

Monthly Market Review

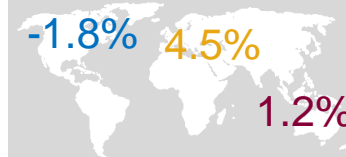
Europe

Asia

Americas

Emerging

% Total Returns (EUR)	Oct-12	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Global Real Estate	0.1	22.9	25.8	18.7	-0.4	9.0	10.2
Global Equities (FTSE)	-0.3	12.5	11.2	7.8	-2.1	7.0	-NA-
Global Bonds (JP Morgan)	0.0	3.5	5.1	4.6	5.0	4.1	5.7
Europe Real Estate	4.5	25.3	19.2	10.6	-4.3	7.4	9.4
Asia Real Estate	1.2	36.0	32.5	13.6	-2.9	9.8	8.3
North America Real Estate	-1.8	14.5	23.7	27.4	3.7	9.3	12.7



FTSE EPRA/NAREIT Developed Index

The FTSE EPRA/NAREIT Developed (Global) increased 0.1% during October 2012. Global equities declined 0.3% while the Global Bonds market was broadly flat. Real estate markets in North America lost 1.8% and Europe climbed 4.5% while Asia was up by 1.2%

Over a one-year period, global real estate investments have returned 25.8% compared to 11.2% and 5.1% return from global equities and global bonds, respectively. Annualised ten-year rolling returns for real estate investments stands at 9.0%. Equities gained 7.0% while bonds markets achieved a 4.1% return per annum.

At the end of October 2012, the FTSE EPRA/NAREIT Developed Index counted a total of 290 constituents, representing a free float market capitalisation of over EUR 735 billion.

Developed Index (TR) (EUR)

(ENGL) **2,699** ▲ 0.1%

Developed Europe (TR) (EUR)

(EPRA) **2,436** ▲ 4.5%

Developed Asia (TR) (EUR)

(EGAS) **2,060** ▲ 1.2%

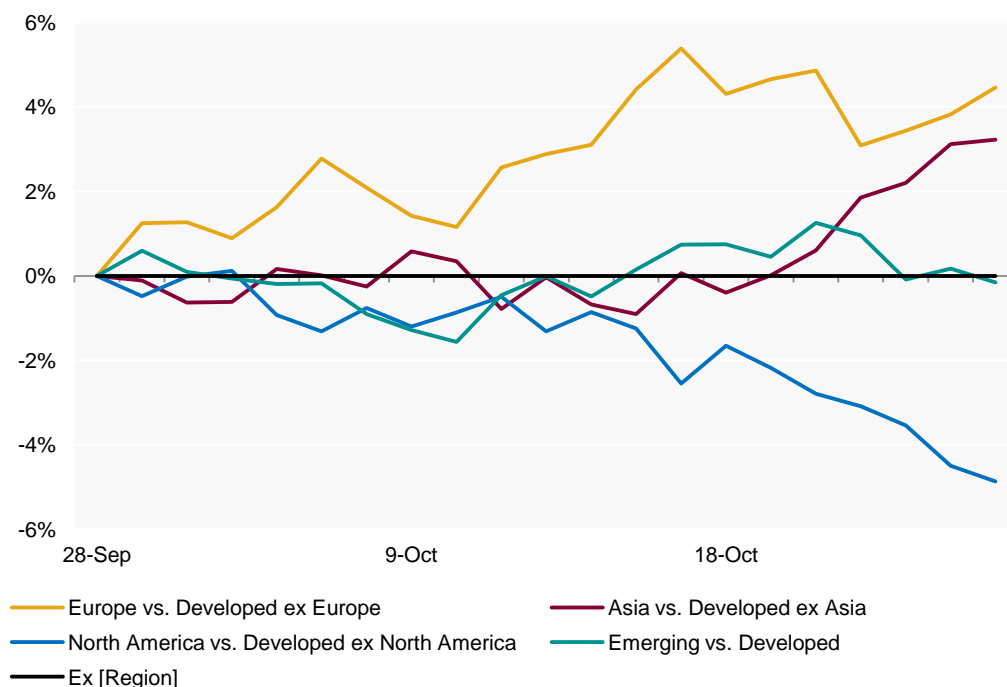
North America (TR) (EUR)

(EGNA) **3,562** ▼ -1.8%

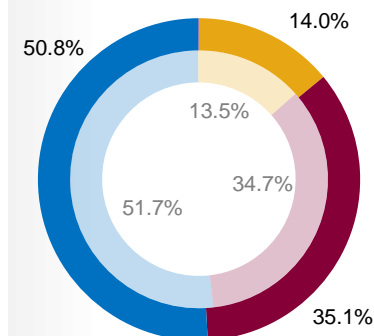
Emerging (TR) (EUR)

(ENEI) **2,174** ▼ -0.2%

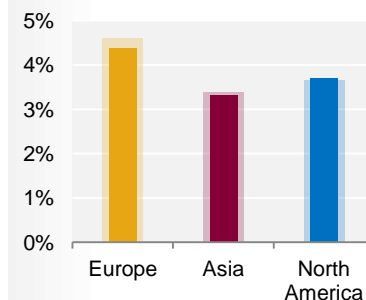
Monthly Regional Over/Under Performance



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
Patrizia Immobilien	Germany	▲ 22.4%
New World China Land	Hong Kong	▲ 19.4%
IGD	Italy	▲ 15.0%
Workspace Group *	UK	▲ 13.8%
CapitaMalls Asia	Singapore	▲ 12.1%

FTSE EPRA/NAREIT Developed Index – Bottom 3 Performers

Company	Country	Total Return
Digital Realty Trust *	US	▼ -12.1%
Kungsleden	Sweden	▼ -12.7%
DuPont Fabros Technology *	US	▼ -14.4%

FTSE EPRA/NAREIT Developed Index – News

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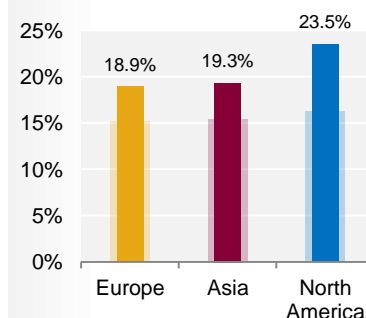
FTSE EPRA/NAREIT Developed Index – Top 10 Constituents

