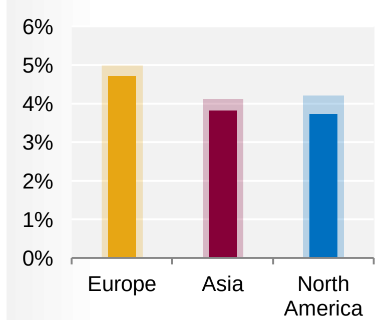
## Monthly Regional Over/Under Performance




Global Weights (EUR)**




Dividend Yields**




* Annualised

** Shaded bars display previous month's data



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

| Company | Country | Total Return |
|---|---|---|
| Yanlord Land Group | Singapore | ▲ 45.1% |
| Country Garden Holdings | Hong Kong | ▲ 43.6% |
| Agile Property Holdings | Hong Kong | ▲ 39.2% |
| China Resources Land | Hong Kong | ▲ 35.9% |
| CBL & Associates Props * | US | ▲ 35.4% |

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

| Company | Country | Total Return |
|---|---|---|
| Premier Investment Co. * | Japan | ▼ -8.5% |
| Japan Real Estate * | Japan | ▼ -11.0% |
| Colonia Real Estate | Germany | ▼ -14.2% |

## FTSE EPRA/NAREIT Developed Index – News

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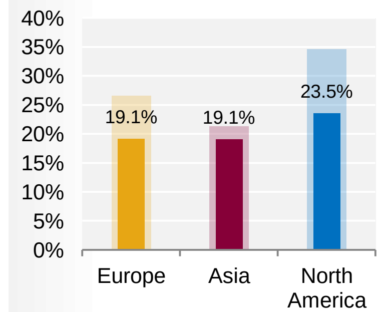
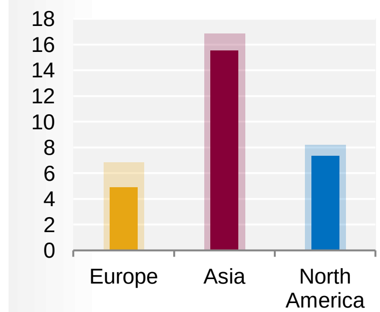
## FTSE EPRA/NAREIT Developed Index – Top 10 Constituents

| Company | Country | Total Return |
|---|---|---|
| Simon Property Group * | US | ▲ 16.8% |
| Sun Hung Kai Props | Hong Kong | ▲ 19.8% |
| Westfield Group * | Australia | ▼ -0.6% |
| Unibail-Rodamco * | France | ▲ 7.4% |
| Mitsubishi Estate | Japan | ▲ 6.4% |
| Equity Residential Props * | US | ▲ 13.1% |
| Public Storage * | US | ▲ 15.9% |
| HCP * | US | ▲ 13.7% |
| Ventas * | US | ▲ 12.6% |
| Vornado Realty Trust * | US | ▲ 11.0% |

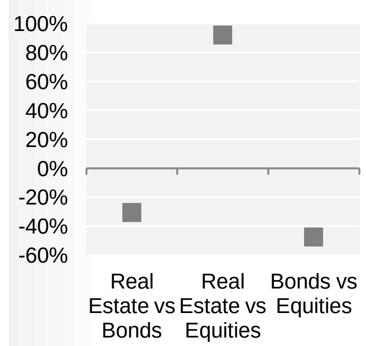
### Volatility (10 yr. & 3 yr.)*



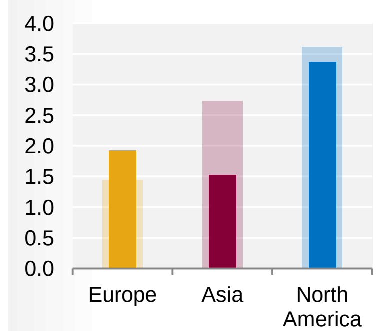

### Index Turnover (EUR billion)




### Correlation (3 yr. rolling)




### Transactions (EUR billion)**




* Shaded bars are 3 yr.

** Previous month



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## FTSE EPRA/NAREIT Developed Europe Index

The FTSE EPRA/NAREIT Developed Europe Index gained 5.9% during October 2011. The UK Index was up 7.4% compared to an increase of 6.6% in France. The Netherlands was up by 5.3%.

At the end of October 2011, the FTSE EPRA/NAREIT Developed Europe Index counted a total of 83 constituents, representing a freefloat market capitalisation of over EUR 87 billion.

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

| % Total Returns | Oct-11 | YTD | 1 yr | 3 yrs* | 5 yrs* | 10 yrs* | 20 yrs* |
|---|---|---|---|---|---|---|---|
| Europe (EUR) | 5.9 | -4.7 | -3.6 | 8.3 | -10.0 | 5.9 | 6.3 |
| Europe ex UK (EUR) | 5.3 | -6.5 | -6.2 | 14.4 | -4.2 | 10.2 | 8.0 |
| UK (GBp) | 7.4 | -0.8 | 0.9 | 0.4 | -14.4 | 3.4 | 5.4 |
| France (EUR) | 6.6 | -3.9 | -7.1 | 15.5 | -0.1 | 15.0 | 11.8 |
| Netherlands (EUR) | 5.3 | -16.3 | -18.9 | 5.0 | -3.8 | 9.4 | 7.1 |

### Top stories - Europe

**Hammerson - (UK - REIT - Rental - Retail)** Notice ▲ **7.6%**

Hammerson confirmed that it had agreed to exercise the option to sell a further 24% interest in O'Parinor shopping centre, Aulnay-sous-Bois, near Paris. The sale was envisaged following the original disposal last year of a 51% stake in the property and Hammerson's net proceeds of EUR 106 million was based on the valuation at that time. In addition, the recently signed non-recourse credit facility for O'Parinor was drawn, raising an additional EUR 54 million, taking Hammerson's net receipts to EUR 160 million. Hammerson has retained the asset management role for the joint venture.

