



FTSE EPRA/NAREIT Global Real Estate Index

January 2009

The FTSE EPRA/NAREIT Global Index concluded the first month of the year by losing 5.5%. Global equity markets lost 1.0%, while the global bond market returned -1.7%. European real estate markets finished -5.2%, North American real estate returned -9.7% while the Asia market slipped 1.0%.

Five-year rolling return Global Real Estate is now -11.0% compared to the -9.5% and 24.8% for the Global equities and Bonds, respectively. The average annual return of -2.3% for real estate under-performs the figures of -2.0% for global equities, while 4.5% is the average return on global bonds. All figures are expressed in EUR.

Asset Classes (EUR)	Jan-09 Return %	YTD Return %	Rolling 5 Yrs Return %	Average Annual Return %
Global Real Estate	-5.5	-5.5	-11.0	-2.3
Global Equities	-1.0	-1.0	-9.5	-2.0
Global Bonds	-1.7	-1.7	24.8	4.5
Europe Real Estate	-5.2	-5.2	-13.5	-2.9
N. America Real Estate	-9.7	-9.7	-19.4	-4.2
Asia Real Estate	-1.0	-1.0	1.9	0.4

Source: EPRA/FTSE/JPMorgan

Governments are stirring

The mix of declining property values and the illiquidity in the debt markets has created an environment that will challenge real estate investors. Authorities and regulatory bodies around the world are taking various actions to address some of these pressures. The Bank of Japan announced that it will purchase corporate bonds and accept REIT vehicle debt as collateral. The Australian government has decided to establish an AUD 4 billion lending vehicle for the commercial property sector. In the US REITs will have the opportunity to pay up to 90% of dividends in stock in order to preserve cash. In the UK, similar provisions for REITs to pay stock dividends are being investigated according to a report by Reuters. In order to alleviate pressure on French SIICs, the French parliament has extended the deadline by a year for the largest holder in a REIT to comply with the maximum limit of 60%.

FTSE EPRA/NAREIT Global Index – Top 5 Performers

Company	Sector	Total Return
Conwert Immobilien	Residential	46.88%
Maguire Properties Inc. *	Office	42.47%
Minerva	Diversified	37.04%
Beni Stabili	Office	24.95%
Ashford Hospitality *	Lodging/Resorts	23.48%

FTSE EPRA/NAREIT Global Index – Bottom 3 performers

Company	Sector	Total Return
Babis Vovos	Diversified	-40.85%
Unite Group	Specialty	-56.24%
Workspace Group *	Office	-65.59%



ASIA-PACIFIC

In the Asia-Pacific region, EPRA/NAREIT Singapore (SGD) lost -9.0%, and EPRA/NAREIT Hong Kong (HKD) gained 0.9% of value for the month. EPRA/NAREIT New Zealand (NZD) ended the month up by 1.0% compared to the -9.7% loss posted by the EPRA/NAREIT Australia index (AUD). EPRA/NAREIT Japan (JPY) remains in the negative territory by posting a return of -11.9%.

36-months rolling volatility stands at 21.61%, the lowest of the three regions.

Country	Jan-09 Return %	YTD Return %	Rolling 5 Yrs Return %	Average Annual Return %
Asia (EUR)	-1.0	-1.0	1.9	0.4
Australia (AUD)	-9.7	-9.7	-22.7	-5.0
Hong Kong (HKD)	0.9	0.9	19.1	3.6
Japan (JPY)	-11.9	-11.9	10.4	2.0
Singapore (SGD)	-9.0	-9.0	20.6	3.8
New Zealand (NZD)	1.0	1.0	-NA-	-NA-

Source: EPRA

Keppel Land, the real estate unit of the world's largest oil-rig builder disclosed a decline of 88% in its fourth quarter profit as Singapore's house prices posted the sharpest decline in ten years. The developer booked a net income of SGD 69 million for the three months ended in December, compared to SGD 572 million a year earlier. The company completed and sold its One Raffles Quay development for SGD 235 million in the previous quarter, a one-time gain according to the company and the main reason behind the magnitude of the decline. Other factors include the drop in sales of projects completed in China and India, in addition to the downturn in the Singapore residential market. Keppel Land retreated -17.65% at the end of January.