Company	Country	Total Return
Simon Property Group *	US	▲ 0.3%
Sun Hung Kai Props	Hong Kong	▼ -5.0%
Westfield Group *	Australia	▲ 4.9%
Mitsubishi Estate	Japan	▲ 5.7%
Unibail-Rodamco *	France	▲ 12.1%
HCP *	US	▼ -0.4%
Ventas *	US	▲ 1.6%
Mitsui Fudosan	Japan	▲ 3.2%
Public Storage *	US	▼ -0.4%
Equity Residential Props *	US	▼ -0.2%

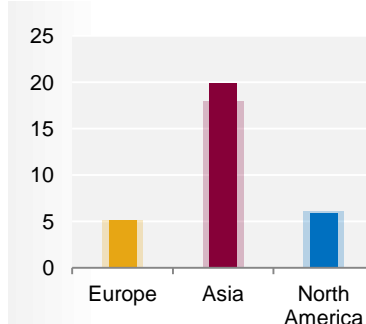
* Shaded bars are 3 yr.

** Previous month

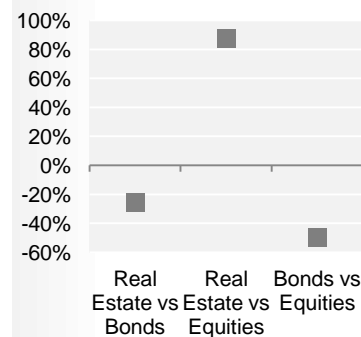
Volatility (10 yr. & 3 yr.)*



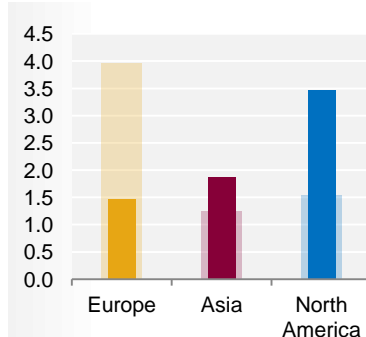
Index Turnover (EUR billion)



Correlation (3 yr. rolling)



Transactions (EUR billion)**



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FTSE EPRA/NAREIT Developed Europe Index

The FTSE EPRA/NAREIT Developed Europe Index gained 4.5% during October 2012. The UK Index was up by 3.9% compared to a gain of 9.7% in France. The Netherlands was up by 4.4%.

At the end of October 2012, the FTSE EPRA/NAREIT Developed Europe Index counted a total of 83 constituents, representing a free float market capitalisation of over EUR 103 billion.

FTSE EPRA/NAREIT Developed Europe - Selected Country Indices

% Total Returns	Oct-12	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Europe (EUR)	4.5	25.3	19.2	10.6	-4.3	7.4	9.4
Europe ex UK (EUR)	5.5	22.8	16.1	9.9	-0.8	10.7	11.0
UK (GBP)	3.9	25.2	16.2	7.8	-7.8	4.8	7.4
France (EUR)	9.7	31.8	25.6	11.2	4.4	16.8	14.2
Netherlands (EUR)	4.4	8.1	-2.5	-2.0	-4.7	7.3	8.4

Top stories - Europe

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

[Notice](#) ▲ 1.2%

British Land and Norges Bank Investment Management (NBIM), the investment manager for the government pension fund of Norway, announced the signing of a new JV ownership agreement following Norges acquisition of London & Stamford's 50% shareholding in Meadowhall (see news below). The new JV includes the Meadowhall Shopping Centre along with 74 acres of adjoining development land. The agreement creates a new strategic partnership for Meadowhall, one of the UK's largest super-regional shopping centres. British Land will continue to manage the shopping centre.

Hammerson - (UK - REIT - Rental - Retail)

[Notice](#) ▲ 4.6%

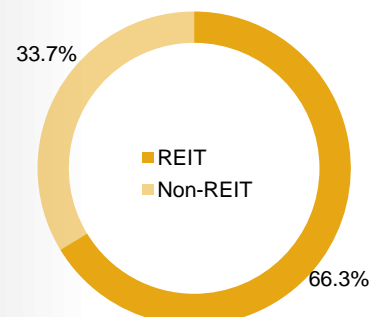
Hammerson plc announced that it had acquired The Junction Unit Trust from its several unit holders for GBP 254.5 million, which represents a 5% discount to the gross fund valuation of GBP 267 million at 30 September 2012. Hammerson will also commit capital expenditure of circa GBP 5 million to complete certain asset management projects. The consideration will be paid in cash from existing facilities. The assets include four prominent retail parks in strong catchment areas, which are well let to a diverse mix of tenants. The total floor area of the acquired assets is 100,000m² (1.1 million ft²), with occupancy of 98%. The assets have an average unexpired lease term of 11 years. Passing rents on the properties are GBP 18 million per annum and after taking into account purchase costs the yield on the purchase price is 7%.

London & Stamford Property - (UK - REIT - Rental - Diversified)

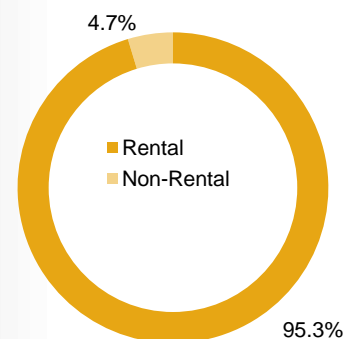
[Notice](#) ▲ 0.2%

London & Stamford Property Plc announced that together with its JV Partner Green Park Investments it has sold its 50% interest in the freehold of Meadowhall Shopping Centre to Norges Bank Investment Management (NBIM). The purchase price values Meadowhall at GBP 1.525 billion, which reflects a net initial yield of 5.09% and a GBP 11.2 million uplift in the valuation as at 31 March 2012. The JV acquired its 50% interest in Meadowhall in February 2009 with LSP owning 31.4% and Green Park owning the remaining 68.6%. The purchase price valued Meadowhall at GBP 1.175 billion and the valuation reflected a net initial yield of 6.75%. LSP's cash balance now stands at almost GBP 200 million, which, when taken alongside its JV partners' unspent commitment and with reasonable gearing assumptions, produces total firepower of up to GBP 1 billion as the company positions itself to take advantage of expected future investment opportunities.