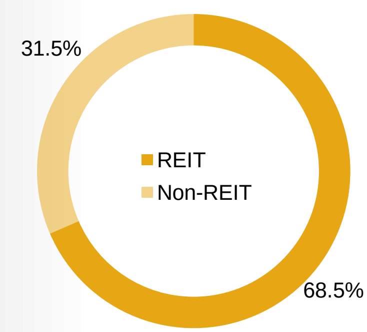
**Grainger - (UK - Non-REIT - Non-Rental - Residential)** Notice ▼ **-2.7%**

Grainger, the UK's largest quoted residential property owner, announced the signing of two significant debt financing which brings the total amount of debt agreed by the Group during the past eight months to around GBP 1.2 billion. The two new financings are a new GBP 840 million Forward Start Facility ("FSF"), and an innovative new funding structure for certain of the Group's Retirement Solutions assets, from which the initial drawing will be GBP 50 million, and further drawings are envisaged. The facility is repayable on a property-by-property basis as the assets become vacant and are sold, with interest rolling up on each property. The facility thereby exactly matches the cash flow characteristics of this part of Grainger's business, with an expected average maturity of 11 years. Following this refinancing, Grainger's average cost of debt (based on current LIBOR rates and on current debt hedging of 76%) will be 5.8%. The average maturity of its facilities is now 5.9 years.

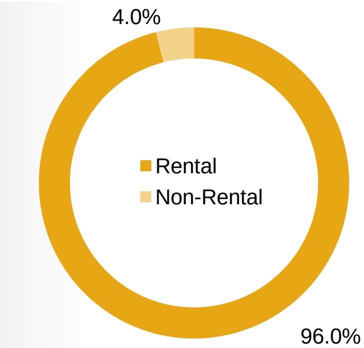
**Nieuwe Steen Inv - (Netherlands - REIT - Rental - Diversified)** Notice ▼ **-4.0%**

Nieuwe Steen Investments N.V. (NSI) and VastNed Offices/Industrial successfully merged after NSI's shareholders approved the proposed merger. VastNed O/I shareholders approved the merger on August 25th. VastNed O/I shareholders received 0.897 new NSI ordinary share and one warrant for each VastNed O/I ordinary share they held. The new company has a mixed portfolio of EUR 2.3 billion. Following the successful merger, VastNed O/I was removed from the FTSE EPRA/NAREIT Indices and NSI remained in the index with and increase number of shares in issue.

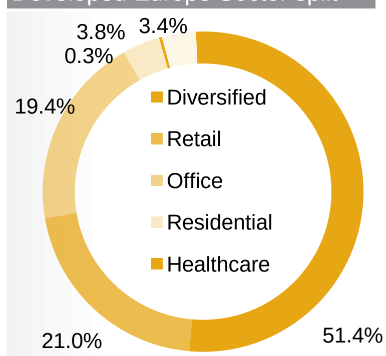
Developed Europe REIT / Non-REITs




Developed Europe Focus split




Developed Europe Sector split



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**DIC Asset AG - (Germany - Non-REIT - Rental - Diversified)** Notice ▲ **15.5%**

DIC Asset AG took over the 50 per cent stake in three joint ventures previously held by funds advised by Morgan Stanley Real Estate Investing and has become the sole owner of a portfolio of around 20 office properties in Berlin and Frankfurt and a market value of some EUR 190 million. The average initial rental yield in relation to the purchase price is 7.7 per cent. The acquisition has been effected via a share deal involving low transaction costs. A meaningful discount on the portfolio's existing net asset value (NAV) was also agreed on. DIC Asset will assume the long-term financing of the previous joint ventures with an average loan-to-value (LTV) of some 70 per cent and an average interest rate of 3.2 per cent. Ulrich Höller, CEO of DIC Asset AG: "We have seized the opportunity to take over all of our partner's shares in this attractive portfolio, with which we have been familiar for years. With this transaction, we reinforce our cash flow and simplify operative structures."

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

| Company | Country | Total Return |
|---|---|---|
| Ivg Immobilien | Germany | ▲ 23.0% |
| Derwent London * | UK | ▲ 17.9% |
| DIC Asset | Germany | ▲ 15.5% |
| Daejan Holdings | UK | ▲ 15.4% |
| Patrizia Immobilien | Germany | ▲ 13.3% |

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

| Company | Country | Total Return |
|---|---|---|
| TAG Immobilien | Germany | ▼ -4.3% |
| Quintain Estates | UK | ▼ -6.9% |
| Colonia Real Estate | Germany | ▼ -14.2% |

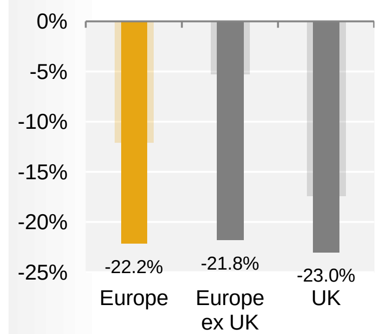
## Corporate Actions

Following a successful merger, VastNed Offices/Industrial (The Netherlands) was removed from the index and Nieuwe Steen Investments N.V. (The Netherlands) remained in the index with an increased number of shares in issue.