Suntec REIT announced that it would distribute 32% more to shareholders as rental income had increased. Singapore-based property trust will issue SGD 44 million for the quarter ended December, according to a stock exchange statement. The company stated that it is working ahead of maturity to refinance its debt. The total debt stands at SGD 670 million with SGD 400 million due in 2011. Deutsche Bank cut the target price of the company from SGD 1.23 to SGD 1.00 based on outlook of the market. However the 'buy' rating is maintained as Deutsche Bank expects the REIT to be among the better performers in the region.

CapitaLand announced that it continues to receive proposals for fundraising, but it has not made an offer acceptance yet. The statement from South Asia's largest developer by sales comes in a response to media reports that there are plans to raise funds. CapitaLand is not in urgent need of funding according to Wilson Liew of Kim Eng securities. At the end of October 2008, company CEO had stated that the developer had a cash position of SGD 4 billion and was seeking acquisitions. The company ended the first month of the year down -22.83%.

Ascendas Real Estate Investment Trust, the second largest property trust in Singapore raised SGD 299 million at SGD 1.16 per share. The sale took place with a discount of 7% to the adjusted volume-weighted average share price on the day. Ascendas will use amount to finance development projects, according to the official offer document. The company has a SGD 100 million obligation in August, and announced it will sell more stock in preferential offering at the same price.

Agile Property Holdings slumped -24.50% in Hong Kong trading after stating that Aetos Capital Asia may exit from the purchase deal in China. The company is contesting the pull-out by Aetos worth USD 176 million. The transaction would have given the fourth largest developer in Hong Kong a stake of 25%.



Westfield Group, the largest global retail property owner crashed to a record low after announcing that it will write down assets by AUD 3 billion, causing a decline in earnings for the year. The decline by 6% to AUD 11.40 a share in Sydney trading was the lowest since the REIT was formed in 2004 by merging Westfield Holdings with its real estate investment trust. The retail specialist is a global player with properties in the Australia, US, UK and New Zealand was affected by pressures in all its markets. Westfield retreated -7.03% in January.

Australian real estate investment trust, Macquarie Countrywide surged in Sydney trading after announcing its plans to sell USD assets for USD 427 million. The Sydney-based company gained 23% - the most since November last year as the market welcomed the decision. Inland Real Estate Acquisitions has agreed to buy the properties from the REIT, and the proceeds coming from its interest in 30 US shopping centres of USD 159 million will be directly used to pay off debt. Macquarie Countrywide ended the month up 16.67%.

FTSE EPRA/NAREIT Asia Index – Top 5 performers

Company	Sector	Total Return
Link REIT *	Retail	14.84%
Kowloon Dev	Residential	14.38%
Mapletree Logistics Trust *	Industrial	14.17%
CapitaCommercial Trust *	Office	13.20%
Japan Prime Realty Inv. *	Office	11.99%

FTSE EPRA/NAREIT Asia Index – Bottom 3 performers

Company	Sector	Total Return
Aeon Mall Co Ltd	Retail	-26.65%
Cmnwealth Prop Office *	Office	-27.12%
ING Office Fund *	Office	-38.89%

EUROPE

The EPRA/NAREIT Europe Index closed off down -5.2% at the end of the month. France gained 1.9% and the UK slipped -21.8%. Real estate investments in the Netherlands for the month returned -1.8%, while the loss for investors in Sweden was -11.8%.

Europe Real Estate has a 36-month volatility of 21.79%.

Country	Jan-09 Return %	YTD Return %	Rolling 5 Yrs Return %	Average Annual Return %
Europe (EUR)	-5.2	-5.2	-13.5	-2.9
UK (GBP)	-21.8	-21.8	-30.5	-7.0
Netherlands (EUR)	-1.8	-1.8	25.7	4.7
France (EUR)	1.9	1.9	75.3	11.9
Sweden (SEK)	-11.8	-11.8	62.1	10.1

Source: EPRA

UK property industry faces a shortage of GBP 50 billion according to Harm Meijer at JP Morgan Chase & Co. Listed property companies with low capital requirements and no immediate refinancing deadline are expected to benefit from the emerging opportunities in the market.

Land Securities fell to its lowest level since February 2000. The largest REIT from the UK announced that assets sales would speed up to raise cash. This was also cited as the leading factor behind the sale of its Trillium property services unit earlier this



month. Trillium was sold for GBP 444 million. Company CEO Francis Salway commented: "We are not calling the bottom of the market and continue to be cautious," however he also added that he expects the ongoing decline in property values to slow down this year. Dow Jones reported that Land Securities Group plc is looking to sell its Portman House building. The company is expected to fetch about GBP 180 million from the sale of London's Oxford Street property. Land Securities lost -25.14% in January.