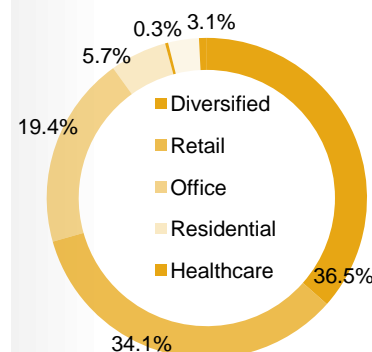
Developed Europe REIT / Non-REITs



Developed Europe Focus split



Developed Europe Sector split



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Unibail - Rodamco - (France - REIT - Rental - Retail)

[Notice](#) ▲ **12.1%**

Unibail-Rodamco announced that it had successfully placed a 5-year bond maturing June 2017 for a total amount of EUR 500 million. The bond will offer a fixed coupon of 1.625%, representing a record low level for a bond issued by the group and continuing the reduction in the group's cost of capital. The placement was three times oversubscribed, the order book reaching over EUR 1.5 billion. The net proceeds from the bond will strengthen the liquidity of the Group.

Fonciere Des Regions - (France - REIT - Rental - Diversified)

[Notice](#) ▲ **6.0%**

Foncière des Régions successfully issued an inaugural EUR 500 million bond to French and European investors. This bond issue, maturing in January 2018, offers an annual coupon of 3.875% (spread of 295 bps). This issue permits Foncière des Régions to pursue its financing policy of diversification and debt maturity extension.

Deutsche Wohnen AG - (Germany - Non-REIT - Rental - Residential)

[Notice](#) ▲ **3.4%**

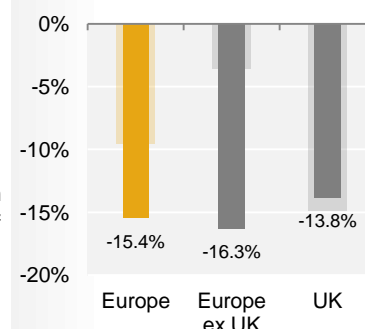
Deutsche Wohnen AG informed its shareholders of an EGM it has called for December 4, 2012, at which the management board and the supervisory board intend to pro-actively create a new authorized capital. With the last two rights issues in November 2011 and June 2012, Deutsche Wohnen successfully achieved net proceeds of around EUR 620 million. Within one year, the proceeds have almost completely been invested in the Dusseldorf portfolio (1,160 units), the BauBeCon portfolio (more than 23,000 units), acquisitions in greater Berlin (around 1,500 units), and a further acquisition of about 5,100 units which has been notarized. Large volume portfolios and a number of smaller portfolios are currently on the market or will be in the near future. These present acquisition opportunities for Deutsche Wohnen to expand and enhance the value of its portfolio.

Befimmo (Sicafi) - (Belgium - REIT - Rental - Office)

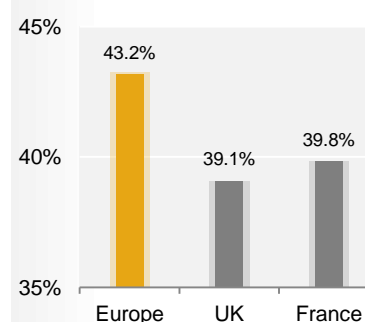
[Notice](#) ▲ **2.4%**

Befimmo SCA has reached an agreement with AG Real Estate regarding the purchase by Befimmo SCA of Befimmo SA, the Statutory Manager of Befimmo SCA, from AG Real Estate for a consideration of EUR 21 million, as well as the full internalisation of property management activities by the transfer of property management activities, currently performed by AG Real Estate Property Management, to Befimmo for a consideration of EUR 1. The agreement is subject to the approval of the amendments to Befimmo SCA's Articles of Association by an EGM of Shareholders to be held in December 2012. These amendments are aimed at transforming and simplifying the corporate structure of the Befimmo group.

Discounts to NAV (last month)*



LTV (last month)



*shaded bars are 20-year averages



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FTSE EPRA/NAREIT Developed EMEA Index – Top 5 Performers

Company	Country	Total Return
Patrizia Immobilien	Germany	▲ 22.4%
IGD *	Italy	▲ 15.0%
Workspace Group *	UK	▲ 13.8%
Unibail-Rodamco *	France	▲ 12.1%
CA Immobilien Anlage	Austria	▲ 11.6%

FTSE EPRA/NAREIT Developed EMEA – Bottom 3 Performers

Company	Country	Total Return
IRP Property Investors	UK	▼ -3.4%
Prime Office REIT-AG *	Germany	▼ -5.5%
Kungsliden	Sweden	▼ -12.7%

Corporate Actions

Capital & Counties Properties PLC (UK) completed a placing and remained in the index with an increased number of shares in issue. Gagfah (Germany) remained in the index with a decreased number of shares in issue after receiving updated shares in issue information.

FTSE EPRA/NAREIT Developed EMEA – Top 10 Constituents

Company	Country	Total Return
Unibail-Rodamco *	France	▲ 12.1%
Land Securities *	UK	▲ 5.6%
British Land *	UK	▲ 2.5%
Hammerson *	UK	▲ 4.6%
Swiss Prime Site	Switzerland	▲ 0.1%
PSP Swiss Property	Switzerland	▲ 0.1%
Klepierre *	France	▲ 4.8%
Capital Shopping Centres Group *	UK	▲ 3.3%
Derwent London *	UK	▲ 5.4%
Corio *	Netherlands	▲ 3.9%



**Charts &
Raw Data**

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FTSE EPRA/NAREIT Developed Asia Index

The FTSE EPRA/NAREIT Developed Asia Index increased 1.2% during October 2012. The Hong Kong Index was down by 0.3%, while Japan was up 4.5%. The Australia Index increased 5.3%, while Singapore gained 1.9% during the month.

At the end of October 2012, the FTSE EPRA/NAREIT Developed Asia Index counted a total of 73 constituents, representing a free float market capitalisation of over EUR 258 billion.