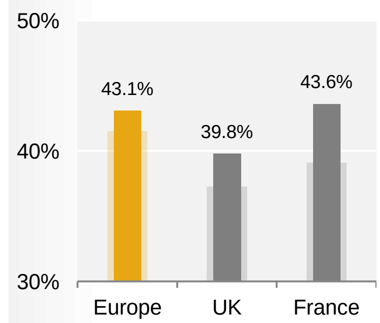
## FTSE EPRA/NAREIT Developed EMEA – Top 10 Constituents

| Company | Country | Total Return |
|---|---|---|
| Unibail-Rodamco * | France | ▲ 7.4% |
| Land Securities * | UK | ▲ 6.5% |
| British Land * | UK | ▲ 8.6% |
| Corio * | Netherlands | ▲ 6.2% |
| Hammerson * | UK | ▲ 7.6% |
| PSP Swiss Property | Switzerland | ▼ -1.9% |
| Capital Shopping Centres Group * | UK | ▲ 2.1% |
| Swiss Prime Site | Switzerland | ▼ -1.8% |
| Klepierre * | France | ▲ 6.9% |
| SEGRO * | UK | ▲ 10.7% |

Discounts to NAV (last month)*




LTV (last month)




*shaded bars are 20-year averages



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## FTSE EPRA/NAREIT Developed Asia Index

The FTSE EPRA/NAREIT Developed Asia Index increased 7.8% during October 2011. The Hong Kong Index was up 19.4%, compared to a gain of 3.0% in Japan. The Australia Index was up by 3.6% while Singapore gained 8.8% during the month.

At the end of October 2011, the FTSE EPRA/NAREIT Developed Asia Index counted a total of 72 constituents, representing a freefloat market capitalisation of over EUR 199 billion.

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

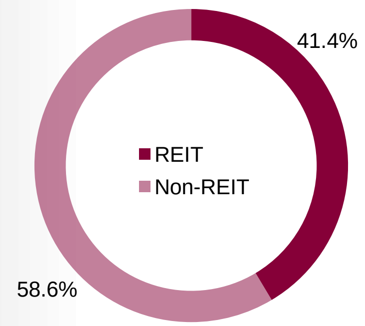
| % Total Returns | Oct-11 | YTD | 1 yr | 3 yrs* | 5 yrs* | 10 yrs* | 20 yrs* |
|---|---|---|---|---|---|---|---|
| Asia (EUR) | 7.8 | -14.7 | -9.1 | 11.0 | -3.8 | 5.7 | 6.1 |
| Hong Kong (HKD) | 19.4 | -17.4 | -17.7 | 24.0 | 5.9 | 12.7 | 9.0 |
| Japan (JPY) | 3.0 | -15.4 | -6.5 | -2.5 | -12.8 | 2.1 | 0.1 |
| Australia (AUD) | 3.6 | -1.9 | -2.8 | -4.3 | -13.9 | 0.1 | 7.4 |
| Singapore (SGD) | 8.8 | -16.0 | -17.6 | 15.5 | -3.1 | 10.0 | 4.0 |

### Top stories - Asia

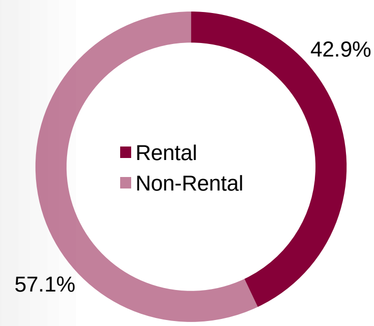
**Westfield Group - (Australia - REIT - Rental - Retail)** Notice ▼ **-0.6%**
Westfield sold its half share in the Cairns Central shopping centre for USD 261 million to Lend Lease (non-constituent), ending a four year court battle between the two retail giants. The shopping centre was placed on the market this year in a sale campaign run by Jones Lang LaSalle, under the supervision of an independent probity officer, to ensure a transparent process for each participating party. Westfield said that the sale represents a 5.2 percent capitalisation rate on income, while premium over the book-value was almost 16 percent. Lend lease's unlisted fund, Australian Prime Property Fund, first bought its stake in the asset in 2001. Westfield challenged Lend Lease's right to manage the asset, when it acquired the half stake from Coles Myer for USD 160 million, in 2006. Westfield took the case to the NSW Supreme Court, seeking the sale of Cairns Central via a public auction in 2007. APPF retail investment management head Belinda Robson said Cairns Central was "An outstanding retail asset that has been the highest performing asset for the fund since its acquisition in 2001".

Notice 1
**Mitsui Fudosan Co. - (Japan - Non-REIT - Non-Rental - Diversified)** Notice 2 ▲ **6.4%**
Mitsui Fudsosan reported a 32% drop in its YoY net income to JPY 16.6 billion in the six months ended September 30. Net income per share fell to JPY 18.9 from 27.6 during the same period last year. The net asset per share went up slightly to JPY 1,166 from JPY 1,161 in the six months. The company upwardly revised its forecast for the full year to end of March. The revised expected net income is JPY 48 billion up from the earlier estimate of JPY 47 billion, as the company expects property sales to be concentrated in the second half of the year. The Tokyo-listed developer has also agreed to acquire 8-10 Moorgate in London and develop a GBP 130 million mixed-use building, through a partnership with Stanhope according to the Financial Times. The Japanese heavy weight aims to develop a 120 thousand-square-foot office property on the site, which has a planning consent for an eight story tower, provided the Victorian façade is preserved.