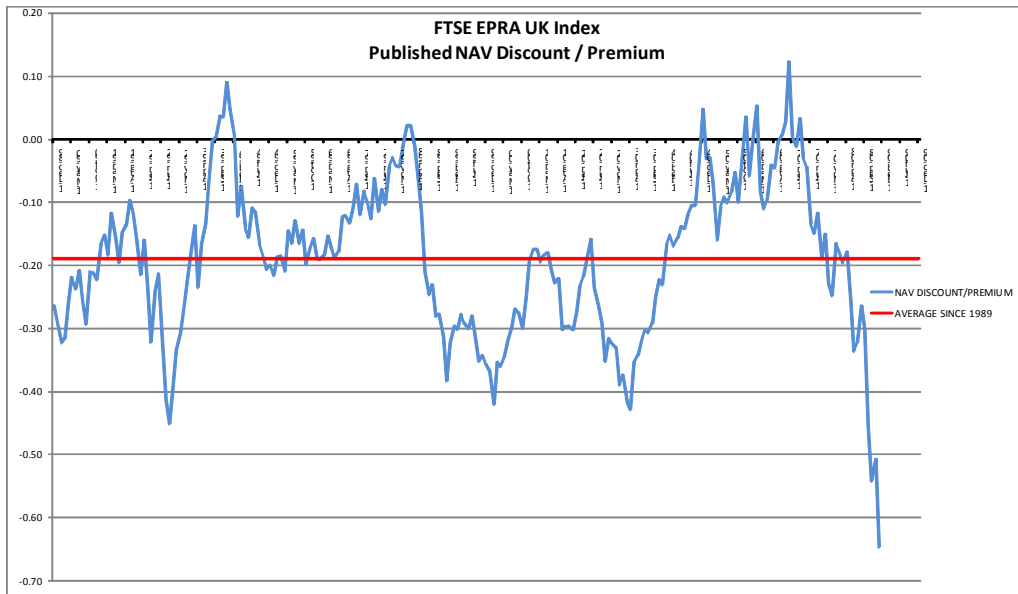
Helical Bar announced that it raised GBP 28 million in a share offering. The capital raised is to be used for short-term opportunities. Company CEO Mike Slade stated that the UK commercial property market is approaching the bottom, and that the company is actively evaluating property purchases as well as real estate loans. "Exceptional market conditions arise only once or twice in a property career" Slade added. Helical Bar claimed the third spot for annual performance in the UK at the end of last year, and ended January up 11.79%.

Great Portland Estates reported a decrease of 12% in its property portfolio to GBP 1.25 billion, adding that it expects further declines this year as the UK economy slows down. The London-based office landlord specialises in redevelopment of office properties was upgraded at UBS. CEO of the company described its debt levels as "comfortable" with no loan maturities until 2012, at a time when refinancing has become very challenging. The stock price ended January down -11.63%.

Mercialys reported a rise of 17% in annual revenues and reported extensions of some leases on market-rate rents. The French shopping-mall owner controlled by Casino Guichard-Perrachon saw its revenue climb to EUR 116 million from EUR 100 million a year earlier, fuelled by lease extensions and acquisitions completed last year. The company finished the month up +1.99%.

Klépierre issued an upbeat statement for the expected rental growth this year. The French retail specialist increased revenues by 20% for the year 2008, fuelled by the purchase of Steen & Stroem in the last year. The USD 3.3 billion transaction took place in collaboration with Dutch pension fund ABP to acquire the largest shopping-centre owner in Scandinavia. Reported rental income of EUR 706 million and Management fees of 78 million both equate to an increase of 20% compared against a year earlier. Klépierre further announced that it no longer plans to sell assets in order to reduce debt. The company ended the month up 6.8%.

Spanish authorities aim to finalise the REIT legislation in the first half of the year to act as a stimulus to the country's distressed property market. 'SOCIMs', as they will be known in Spain, are specifically aimed at stimulating the underdeveloped rental market - limiting property trading activities. Spain's largest developer Metrovacesa, labelled the current draft too complex and restrictive. Metrovacesa's legal head Manuel Liedo added that the draft needs to amend a series of rules in an interview to Reuters.