FTSE EPRA/NAREIT Developed Asia - Selected Country Indices

% Total Returns	Oct-12	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
Asia (EUR)	1.2	36.0	32.5	13.6	-2.9	9.8	8.3
Hong Kong (HKD)	-0.3	32.2	19.6	3.3	-2.6	15.5	9.0
Japan (JPY)	4.5	40.2	22.5	5.6	-11.6	7.0	4.1
Australia (AUD)	5.3	30.9	30.9	10.4	-12.2	2.5	8.6
Singapore (SGD)	1.9	44.8	26.1	6.0	-5.5	13.4	6.3

Top stories - Asia

Westfield Retail Trust - (Australia - REIT - Rental - Retail)

[Notice](#) ▲ 7.3%

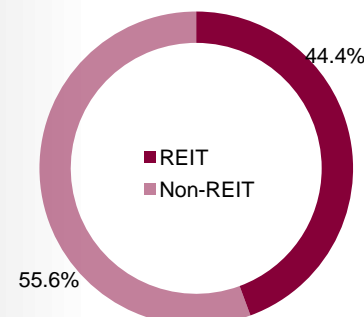
Westfield Retail Trust and Westfield group confirmed the completion of their Australian mall restructuring with AMP capital. Under the transaction Westfield Trust has acquired USD 367 million worth of stakes in four shopping assets and sold its interest in three retail assets to AMP capital for USD 547 million. The deal is in line with book value, and will generate net proceeds of around USD 180 million. As a result, the Retail REIT has divested from the Booragoon, Macquarie and Pacific Fair, while it has increased stakes in Knox, Warringah Mall, Mount Gravatt and Casey Central. Domenic Panaccio, Trust's Managing Director, commented: "This transaction provides Westfield Retail Trust with greater ownership interests in some of Australia's best performing shopping centres, all of which have future development opportunities that will further enhance the Trust's long-term returns". The transactions are expected to be earnings-neutral for the Group. Westfield Retail confirmed its 2012 full-year forecast of 18.75 cents per stapled security. The company also stated that it will start an on-market securities buy-back of USD 200 million, or around 2% of securities based on the closing price of October 25.

Global Logistic Properties - (Singapore - Non-REIT - Rental - Industrial)

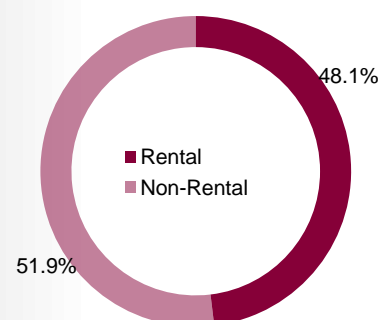
[Notice](#) ▲ 2.4%

Global Logistic Properties, a leading industrial sector company with assets in China and Japan, announced the signing of two new lease agreement. The Singapore-listed company signed new leases totaling 49,000 sqm in GLP Park Suzhou Industrial (Genway), raising the occupancy of the industrial park to 91%. The first lease agreement of 31,000 sqm is with Senko, a third-party logistics provider and already one of the company's top ten tenants in Japan. The second agreement, covering 18,000 sqm, is with an unnamed tenant from the food & beverage sector. Kent Yang, Managing Director of GLP China, commented: "These two major leases demonstrate our ability to provide customers with integrated value-added logistics solutions and help them improve supply chain efficiency. We are pleased to further strengthen our relationships with these two important companies and we look forward to helping them grow across the country." On a separate note, Global Logistics Properties signed an agreement for a USD 1 billion credit facility with China Merchants Bank. The ten-year, secured credit facility provides for borrowings at a preferential interest rate for onshore and offshore funding requirements for the company's development needs in China. Global Logistics Properties owns 446 completed properties in 187 logistics parks spread across 36 major cities in China and Japan.

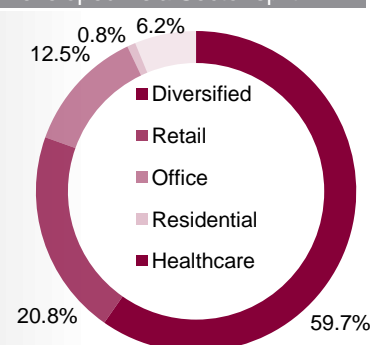
Developed Asia REIT / Non-REITs



Developed Asia Focus split



Developed Asia Sector split



* Annualised



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CapitaLand - (Singapore - Non-REIT - Non-Rental - Diversified)

[Notice](#)



2.8%

CapitaLand announced that its third-quarter profits rose 85% as it booked gains on its serviced apartments in China and generated higher sales in its residential segment. Home sales climbed to 329 units in Singapore while it sold over 2,000 units in China, in the nine months to September 30. The developer has about 2,500 homes under development and expects to sell as many as 1,000 units annually over the next two to three years. The Singapore-listed property developer's net income equaled SGD 149 million for the third quarter, compared to SGD 80 million in the same period last year. Total revenue are up by 12% for the three months and brought in SGD 687 million. Ng Kee Choe, company Chairman, added "CapitaLand achieved 85% year-on-year increase in net profit to SGD 149 million, and revenue of SGD 686.9 million for 3Q 2012. This is a commendable set of results amidst the global economic uncertainties". Earlier this month the company announced that Liew Mun Long will retire next year and will be replaced by Lim Ming Yan who is the current CFO. CapitaLand went on an expansion drive under Mun Leong's tenure to diversify out of its local market. After years of expansion, the company now operates all over Asia with a focus on cities with rapid growth. As of end of September, China made up around 38% of the company's SGD 34 billion property portfolio compared to 32% exposure in Singapore.