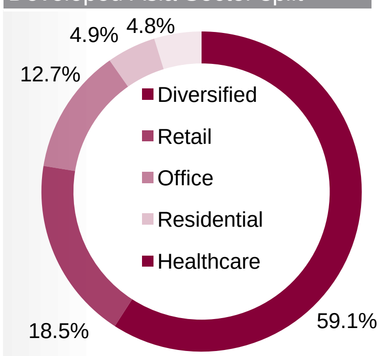
Developed Asia REIT / Non-REITs




Developed Asia Focus split




Developed Asia Sector split




* Annualised

**Suntec REIT - (Singapore - REIT - Rental - Diversified)** Notice ▲ **7.8%**

Suntec REIT said that the company has agreed to sell the historic Chijmes complex, located 30 Victoria Street, at a 23.2% premium over the latest valuation of the asset. The selling price of SGD 177 million to PRE 8 Investments will yield SGD 173.5 in net proceeds, providing Suntec with greater financial flexibility for value enhancement, according to company statement. The Singapore-listed REIT added that the divestment is SGD 33.3 million above the DTZ valuation of the asset at October 15 and SGD 49 million above its acquisition cost. The historic property has 80 thousand-square-feet of net lettable area, representing 2.3% of Suntec REITs lettable space. Assuming the divestment is completed by the year end, it would raise adjusted NAV by SGD 0.018, or one percent per unit. Suntec REIT also announced the remake of Suntec City in four phases at a cost of SGD 410 million, at the close of business yesterday.

**Global Logistic Properties - (Singapore - Non-REIT - Rental - Industrial)** Notice ▲ **6.3%**

Global Logistics Properties announced this month that it has started development of a focused healthcare distribution centre in Hangzhou for one of the largest logistics companies in the country. The distribution centre would be the first outsourced logistics facility development of the pharmaceutical industry and the first pharmaceutical Build-to-Suit (“BTS”) project for GLP in China. The USD 21 million development will be one of the most advanced distribution platforms, of which the end user is a healthcare manufacturer. The property has been let long term, with yields that are in-line with GLP’s development yields according to company statement. Kent Yang, GLP director, added ”GLP has a strong track record of building complex BTS projects where we meet customers’ logistic needs by delivering the right facility in the right place at the right time”. This facility is located in GLP Park Linjiang, which is strategically situated in Hangzhou Xiaoshan Linjiang Industrial Zone and is with expected to be ready early next year.

**CapitaMall Trust - (Singapore - REIT - Rental - Retail)** Notice ▲ **2.5%**

CapitaMall Trust, Singapore-listed REIT announced during a trading halt on 31 October a proposed private placement of 139.7 million new units at SGD 1.79-1.85 per unit, representing a discount of 2.1 - 5.3% on the closing price Friday. The REIT plans to raise SGD 250 million to finance capital expenditure and on upgrading of property such as shopping mall projects in Singapore. The announced placement is subject to an upsize option to issue up to 27.9 million additional new units to raise additional net proceeds of SGD 49 million. The real estate investment trust said it will use about 90 per cent to 95 per cent of the net proceeds. "The private placement will provide CapitaMall Trust with greater financial capacity for asset enhancement initiatives so as to create greater value and returns for unit holders," said CapitaMall Trust. The new units are expected to be issued on November 10th. The raising will reduce gearing from 40.1% to 39%.

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

| Company | Country | Total Return |
|---|---|---|
| Yanlord Land Group | Singapore | ▲ 45.1% |
| Country Garden Holdings | Hong Kong | ▲ 43.6% |
| Agile Property Holdings | Hong Kong | ▲ 39.2% |
| China Resources Land | Hong Kong | ▲ 35.9% |
| Shimao Property | Hong Kong | ▲ 30.0% |

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

| Company | Country | Total Return |
|---|---|---|
| ORIX JREIT * | Japan | ▼ -8.3% |
| Premier Investment Co. * | Japan | ▼ -8.5% |
| Japan Real Estate * | Japan | ▼ -11.0% |

## Corporate Actions

New World Development listed in Hong Kong will remain in the FTSE EPRA/NAREIT Developed Asia Index with an increased number of shares of 5,953,342,073 following its rights issue, effective date 24th October.

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

| Company | Country | Total Return |
|---|---|---|
| Sun Hung Kai Props | Hong Kong | ▲ 19.8% |
| Westfield Group * | Australia | ▼ -0.6% |
| Mitsubishi Estate | Japan | ▲ 6.4% |
| Mitsui Fudosan | Japan | ▲ 6.4% |
| Sumitomo Realty & Dev | Japan | ▲ 9.8% |
| Hongkong Land Hldgs | Hong Kong | ▲ 18.3% |
| Westfield Retail Trust | Australia | ▲ 5.4% |
| Hang Lung Properties | Hong Kong | ▲ 25.0% |
| Wharf Holdings | Hong Kong | ▲ 8.0% |
| Stockland Trust Group * | Australia | ▲ 8.6% |

* Annualised



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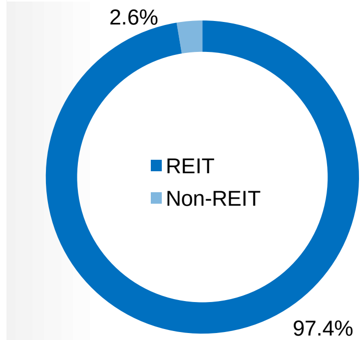
## FTSE EPRA/NAREIT North America Index

The FTSE EPRA/NAREIT North America Index increased 13.9% during October 2011. The United States Index was up 14.5% compared to a gain of 3.2% in Canada (CAD).