Source: EPRA

The graph above displays the FTSE EPRA/NAREIT UK Real Estate Price Index vs. the published Net Asset Values of the constituents of the index. Over the period 1989 to date, the UK market has traded just below 20% discount to NAV. Currently, the index trades at almost 65% discount to published NAV.

FTSE EPRA/NAREIT Europe Index – Top 5 performers

Company	Sector	Total Return
Conwert Immobilien	Residential	46.88%
Minerva	Diversified	37.04%
Beni Stabili	Office	24.95%
Vastned Offices/Ind *	Office	20.99%
Renta Corp Real Estate SA	Diversified	20.65%

FTSE EPRA/NAREIT Europe Index – Bottom 3 performers

Company	Sector	Total Return
Babis VovosRental	Diversified	-40.85%
Unite Group	Specialty	-56.24%
Workspace Group *	Office	-63.13%

NORTH AMERICA

The EPRA/NAREIT North America Index posted a loss of -16.8% in USD. The United States real estate market was down -17.6% while Canada reported a drop of 5.4% in CAD.

The 36-months rolling volatility stands at 27.42%, the highest of the three regions.

Country	Jan-09 Return %	YTD Return %	Rolling 5 Yrs Return %	Average Annual Return %
North America (USD)	-16.8	-16.8	-16.8	-3.6
United States (USD)	-17.6	-17.6	-17.9	-3.9
Canada (CAD)	-5.4	-5.4	-7.5	-1.6



Source: EPRA

US REITs may pay more dividends in stock rather than cash this year to bolster liquidity profiles, which has become the central issue in the credit crunch for property firms. The IRS allowed US REITs to pay up to 90% of the dividends in stock in 2009. This will allow REITs to preserve cash while meeting the mandatory requirement of paying out 90% of the taxable income. A strategy that is expected to be used by a large majority of REITs will save up to USD 11 billion, based on forecasts from Merrill Lynch. Steve Sakwa at Merrill Lynch estimated a similar figure for next year, which amounts to 40% of the debt maturing in the coming two years.

Vornado Realty Trust, the third largest in the US has already announced that it will pay up to 60% of dividends in stock for the next quarter. The New York-based owner of office and retail properties said that this would allow the company to save up to USD 390 million. Duke Realty Trust and Macerich are expected to follow the same strategy according to Bloomberg, as their current dividend yields are twice the industry average. Duke Realty Trust and Macreich end-of-month returns stand at -15.97% and -18.83%, respectively.

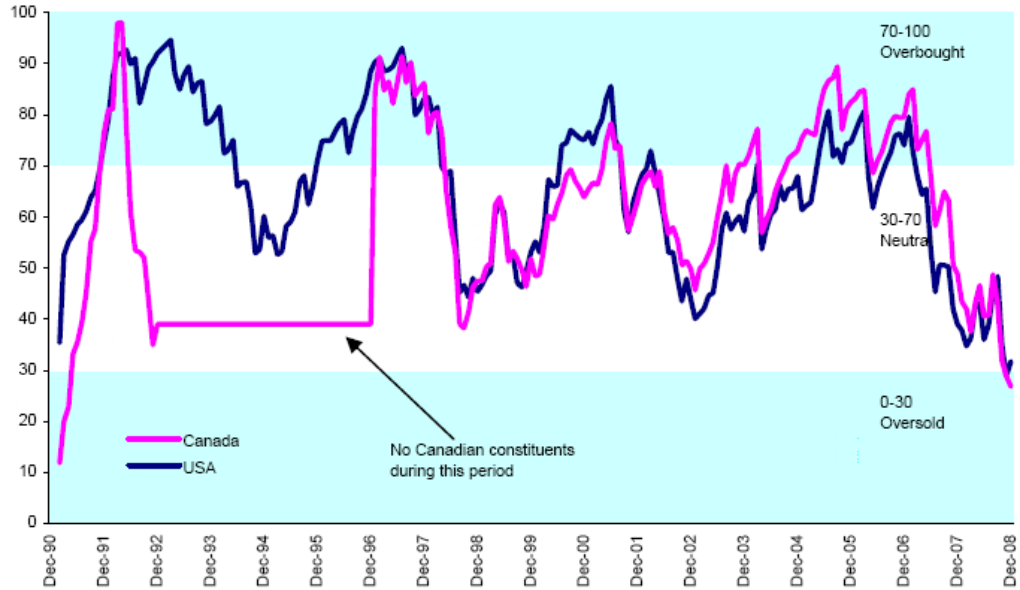
SL Green fourth quarter performance exceeded expectations as it reported USD 77 million in funds from operations, which amounted to USD 1.3 per share a rise of 4.8% year-on-year. The largest office landlord in the Manhattan area has taken a direct hit from the recession in the US, where average rent decline for the fourth quarter stood at 13% according to Newmark. The company however performed above market anticipation by reporting a small rise in occupancy ratio for its Manhattan properties to 96.7%, compared to 96.5% in the previous quarter. Net income stood at USD 92 million, a 29% decline from a year earlier, which was attributed to a loss in Gramercy Capital, a real estate lending firm.