Hang Lung Properties - (Hong Kong - Non-REIT - Rental - Diversified)

[Notice](#)



1.7%

Hang Lung sold its office building, the Stanhope House, to insurance company AIA group as it continues to dispose its non-core assets, the South China Morning Post reported. The office tower, in Island East in close proximity to the Quarry Bay station, is occupied by tenants including Dell, Pfizer and Standard Chartered Bank. The 299,000 sqf property will exchange hands between the two parties for HKD 2.4 billion, a per sqf rate of HKD 8,003. AIA would use the premises for its "own office usage and investment purposes", the company said in a statement. The transaction is expected to be completed by December 11. Hang Lung said in August it would continue to sell its non-core properties in Hong Kong that it started two years ago, as mainland offered better returns and lower risks than the local market. The Hong Kong-listed developer sold its Star Centre in Kwai Chung in May for HKD 528 million and car parks in Park Towers for HKD 220 million. This was followed by the sale of its 28-year-old building in Cheung Sha Wan for HKD 625 million in July. Ronnie Chan Chichung, company Chairman, said the company had no plans to sell prime properties in core areas including Causeway Bay, Central and Mong Kok.

Mitsubishi Estate - (Japan - Non-REIT - Non-Rental - Diversified)

[Notice](#)



5.7%

Mitsubishi Estate, Japan's largest developer, derived a net income of JPY 24.9 billion for the fiscal second quarter, a year-on-year increase of 183%, as revenue from operation rose to JPY 435 billion. The Tokyo-listed company's operating income equalled JPY 58.4 billion, an increase of 24% over last year's JPY 46.95 billion. The announcement also confirmed the anticipated drop of 11.5% and 7.8% in net income and operating revenues, respectively for fiscal year 2013 ending March 31, 2013. Total Equity to Assets ratio dropped to 24.9% for the group, from 28.6% reported a year ago. Earlier this month The Nikkei reported that the Mitsubishi Estate will try to attract foreign companies to Tokyo's Marunouchi business district by offering services like executive searches and legal advice. The company added that after office vacancies pushed average rents in Tokyo's central five wards to the lowest ever in September, the Marunouchi district can be expected to perform better by next year and may even allow it to raise rents.



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FTSE EPRA/NAREIT Developed Asia Index – Top 5 Performers

Company	Country	Total Return
New World China Land	Hong Kong	▲ 19.4%
CapitaMalls Asia	Singapore	▲ 12.1%
Shui On Land	Hong Kong	▲ 11.9%
Goodman Group *	Australia	▲ 11.9%
Shimao Property	Hong Kong	▲ 10.9%

FTSE EPRA/NAREIT Developed Asia – Bottom 3 Performers

Company	Country	Total Return
CDL Hospitality Trusts	Singapore	▼ -4.7%
Sun Hung Kai Props	Hong Kong	▼ -5.0%
FKP Property Group	Australia	▼ -11.2%

Corporate Actions

Following the completion of a secondary share offering, Swire Properties (Hong Kong) will remain in the index with unchanged shares in issue totalling 5.85 billion and an increased investability weighting of 20%.

FTSE EPRA/NAREIT Developed Asia – Top 10 Constituents

Company	Country	Total Return
Sun Hung Kai Props	Hong Kong	▼ -5.0%
Westfield Group *	Australia	▲ 4.9%
Mitsubishi Estate	Japan	▲ 5.7%
Mitsui Fudosan	Japan	▲ 3.2%
Sumitomo Realty & Dev	Japan	▲ 6.4%
Link REIT *	Hong Kong	▲ 4.9%
Hongkong Land Hldgs	Hong Kong	▲ 5.7%
Wharf Holdings	Hong Kong	▼ -1.5%
Westfield Retail Trust	Australia	▲ 7.3%
Capitaland	Singapore	▲ 2.8%

* Annualised



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FTSE EPRA/NAREIT North America Index

The FTSE EPRA/NAREIT North America Index decreased 1.1% during October 2012. The United States Index declined 0.8% compared to a decrease of 1.7% in Canada (CAD).

At the end of October 2012, the FTSE EPRA/NAREIT North America Index counted a total of 133 constituents, representing a free float market capitalisation of over EUR 373 billion.

FTSE EPRA/NAREIT North America - Country Indices

% Total Returns	Oct-12	YTD	1 yr	3 yrs*	5 yrs*	10 yrs*	20 yrs*
North America (USD)	-1.1	14.2	14.9	22.0	1.5	12.3	12.6
United States (USD)	-0.8	14.1	14.7	21.6	1.0	11.8	12.3
Canada (CAD)	-1.7	13.3	18.1	22.5	7.3	13.0	8.9

Top stories - North America

Kimco Realty Cp - (US - REIT - Rental - Retail)

[Notice](#) ▼ -3.7%

Kimco Realty Corp. announced its transaction activity for the third quarter of 2012 with respect to its ongoing US-portfolio review. The company has sold 23 non-strategic retail properties comprising 2.7 million sqf for USD 165 million, including a subsequent quarter-end sale of a 13-property portfolio in the Midwest region, of which eight properties were located in Ohio and five in Indiana. Since the start of the company's asset recycling program in September 2010, Kimco has disposed of 86 non-strategic properties comprising, on a gross basis, 7.9 million sqf for USD 529.9 million. During the third quarter of 2012, Kimco continued its strategy of reducing its non-retail investments by approximately USD 36.2 million through the sale of two urban properties and the partial repayment of a mortgage.

Boston Property - (US - REIT - Rental - Office)

[Notice](#) ▲ 3.9%

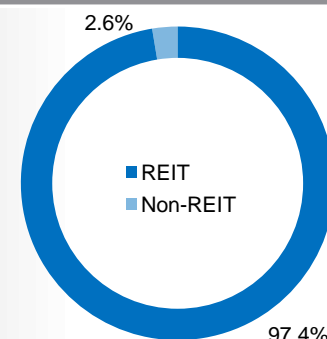
Boston Properties finalised the formation of a joint venture with Hines to acquire land from the Transbay Joint Powers Authority for the Transbay Tower project, a 1.4 million sqf, 61-story icon to be built adjacent to the Transbay Transit Center in San Francisco. The approximately USD 190 million acquisition is expected to close in the first quarter of 2013. Hines and Boston Properties each have a 50% interest in the venture. In addition, on October 18, the San Francisco Planning Commission granted final planning approval for the tower to proceed. Designed by Pelli Clarke Pelli Architects (PCPA), the building is slated to be the tallest on the West Coast, with its crown soaring to a height of 1,070 feet.