At the end of October 2011, the FTSE EPRA/NAREIT North America Index counted a total of 131 constituents, representing a freefloat market capitalisation of over EUR 289 billion.

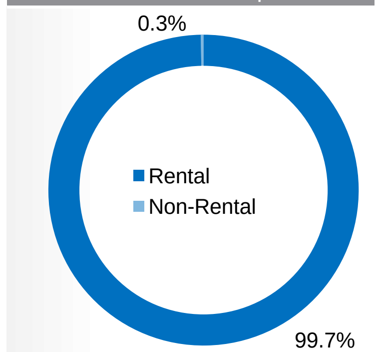
### North America REIT / Non-REITs




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

| % Total Returns | Oct-11 | YTD | 1 yr | 3 yrs* | 5 yrs* | 10 yrs* | 20 yrs* |
|---|---|---|---|---|---|---|---|
| North America (USD) | 13.9 | 7.5 | 10.2 | 17.5 | -1.0 | 11.4 | 13.1 |
| United States (USD) | 14.5 | 7.2 | 10.1 | 16.3 | -1.7 | 10.9 | 13.2 |
| Canada (CAD) | 3.2 | 10.4 | 8.6 | 23.3 | 4.2 | 12.4 | 4.0 |

### North America Focus split




### Top stories - North America

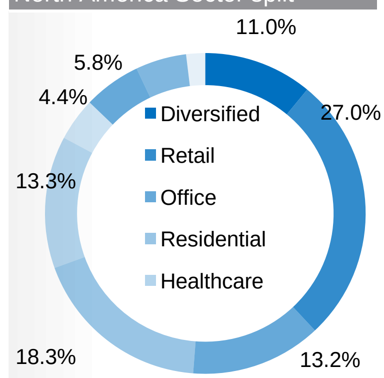
**Home Properties - (US - REIT - Rental - Residential)** Notice ▲ **3.8%**

Home Properties, Inc. has announced that it purchased an apartment community in Alexandria, Virginia. The 937-unit complex Newport Village was purchased for USD 205 million in cash, which equates to approximately USD219,000 per apartment unit. At closing, the property was 92.1% occupied at monthly rents averaging USD1,561. "Based on purchase price, this acquisition is the largest in Home Properties' history and lends itself perfectly to our repositioning strategy as we plan to make major upgrades which will add significant value to the asset", the company stated.

**Brookfield Office Properties - (Canada - Non-REIT - Rental - Office)** Notice ▲ **12.9%**

Brookfield Office Properties Inc. announced that it has sold the Newport Tower office building in Jersey City, NJ to Multi-Employer Property Trust (MEPT) for USD 377.5 million. It is the largest single office asset transaction in the history of New Jersey. Brookfield Office Properties acquired the building, a 36-story, 1.1-million-square-foot class A office building located on the Hudson River in Jersey City, as part of its USD 7.6 billion purchase of Trizec in 2006. The property was just over 60% leased upon Brookfield's acquisition; today the leased rate stands at 89%. "This was the optimal time to monetize this mature asset, having achieved opportunistic returns for us and our fund partners," said Dennis Friedrich, president and global chief investment officer of Brookfield Office Properties.

### North America Sector split




**Equity Lifestyle Properties - (US - REIT - Rental - Residential)** Notice 1 Notice 2 ▲ **5.5%**

Equity LifeStyle Properties, Inc. announced the closing of the acquisition of seven properties that are part of a purchase agreement announced in May 2011 that included a portfolio of 75 manufactured home communities and one RV resort containing 31,167 sites on approximately 6,500 acres located in 16 U.S. states, for a stated purchase price of USD 1.43 billion. The company has now closed on seven of the properties for a purchase price of approximately USD 157 million, bringing the total to 68 of closed acquisitions. The company expects to close the remainder by November 1, 2011. In a separate news release, the company announced a public offering of 3,162,069 shares at USD 60.70 per share. The selling stockholder will receive all of the net proceeds.

**CubeSmart - (US - REIT - Rental - Self Storage)** Notice ▲ **15.0%**

CubeSmart (formerly known as U-Store-It) has announced an offering of 20,000,000 common shares at an initial price to the public of USD 9.20 per share. Gross proceeds from the offering will be approximately USD 184 million, which will be used to fund a portion of the purchase price of its recently announced acquisition of 22 self-storage facilities from Storage Deluxe.

* Annualised



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**DDR Corp - (US - REIT - Rental - Retail)** Notice ▲ 17.5%

DDR Corp. confirmed plans to redevelop four shopping centers in Puerto Rico, Plaza del Sol and Rexville Plaza in Bayamon, Plaza del Norte in Hatillo and Plaza Escorial in Carolina for USD 50 million. The redevelopment at Plaza del Sol, a 676,000 square-foot enclosed mall is expected to start in early 2012. The project includes relocating the existing food court and converting it into approximately 25,000 square feet of in-line space. It is anticipated the redevelopment and re-merchandising effort will further enhance the current sales per square foot of over USD 500. Plaza del Norte, a 671,000 square-foot enclosed mall will be redeveloped to include a 30,000 square-foot expansion and renovation. The improvements at Rexville Plaza include the addition of new stores in the space currently occupied by an underperforming supermarket. The projects will be funded with retained cash flow and capital recycled from the continued disposition of non-prime assets.