Boston Properties, the largest Office REIT of the country reported a decline in its fourth quarter earnings due to decline in the value of its joint ventures. The company posted a loss of USD 92 million compared to a profit of USD 123.8 million a year earlier. The FFO per share declined to 5 cents a share from USD 1.22 in the same period. The company that owns offices in New York as well as the San Francisco Bay area is expecting 2009 and 2010 to be very challenging for the office market. The company finished the month down -21.27%.

General Growth Properties is troubled by its debt load of USD 27 billion and has hired law firm Sidley Austin as bankruptcy counsel to negotiate more time with its lenders. The Chicago-based company has a debt of USD 900 million maturing in November and is actively involved in negotiations with Deutsche Bank, Goldman Sachs Group and Wachovia Corporation to extend its debt facility. The company also faces a tough task meeting its commitments in the coming years, with maturing debts of USD 3 billion and USD 8.4 billion in 2010 and 2011, respectively. End-of-month total return figure stands at -49.61% for the company.

Camden Property Trust reported that it will halt at least five development projects and cut staff by 3%. The REIT owns interests in and operates 179 properties that hold over 62,000 apartment homes across the United States. It stated further that it has no plans to start new projects in the first half of 2009, and will take a decision after evaluating the property values and the capital market. The company ended the month down -15.89%.

The graph below shows the Relative Strength Indicator for the US and Canada. The RSI is an index between 0 and 100 that shows the price strength of the index by comparing upward and downward movements. If the index is in the 0-30 region, the market is oversold and if the index is in the 70-100 range, the market is overbought. The graph clearly shows that the markets have been overbought in the period 2003-2006, but following the difficult year 2007, the market has moved towards the oversold region.



FTSE EPRA/NAREIT North America Index – Top 5 performers

Company	Sector	Total Return
Maguire Properties Inc. *	Office	42.47%
Ashford Hospitality *	Lodging/Resorts	23.48%
H & R Real Estate *	Diversified	10.07%
Riocan Real Estate *	Retail	7.28%
Boardwalk REIT *	Residential	5.16%

FTSE EPRA/NAREIT North America Index – Bottom 3 performers

Company	Sector	Total Return
CBL & Associates Props *	Retail	-37.38%
SL Green Realty *	Office	-39.34%
Pennsylvania Real Estate *	Retail	-40.54%

The FTSE EPRA/NAREIT Global Real Estate Index consists of the largest and most heavily traded real estate stocks in Asia, Europe and North America. As of January 31, there were a total of 263 stocks in the index.