Apartment Inv Management - (US - REIT - Rental - Residential)

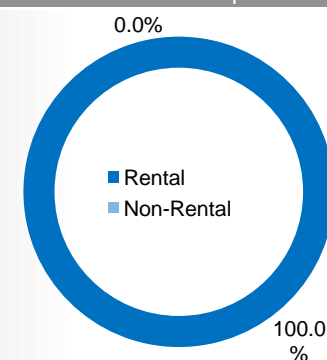
[Notice](#) ▲ 2.7%

Apartment Investment and Management Company announced the closing of financing to fund its Lincoln Place redevelopment. Lincoln Place is a 35-acre property located approximately 1.5 miles from the Pacific Ocean in Venice, California, one of southern California's premier residential submarkets. The redevelopment is being funded by a USD 190.7 million loan that bears interest at 2.73%, and is interest-only until 2014, when it converts to a 40-year fully amortising loan that is freely pre-payable after ten years. The loan represents the largest loan ever insured by the US Department of Housing and Urban Development. The lender and servicer of the loan is Red Mortgage Capital, LLC.

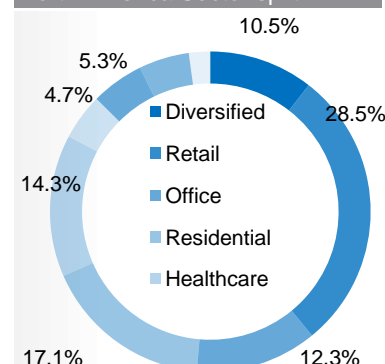
North America REIT / Non-REITs



North America Focus split



North America Sector split



* Annualised



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Rouse Properties - (USA - REIT - Rental - Retail)

[Notice](#) ▲ 4.9%

Rouse Properties, Inc. announced that it has commenced a cosmetic renovation of the Chula Vista Center, an open-air regional mall in San Diego, California. The 875,000-sqf center is anchored by Macy's, JCPenney, Burlington Coat Factory and Sears and includes specialty retailers such as Victoria's Secret, G by Guess, Aeropostale and Express, along with national restaurant operators such as Panera Bread, BJ's, Red Lobster and a soon to open Buffalo Wild Wings. The renovation is part of Rouse's ongoing program to create value and drive higher revenues through cosmetic renovations.

SL Green Realty - (US - REIT - Rental - Office)

[Notice](#) ▼ -6.0%

SL Green Realty Corp. announced today that it has acquired 635 Sixth Avenue and 641 Sixth Avenue for a total of USD 173 million, or USD 648 per square foot from Atlas Capital Group, LLC. The two adjoining properties, built in 1902 originally as a contiguous department store along Sixth Avenue, span the full block between 19th and 20th Streets - the core of the thriving Midtown South submarket. 635 Sixth Avenue is a 104,000 sqf building that was recently vacated in its entirety by Apex Technical School. 641 Sixth Avenue, is a 163,000 sqf, fully renovated, multi-tenanted office building that houses leading technology firms. The buildings have a combined 47,000 sqf of prime retail space contained within 184 linear feet of frontage along the vibrant lower Sixth Avenue retail corridor. Office occupancy at 641 Sixth Avenue is 100% and the 635 Sixth Avenue office space will be redeveloped with a significant capital infusion in order to reposition it for high quality tenancy in the Midtown South market.

Mack Cali Realty - (US - REIT - Rental - Office)

[Notice](#) ▼ -2.3%

Mack-Cali Realty Corporation announced it has completed the acquisition of the real estate development and management businesses of Roseland Partners, LLC, a premier multi-family residential community developer and operator in the Northeast, and Roseland's interests in six operating multi-family properties totaling 1,769 apartments, one condo-residential property totaling four units and four commercial properties totaling approximately 212,000 sqf; 13 development projects, which include nine multi-family properties totaling 2,149 apartments, two garages totaling 1,591 parking spaces, and two retail properties totaling approximately 35,400 sqf; and interests or options in land parcels which may support approximately 5,980 apartments, approximately 736,000 sqf of commercial space, and a 321-key hotel. The locations of the properties extend from New Jersey to Massachusetts. The acquisition price was USD 134.6 million, consisting of USD 115 million in cash and approximately USD 4 million of assumed debt at closing and an additional earn-out of up to USD 15.6 million in cash over the next three years, under certain conditions.

Corporate Office Properties - (US - REIT - Rental - Office)

[Notice](#) ▲ 4.1%

Corporate Office Properties Trust has executed three leases with strategic tenants totaling 363,300 sqf of Class A office space at its Redstone Gateway project in Huntsville, AL. A strategic tenant has leased the company's existing office building, 1000 Redstone Gateway, in its entirety. In addition, multiple leases have been signed for 100% of two new office buildings totaling 242,200 sqf; construction of 1100 Redstone Gateway and 1200 Redstone Gateway is scheduled to commence prior to year-end. The company anticipates the tenants will occupy 1000 Redstone Gateway in mid-2013 and the 1100 and 1200 Redstone Gateway buildings by the first quarter of 2014. As a result of this leasing, the company's construction pipeline will increase from approximately 987,800 sqf at June 30, 2012 to 1.25 million sqf. Pre-leasing, which was at 25% on June 30, 2012, now approximates 58%.

Winthrop Realty Trust - (US - REIT - Rental - Diversified)

[Notice](#) ▲ 1.5%

Winthrop Realty Trust announced that it sold 3.25 million of its 6.25 million common shares in Cedar Realty Trust for net proceeds of approximately USD 17.1 million. Winthrop's average aggregate cost for such shares was approximately USD 12.3 million.



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Parkway Properties - (US - REIT - Rental - Office)

[Notice](#) ▲ 3.0%

Parkway Properties, Inc. announced that it is under contract to purchase Westshore Corporate Center in Tampa, Florida for a net purchase price of USD 22.5 million. The property was built in 1988, is currently 77.7% leased, and is expected to generate a 2013 estimated cash net operating income yield of approximately 8.5% based on the net purchase price. Parkway will own 100% of the asset and plans to assume the in-place first mortgage secured by the property, which has a current outstanding balance of approximately USD 14.5 million with a fixed interest rate of 5.8% and a maturity date of June 01, 2015. Parkway also announced that it has completed the purchase of a parking garage, a 21,000 sqf office building and a vacant parcel of developable land all adjacent to Parkway's currently owned Hayden Ferry Lakeside I and II assets in Tempe, Arizona for USD 18.2 million and has completed the sale of 111 Capital Building in Jackson, Mississippi for USD 8.3 million.