**General Growth Properties - (US - REIT - Rental - Retail)** Notice ▲ 21.5%

General Growth Properties, Inc. announced the refinancing of four shopping malls representing USD 966 million of new mortgages. These four new fixed-rate mortgages have a weighted average term of 9.1 years and a weighted average interest rate of 4.63%, as compared to the 5.66% rate on the prior maturing loans. After adjusting for GGP's ownership interest, the Company's pro-rata share of the new four non-recourse mortgages totals USD 483 million. "At the start of 2011, one of GGP's stated goals was to strengthen the company's balance sheet and liquidity while also reducing interest rates and extending the average debt maturity profile," said Sandeep Mathrani, chief executive officer. "We have accomplished our 2011 goals and are now focused on 2012 financing opportunities."

**Glimcher Realty Trust - (US - REIT - Rental - Retail)** Notice ▲ 29.4%

Glimcher Realty Trust completed an extension and modification of its current USD 250 million corporate credit facility. The modification extends the maturity date to October 2014 with an additional one-year extension option to October 2015. The modification also provides for improved pricing through lower spreads. Based upon the company's current leverage, pricing will be set initially at LIBOR plus 237.5 basis points versus the prior rate of LIBOR plus 350 basis points. The modified facility provides the company the opportunity to increase the facility commitment amount to USD 400 million by providing additional collateral.

**Healthcare REIT - (US - REIT - Rental - Health Care)** Notice ▲ 12.6%

Healthcare Realty Trust Incorporated announced it has entered into a USD 700 million unsecured revolving credit facility, which replaces a previous USD 550 million facility. The new facility matures October 14, 2015 and may be extended for an additional year at the company's option. The facility is currently priced at 1.50% over LIBOR, with a 0.35% facility fee, and is subject to other terms and conditions customary for loans of this nature. The company's previous credit facility was priced at 2.80% over LIBOR with a 0.40% facility fee.

**Chesapeake Lodging Trust - (US - REIT - Rental - Lodging/Resorts)** Notice ▲ 23.8%

Healthcare Realty Trust Incorporated announced it has entered into a USD 700 million unsecured revolving credit facility, which replaces a previous USD 550 million facility. The new facility matures October 14, 2015 and may be extended for an additional year at the Company's option. The facility is currently priced at 1.50% over LIBOR, with a 0.35% facility fee, and is subject to other terms and conditions customary for loans of this nature. The company's previous credit facility was priced at 2.80% over LIBOR with a 0.40% facility fee.

**UDR - (US - REIT - Rental - Residential)** Notice ▲ 12.6%

UDR, Inc. has entered into a USD 900 million unsecured revolving credit facility that will replace the company's prior USD 600 million facility. The new facility has an initial term of four years and includes a one-year extension option, and contains a feature that allows the facility to be increased to USD 1.35 billion. The loan carries an interest rate equal to LIBOR plus a spread of 122.5 basis points and a facility fee of 22.5 basis points. In addition, UDR has amended and re-priced its USD 250 million unsecured term loan due in January, 2016. The term loan was re-priced to LIBOR plus 142.5 basis points from LIBOR plus 200 basis points and its underlying covenants aligned with those of UDR's new revolving credit facility.

* Annualised



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Notice 1

**LTC Properties - (US - REIT - Rental - Health Care)** Notice 2 ▲ **12.0%**

LTC Properties, Inc. announced the acquisition, in a sale-lease back transaction, of a skilled nursing property built in 2005 with 196 licensed beds in Pasadena, Texas, for a purchase price of USD 15.5 million. Additionally, the company announced that it acquired a vacant parcel of land in Amarillo, Texas for a purchase price of USD 0.84 million and entered into a commitment, in an amount not to exceed USD 8.25 million to fund the construction of a 120-bed licensed skilled nursing property. In a separate press release, the company announced that it amended its note purchase and private shelf agreement with Prudential Investment Management, Inc. to provide for the issuance of up to an additional USD 100 million in senior unsecured promissory notes. Any notes sold under the three-year agreement will be in amounts at fixed interest rates and have a 10-year final maturity and an 8-year average life.

**Inland Real Estate - (US - REIT - Rental - Retail)** Notice ▲ **2.7%**

Inland Real Estate Corporation announced that the holders of the USD 78,135,000 outstanding principal amount of its 4.625% Senior Convertible Notes due 2026, have the option to require the company to purchase all or a portion of such notes. Noteholders' opportunity to exercise the put option will commence on October 17, 2011, and will terminate at 12:00 midnight, New York City time, on November 14, 2011. The exercise price equals to USD 1,000 per USD1,000 principal amount plus any accrued and unpaid interest to, but not including, November 15, 2011.

## FTSE EPRA/NAREIT North America Index – Top 5 Performers

| Company | Country | Total Return |
|---|---|---|
| CBL & Associates Props * | US | ▲ 35.4% |
| Pennsylvania Real Estate * | US | ▲ 32.7% |
| Strategic Hotels & Resorts | US | ▲ 32.0% |
| Host Hotels & Resorts * | US | ▲ 30.4% |
| Diamondrock Hospitality * | US | ▲ 29.5% |

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

| Company | Country | Total Return |
|---|---|---|
| Innvest REIT * | Canada | ▼ -3.7% |
| Canadian Apartment Props * | Canada | ▼ -3.7% |
| First Capital Realty | Canada | ▼ -4.3% |

## Corporate Actions

Homburg Canada REIT (Canada) had its name changed into Canmarc REIT.

