

Market Update

A Monthly Performance Report

February 2010

Fight for General Growth Properties Inc. escalates

GPR 250 Index up 2.4% in February 2010

- The GPR 250 Index added 2.4% in February 2010, thereby outperforming both global equities that advanced 2.0% and global bonds (0.5%). At national level, Italy (9.0%) was top performer whereas Norway (Norwegian Property; -15.7%) came out worst.

Fight for General Growth Properties Inc. escalates

- Simon Property Group Inc. offered to buy General Growth Properties Inc. for more than USD 10bn, of which about USD 9bn in cash. The takeover bid rapidly escalated into a public brawl, with Simon Property Group Inc. pressuring General Growth Properties Inc. to begin talks. General Growth Properties Inc. described the bid as too low and announced plans to split itself into two companies as part of an effort to exit Chapter 11 bankruptcy. The proposal, to be approved by a bankruptcy court judge, includes a USD 2.625bn investment from Brookfield Asset Management Inc. Most recently, Westfield Group (already owning 55 US shopping malls) signed a non-disclosure agreement to receive information from General Growth Properties Inc.

Liberty International plans to demerge

- Liberty International plans to demerge into two quoted entities: a REIT holding the group's shopping centres (Capital Shopping Centres), which are valued at GBP 4.4bn; and a company holding its London property interests (Capital & Counties). Liberty International expects to unveil the terms of its demerger within the coming weeks.

Charter Hall Group outfit for Macquarie funds

- Macquarie Group Ltd. agreed to sell stakes in property funds and the rights to manage them for AUD 297m as the bank moves away from its listed funds model. Australian property fund company Charter Hall Group will pay AUD 108m for the management rights of two listed funds - Macquarie Office Trust (re-named Charter Hall Office REIT with effect from 4 March 2010) and Macquarie CountryWide Trust (re-named Charter Hall Retail REIT with effect from 4 March 2010) - and another three unlisted funds.



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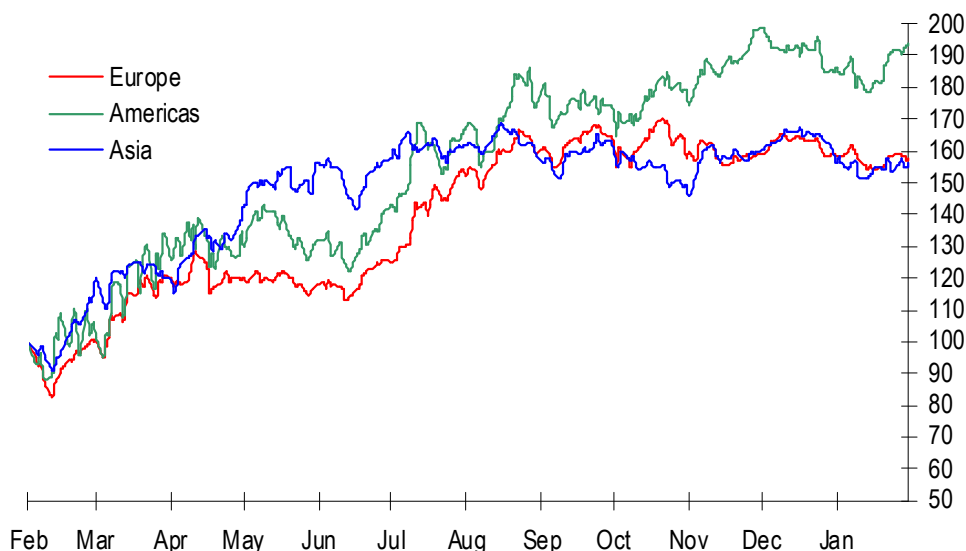
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www.propertyshares.com