Digital Realty Trust - (US - REIT - Rental - Specialty)

[Notice](#) ▼ -12.1%

Digital Realty Trust, Inc. announced that it has signed a new lease for 3 megawatts of IT load in the third quarter with a leading technology-focused seismic solutions company serving the global energy industry. The stand-alone secured facility will total approximately 44,000 gross sqf, including 28,000 sqf of raised floor data-center space and will be located in Digital Realty's Digital Houston Datacampus. Digital Houston Datacampus is located approximately 15 miles from downtown Houston and five miles from George Bush International Airport, along the primary fiber route between Houston and Dallas, which provides extraordinary access to carriers providing network connectivity.



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FTSE EPRA/NAREIT North America Index – Top 5 Performers

Company	Country	Total Return
Sabra Health Care REIT *	US	▲ 11.0%
Medical Properties Trust *	US	▲ 9.9%
Kite Realty Group Trust *	US	▲ 8.4%
Universal Health Realty *	US	▲ 7.5%
STAG Industrial	US	▲ 6.5%

FTSE EPRA/NAREIT North America – Bottom 3 Performers

Company	Country	Total Return
Diamondrock Hospitality *	US	▼ -11.9%
Digital Realty Trust *	US	▼ -12.1%
DuPont Fabros Technology *	US	▼ -14.4%

Corporate Actions

Chesapeake Lodging Trust, Health Care REIT, Healthcare Realty Trust, Urstadt Biddle Properties, Corporate Office Properties Trust, Government Properties Income Trust and Kite Realty Corp. did share issuances large enough to warrant an adjustment of the weightings in the FTSE EPRA/NAREIT Indices. Pennsylvania REIT and CBL & Associates did a preferred share offering of USD 83.2 million and USD 172.5 million respectively, whereas American Assets Trust successfully closed a USD 111 million mortgage financing on one of its properties for a fixed interest rate per annum of 3.98%.

FTSE EPRA/NAREIT North America – Top 10 Constituents

Company	Country	Total Return
Simon Property Group *	US	▲ 0.3%
HCP *	US	▼ -0.4%
Ventas *	US	▲ 1.6%
Public Storage *	US	▼ -0.4%
Equity Residential Props *	US	▼ -0.2%
Boston Properties *	US	▼ -3.9%
AMB Property *	US	▼ -2.1%
Health Care REIT *	US	▲ 2.9%
Vornado Realty Trust *	US	▼ -1.0%
Avalonbay Communities *	US	▼ -0.3%



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FTSE EPRA/NAREIT Emerging Index

The FTSE EPRA/NAREIT Emerging Index lost 0.2% during October 2012. Emerging EMEA was down 3.4%, while Emerging Asia Pacific gained 3.0%. Real estate markets in Emerging Americas declined 3.7% over the month.

At the end of October 2012, the FTSE EPRA/NAREIT Emerging Index counted a total of 126 constituents, representing a free float market capitalisation of over EUR 95 billion.

FTSE EPRA/NAREIT Emerging - Country Indices

% Total Returns	Oct-12	YTD	1 yr	3 yrs*	5 yrs*
Emerging (EUR)	-0.2	29.8	24.2	8.0	-4.9
Emerging EMEA (EUR)	-3.4	26.9	27.7	14.4	3.8
Emerging Europe (EUR)	7.6	34.1	10.8	-11.2	-24.1
Emerging MEA (EUR)	-7.6	24.7	29.6	19.3	6.4
Emerging Asia Pacific (EUR)	3.0	43.4	41.4	11.3	-6.8
Emerging Americas (EUR)	-3.7	9.0	-1.2	-0.3	-7.4

FTSE EPRA/NAREIT Emerging Index – Top 10 Constituents

Company	Country	Total Return
China Overseas Land & Inv (Red Chip)	China	▲ 2.9%
BR Malls Participacoes S/A Ord	Brazil	▼ -5.2%
China Resources Land (Red Chip)	China	▲ 3.6%
Growthpoint Prop Ltd	South Africa	▼ -5.1%
BR Properties S/A Ord	Brazil	▲ 0.6%
Ayala Land	Philippines	▼ -1.3%
Emaar Properties	U.A.E.	▲ 3.7%
Redefine Income Fund	South Africa	▼ -3.7%
Sino-Ocean Land Holdings (Red Chip)	China	▲ 10.7%
Cyrela Brazil Realty S/A Empreendimentos e Participações	Brazil	▼ -1.0%