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

| Company | Country | Total Return |
|---|---|---|
| Simon Property Group * | US | ▲ 16.8% |
| Equity Residential Props * | US | ▲ 13.1% |
| Public Storage * | US | ▲ 15.9% |
| HCP * | US | ▲ 13.7% |
| Ventas * | US | ▲ 12.6% |
| Vornado Realty Trust * | US | ▲ 11.0% |
| Boston Properties * | US | ▲ 11.1% |
| AMB Property * | US | ▲ 22.7% |
| Avalonbay Communities * | US | ▲ 17.2% |
| Host Hotels & Resorts * | US | ▲ 30.4% |



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## FTSE EPRA/NAREIT Emerging Index

The FTSE EPRA/NAREIT Emerging Index increased 8.3% during October 2011. Emerging EMEA was down 0.4%, while Emerging Asia Pacific gained 4.6%. Real estate markets in Emerging Americas were up 17.1% over the month.

At the end of October 2011, the FTSE EPRA/NAREIT Emerging Index counted a total of 103 constituents, representing a freefloat market capitalisation of over EUR 54 billion.

### FTSE EPRA/NAREIT Emerging - Country Indices

| % Total Returns | Oct-11 | YTD | 1 yr | 3 yrs* | 5 yrs* |
|---|---|---|---|---|---|
| Emerging (EUR) | 8.3 | -23.6 | -22.6 | 20.5 | -0.8 |
| Emerging EMEA (EUR) | -0.4 | -24.2 | -18.8 | 19.3 | 5.6 |
| Emerging Europe (EUR) | -1.6 | -40.7 | -39.6 | -1.7 | -27.8 |
| Emerging MEA (EUR) | -0.2 | -18.9 | -12.7 | 22.5 | 8.5 |
| Emerging Asia Pacific (EUR) | 4.6 | -17.2 | -19.8 | 19.8 | -0.6 |
| Emerging Americas (EUR) | 17.1 | -28.3 | -26.2 | 24.9 | -3.8 |

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

| Company | Country | Total Return |
|---|---|---|
| PDG Realty S/A Empreendimentos e Participacoes | Brazil | ▲ 23.5% |
| BR Malls Participacoes S/A Ord | Brazil | ▼ -3.4% |
| Growthpoint Prop Ltd | South Africa | ▲ 4.0% |
| Cyrela Brazil Realty S/A Empreendimentose e Parti | Brazil | ▲ 28.2% |
| Redefine Income Find | South Africa | ▲ 0.6% |
| MRV Engenharia e Participacoes SA | Brazil | ▲ 25.6% |
| DLF | India | ▲ 9.6% |
| Emaar Properties | U.A.E. | ▲ 1.1% |
| Ayala Land | Philippines | ▲ 10.8% |
| BR Properties S/A Ord | Brazil | ▲ 1.3% |

### Corporate Actions

Glomac Berhad listed in Malaysia will remain in the FTSE EPRA/NAREIT Emerging Index with an increased number of shares of 594,338,842 following its 2 for 1 stock split.

* Annualised



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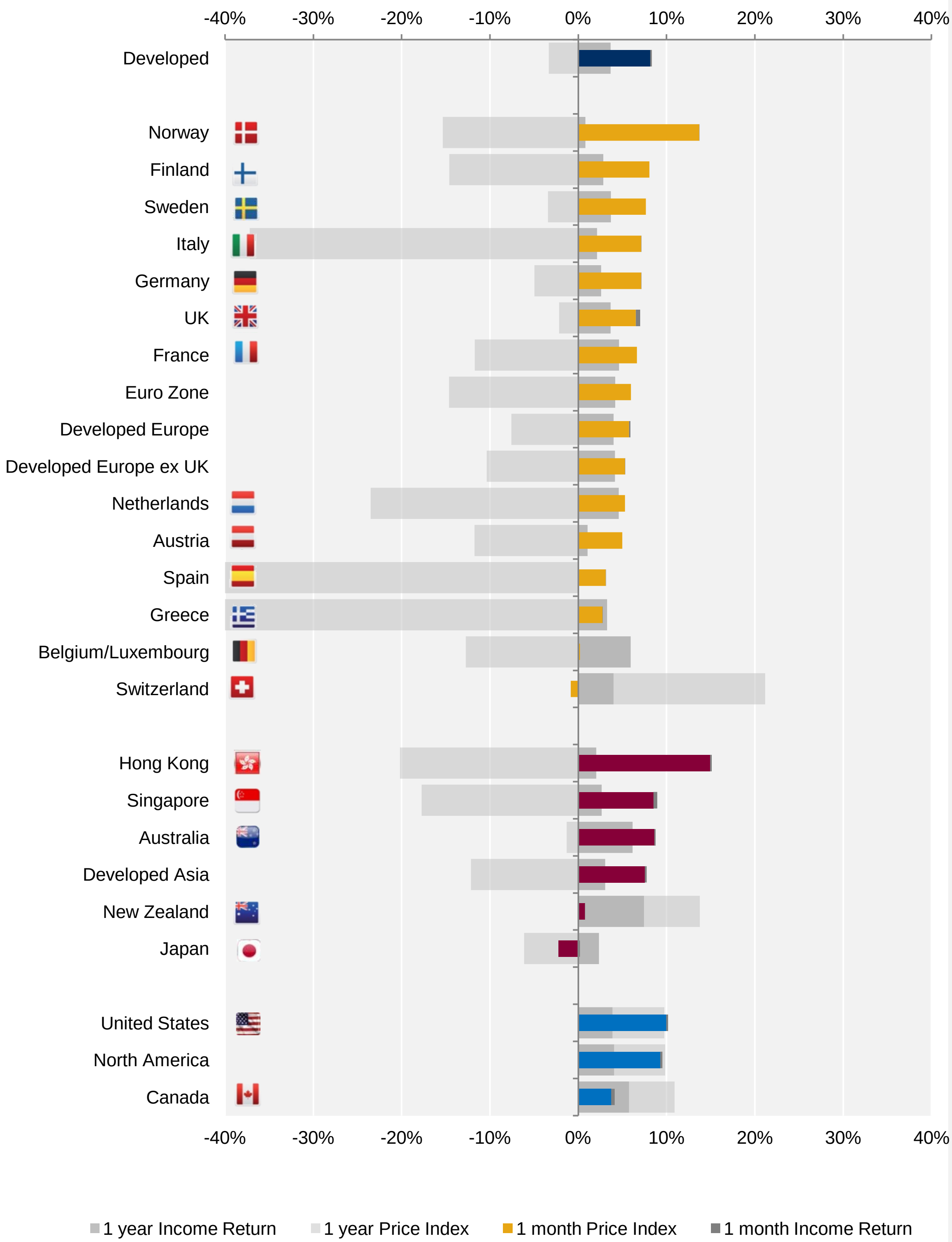
## FTSE EPRA/NAREIT Monthly Index Performances (EUR)