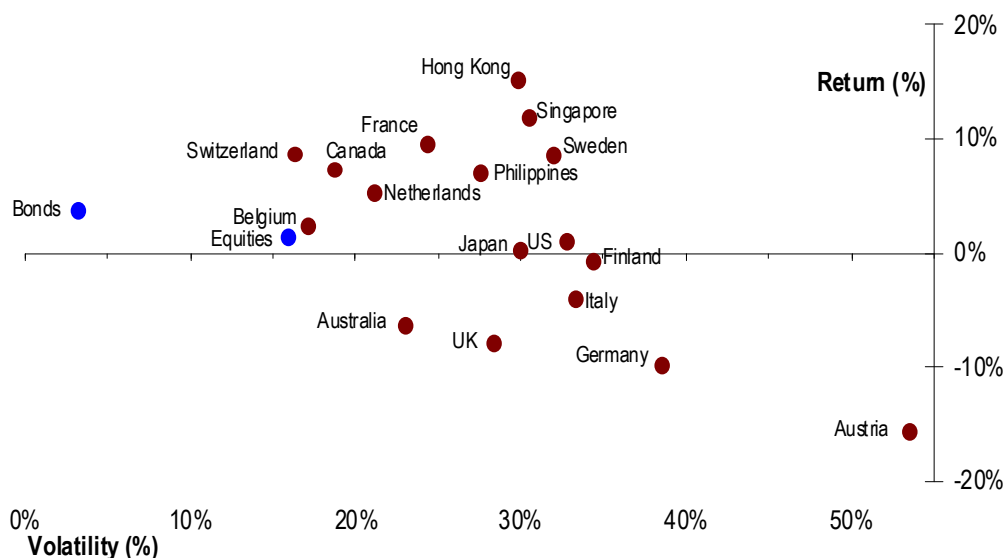
GLOBAL - DATA

February 2010

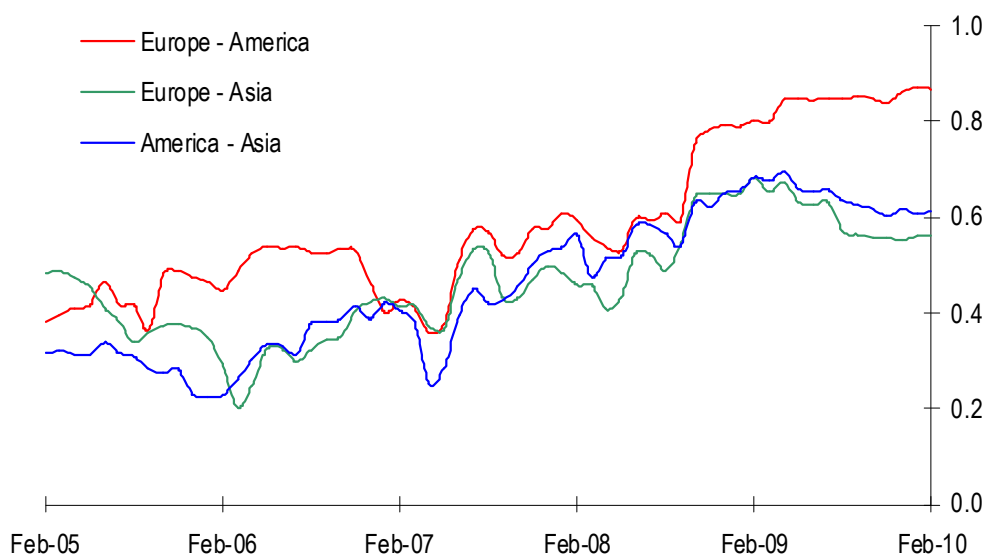
Graph 1:
Continental performance of GPR 250 Property Shares Index (local returns)



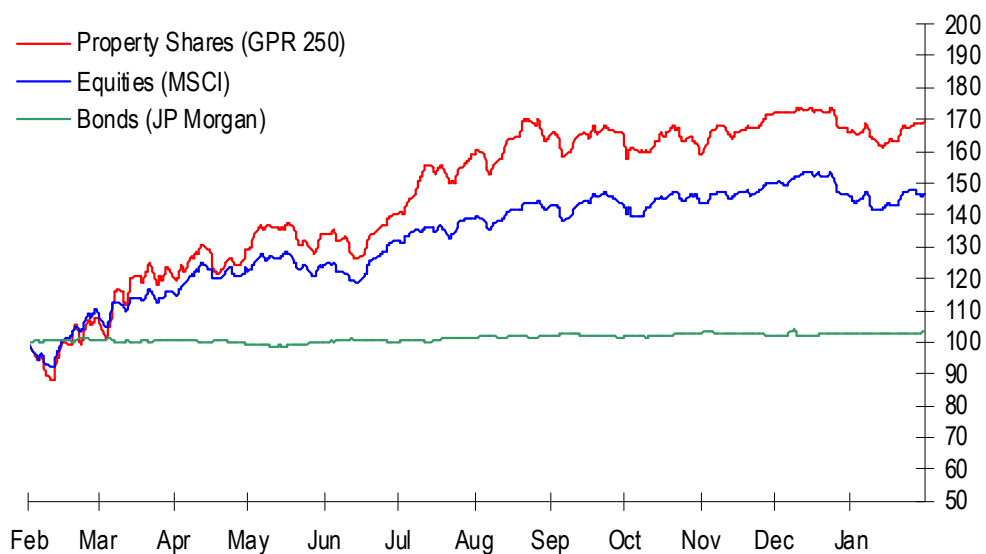
Graph 2:
Return and volatility of the major countries in the GPR 250 Property Shares Index based on 5 year figures (local currency)