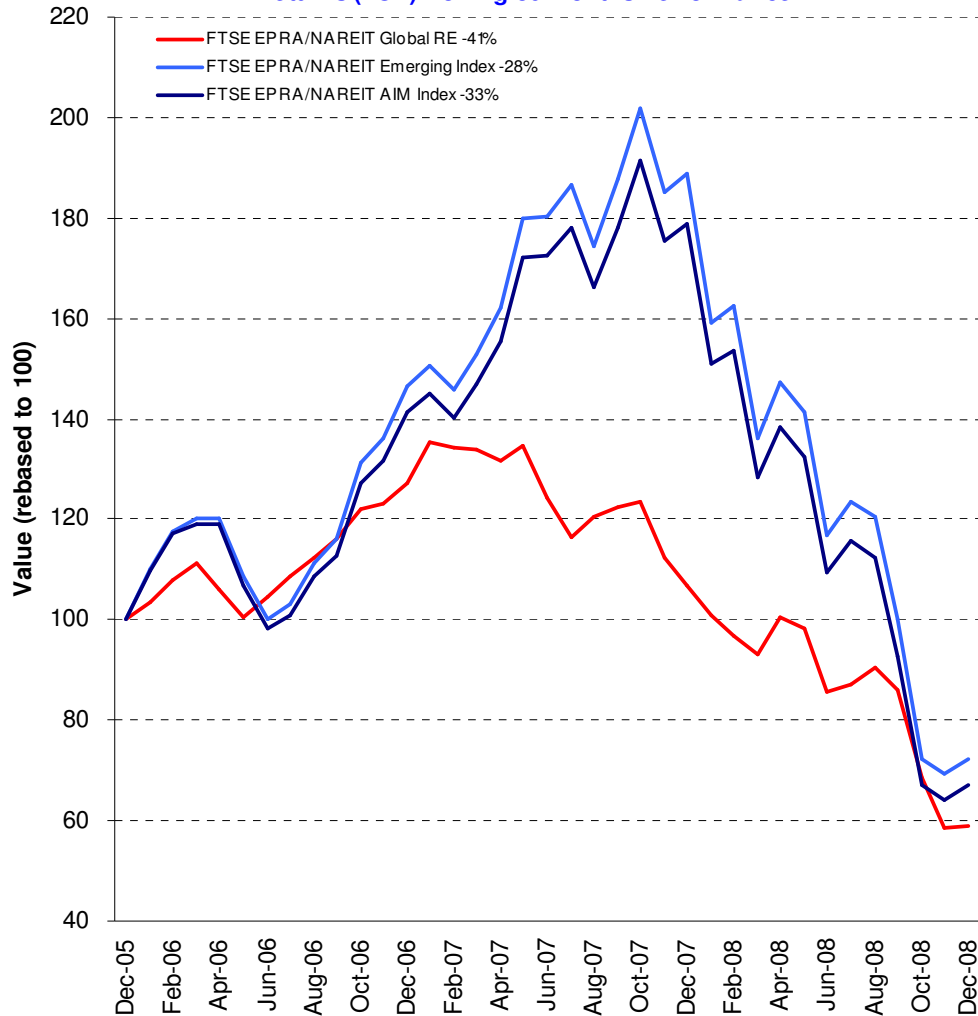
The EPRA Monthly Statistical Bulletin is available for EPRA members on: www.epra.com.



FTSE EPRA/NAREIT Emerging Markets Index

The FTSE EPRA/NAREIT Global Index series is extended by the launch with the addition of the Emerging Markets Indices this month. The FTSE EPRA/NAREIT Emerging Index series is designed to track the performance of the real estate market of the rapidly expanding economies. The index constituents are screened for liquidity, market size, free-float and real estate earnings, the index series is well placed for investment products as well Exchange Traded Funds (ETFs).

Graph 1: Global Real Estate vs Emerging Markets & AIM - Total Returns (EUR) Rolling 36 Months Performance





The FTSE EPRA/NAREIT Emerging Index is composed of three regions; Asia, EMEA and Latin America. Investment Focus and Business Sector specific index are also included in the Emerging Series.

FTSE EPRA/NAREIT Emerging Index Top 10 Constituents

Stock	Country	Price	Div	Total
		Return	Return	Return
		Jan-09	Jan-09	Jan-09
Ciputra Develop	INDO	46.74	0.00	46.74
BR Malls Participacoes S/A Ord	BRAZ	18.68	0.00	18.68
YTL Land & Development BHD	MAL	17.89	0.00	17.89
Is Gayrimenkul Yatirim Ortak	TUR	17.14	0.00	17.14
Jinqiao Export Processing (B)	CHN	15.62	0.00	15.62
Multiplan Empreendimentos Imobiliaros S/A Ord	BRAZ	13.73	0.00	13.73
Shanghai Lujiazui Fin & Trade Dev (B)	CHN	11.93	0.00	11.93
Gafisa	BRAZ	11.53	0.00	11.53
MRV Engenharia e Participacoes SA	BRAZ	10.20	0.00	10.20
Redefine Income Find	SAF	8.80	0.00	8.80

The FTSE EPRA/NAREIT Global Real Estate Index consists of the largest and most heavily traded real estate stocks in Emerging Asia, EMEA and Latin America. As of January 31, there were a total of 72 stocks in the index.