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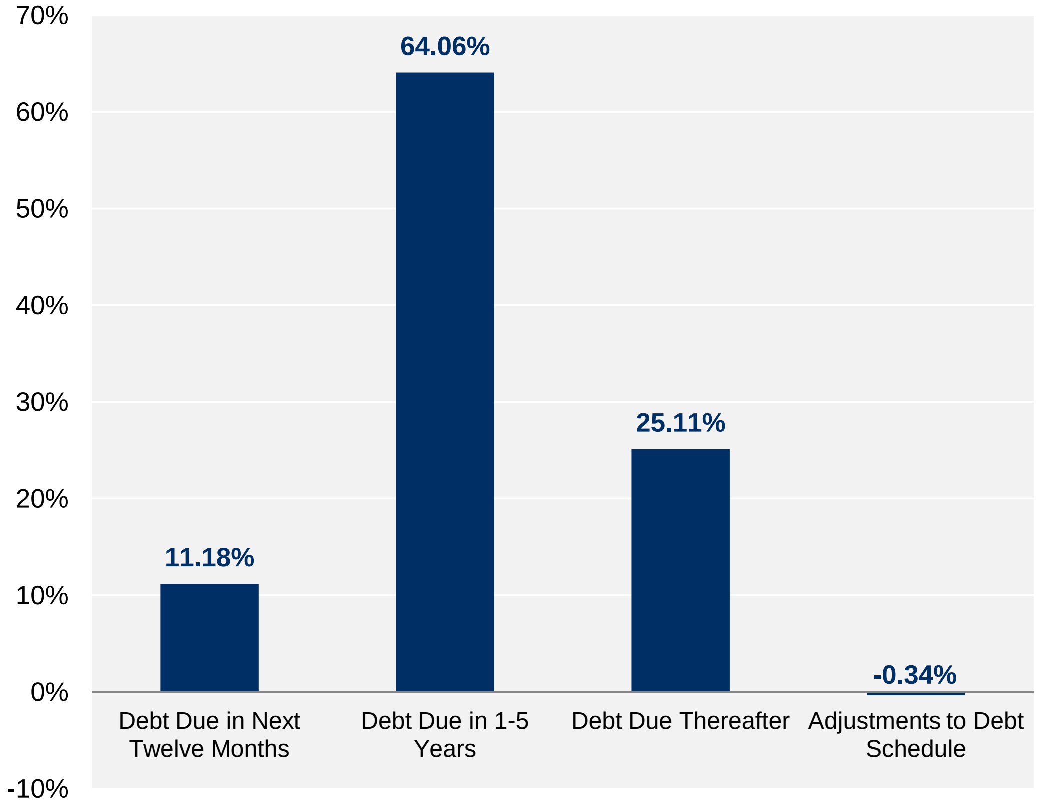
## Chart of the Month

### FTSE EPRA/NAREIT Developed Europe Debt Maturity Schedule




The graph displays the maturity schedule of outstanding debt of the FTSE EPRA/NAREIT Developed Europe companies*. Listed property companies have actively deleveraged over the last three years in order to adapt to the volatile capital markets. Around eleven percent matures in the coming twelve months while the majority of outstanding debt is set to mature in 1-5 years.

* Based on the most recently reported debt maturity data. If values were not reported for the most recent period, most recent year values were used. Converted to Euros as of September 2, 2011.

*Source: SNL Financial*

## Notes

Links to Reports

**Monthly Statistical Bulletin**
October 2011

**Monthly Index Chartbook**
September 2011

**Monthly Company Chartbook**
September 2011

**Monthly Published NAV Bulletin**
September 2011

**Monthly LTV report**
September 2011

**Monthly Transactions Bulletin**
September 2011

**Index Ground rules**
Version 4.9

**EPRA Newsletter**
July 2011



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