* Annualised



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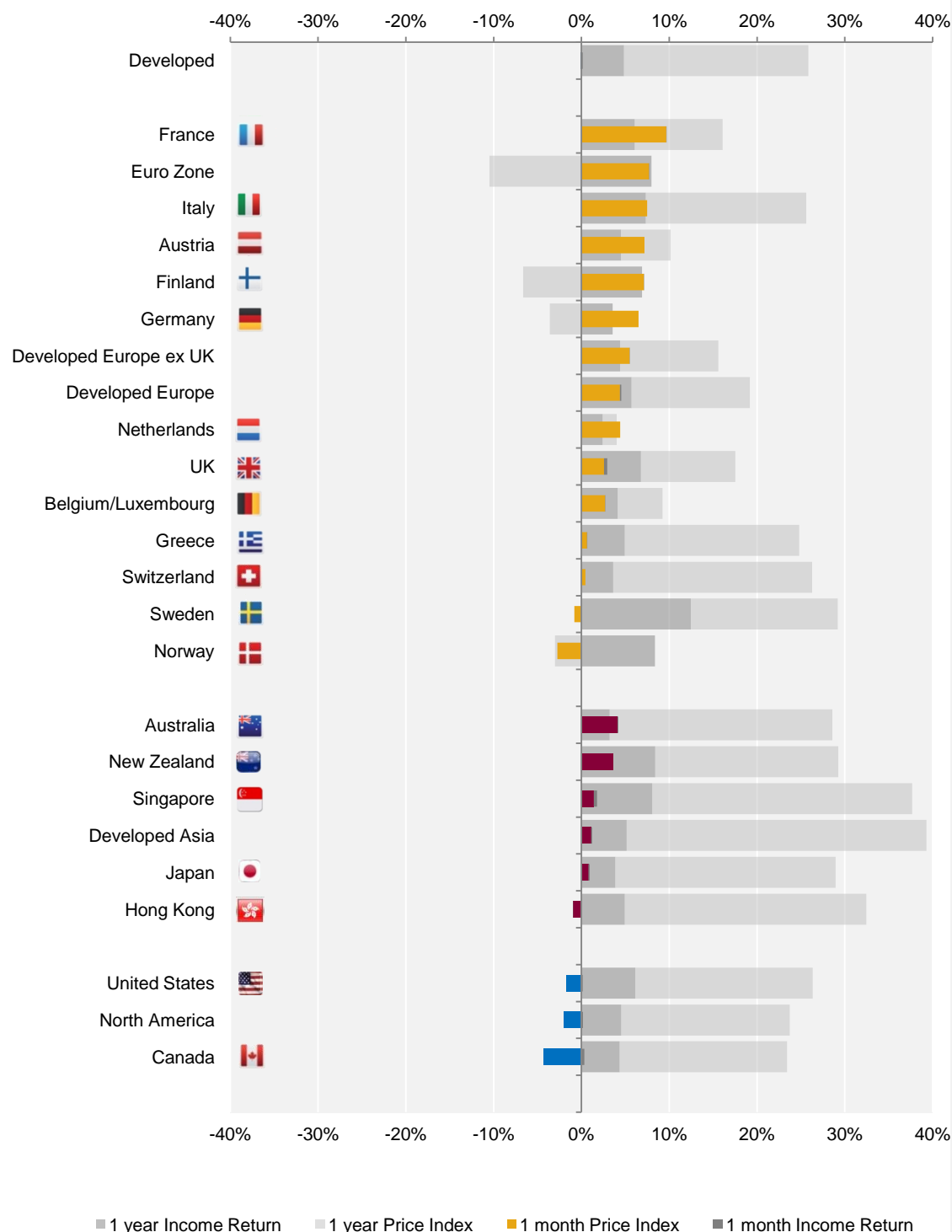
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FTSE EPRA/NAREIT Monthly Index Performances (EUR)



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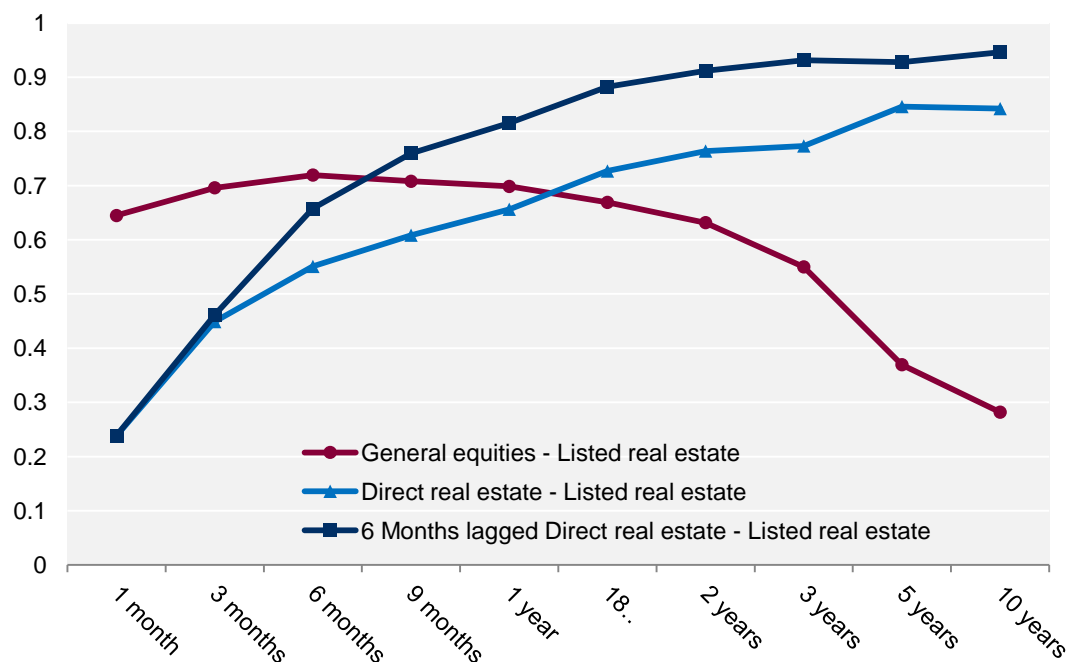
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Chart of the Month

Correlations of European listed real estate with direct real estate values and general equities



Sources: FTSE, EPRA, NAREIT, Bloomberg

Studies show that when the holding period of an investment in listed real estate increases, the returns investors receive are similar to the returns on the direct real estate market, whereas the returns will differ from those of general equities, allowing investors to benefit from the diversification opportunities that real estate offers.

(General equities = FTSE Eurotop 100 Index (price index in EUR), Listed real estate = FTSE EPRA/NAREIT Developed Europe Index (price index in EUR), Direct real estate = Degreared EPRA Europe NAVs (in EUR), data range = December 1989 – September 2012)



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Links to Reports

Monthly Statistical Bulletin
[October 2012](#)

Monthly Index Chartbook
[September 2012](#)

Monthly Company Chartbook
September 2012

**Monthly Published NAV
Bulletin**
[September 2012](#)

Monthly LTV report
[September 2012](#)

Monthly Transactions Bulletin
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Index Ground rules
[Version 5.1](#)

EPRA Newsletter
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EPRA Contacts

Fraser Hughes

Research Director

f.hughes@epra.com

+32 (0) 2739 10 13

Laurens te Beek

Senior Research Analyst

l.tebeek@epra.com

+32 (0) 2739 10 11

Ali Zaidi

Senior Research Analyst

a.zaidi@epra.com

+32 (0) 2739 10 19

Maikel Speelman

Senior Research Analyst

m.speelman@epra.com

+32 (0) 2739 10 16

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