Bloomberg Ticker: FENEI

Thomson Reuters: .FTENEI



The following table highlights the performance of regions and countries over a number of time periods:

Index Description	Curr	Close Value 30-Jan	Div Yld (%) 30-Jan	Total Rtn (%) QTD	Total Rtn (%) Jan-09	Total Rtn (%) YTD	36 Mths Vlty (%)
Global	EUR	1,236.43	7.67	- 5.48	- 5.48	- 5.48	21.40
Asia	EUR	1,035.59	6.04	- 1.04	- 1.04	- 1.04	21.61
Europe	EUR	1,279.68	7.93	- 5.17	- 5.17	- 5.17	21.79
North America	EUR	1,425.56	9.22	- 9.72	- 9.72	- 9.72	27.42
Global Ex Asia	EUR	1,355.45	8.84	- 8.44	- 8.44	- 8.44	24.62
Global Ex Europe	EUR	1,205.54	7.62	- 5.54	- 5.54	- 5.54	22.24
Global Ex North America	EUR	1,184.26	6.59	- 2.26	- 2.26	- 2.26	19.73
Asia	EUR	1,035.59	6.04	- 1.04	- 1.04	- 1.04	21.61
Pure Asia	EUR	1,097.86	5.43	0.15	0.15	0.15	21.99
Japan	JPY	1,564.50	3.26	- 11.88	- 11.88	- 11.88	29.90
Australia	AUD	1,112.52	13.36	- 9.72	- 9.72	- 9.72	24.36
Pure Australia	AUD	880.70	16.00	- 10.56	- 10.56	- 10.56	31.70
Hong Kong	HKD	1,303.77	4.44	0.93	0.93	0.93	30.38
Singapore	SGD	811.39	9.15	- 9.00	- 9.00	- 9.00	30.49
New Zealand	NZD	1,182.17	8.33	0.99	0.99	0.99	15.02
Europe	EUR	1,279.68	7.93	- 5.17	- 5.17	- 5.17	21.79
Europe (Price Return)	EUR	920.07	-	- 5.65	- 5.65	- 5.65	21.96
Euro Zone	EUR	1,760.71	7.55	1.11	1.11	1.11	22.29
Euro Zone (Price Return)	EUR	1,186.77	-	0.45	0.45	0.45	22.46
Europe Ex UK	EUR	1,870.16	7.67	- 0.34	- 0.34	- 0.34	21.91
Europe Ex UK (Price Return)	EUR	1,276.46	-	- 0.88	- 0.88	- 0.88	22.09
Europe Liquid 40	EUR	1,231.40	7.66	- 6.12	- 6.12	- 6.12	22.53
Europe Liquid 40 (Price Return)	EUR	865.29	-	- 6.66	- 6.66	- 6.66	22.70
Europe Liquid 40 Ex UK	EUR	2,045.96	7.23	- 0.31	- 0.31	- 0.31	22.28
Europe Liquid 40 Ex UK (Price Return)	EUR	1,341.37	-	- 0.95	- 0.95	- 0.95	22.50
UK	EUR	740.98	8.57	- 14.97	- 14.97	- 14.97	26.74
UK (Price Return)	EUR	558.73	-	- 15.34	- 15.34	- 15.34	26.89
Netherlands	EUR	2,043.91	9.21	- 1.78	- 1.78	- 1.78	21.41
France	EUR	2,751.93	7.38	1.88	1.88	1.88	24.00
Austria	EUR	226.04	-	16.61	16.61	16.61	45.22
Sweden	EUR	2,427.83	9.65	- 8.80	- 8.80	- 8.80	31.11
Germany	EUR	451.70	8.98	- 9.24	- 9.24	- 9.24	37.99
Switzerland	EUR	1,564.99	5.54	- 4.84	- 4.84	- 4.84	16.25
Belgium	EUR	1,858.49	7.33	7.53	7.53	7.53	16.46
Italy	EUR	1,446.17	4.83	17.13	17.13	17.13	36.60
Finland	EUR	1,953.56	8.10	- 0.53	- 0.53	- 0.53	29.84
UK	GBP	1,064.36	8.57	- 21.83	- 21.83	- 21.83	26.46
UK (Price Return)	GBP	802.63	-	- 22.16	- 22.16	- 22.16	26.58
Switzerland	CHF	1,458.54	5.54	- 4.33	- 4.33	- 4.33	17.17
Sweden	SEK	3,031.56	9.65	- 11.80	- 11.80	- 11.80	32.99
North America	USD	1,743.83	9.22	- 16.77	- 16.77	- 16.77	30.93
United States	USD	1,717.38	9.15	- 17.62	- 17.62	- 17.62	31.85
Canada	USD	2,277.42	10.00	- 5.81	- 5.81	- 5.81	25.53

Source: EPRA