Graph 3:
Rolling 36-month correlation on continental level of the GPR 250 Property Shares Index (local currency)



Graph 4:
Performance of property shares to other asset classes (local returns)



Graph 5:
Rolling 36-months correlation between different asset classes (local returns)

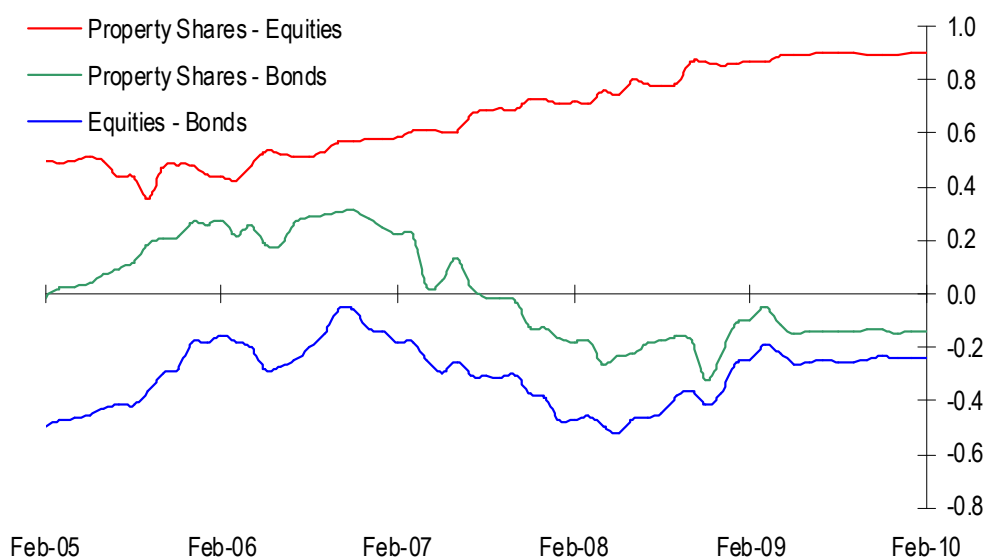


Table 1: Performance of property shares and other assets

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
GPR 250 Global	2.4%	6.6%	-1.5%	69.4%	-16.9%	0.7%	0.29
GPR 250 Africa	5.9%	11.8%	5.8%	27.1%	9.8%	19.7%	0.22
GPR 250 Americas	5.2%	16.3%	0.4%	93.6%	-14.5%	1.5%	0.39
GPR 250 Europe	-0.5%	2.7%	-3.2%	57.7%	-20.0%	-1.9%	0.28
GPR 250 Asia	0.3%	-2.8%	-3.8%	56.6%	-15.9%	5.0%	0.30
GPR 250 Oceania	1.4%	3.1%	-1.5%	41.1%	-22.7%	-6.2%	0.28
Global Bonds (JP Morgan)	0.5%	1.6%	1.3%	3.3%	4.7%	3.8%	0.04
Global Equities (MSCI)	2.0%	6.0%	-1.7%	46.9%	-7.1%	1.4%	0.20

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

Liberty International Plans To Demerge

The European listed property sector slipped by -0.5% last month

The European listed property sector slipped by -0.5% last month, according to the GPR 250 Europe Index. Several countries recorded negative returns with Norway (Norwegian Property; -15.7%) reporting the biggest loss, followed by Poland (GTC; -13.3%), Turkey (Is REIT; -8.5%), France (-3.3%) and Finland (-1.6%). The following countries saw positive returns for the month: Italy (9.0%), Greece (Babis Vovos I.C.; 5.8%); Sweden (4.1%), Switzerland (4.0%), Belgium (1.9%) and the Netherlands (1.1%). In February 2010, the European listed property sector underperformed both general equities (-0.5% versus 0.7%) and bonds (-0.5% versus 0.9%).

Liberty International plans to demerge into two quoted entities: a REIT holding the group's shopping centres (Capital Shopping Centres), which are valued at GBP 4.4bn; and a company holding its London property interests (Capital & Counties)

Liberty International plans to demerge into two quoted entities: a REIT holding the group's shopping centres (Capital Shopping Centres), which are valued at GBP 4.4bn; and a company holding its London property interests (Capital & Counties). The REIT is expected to have market capitalisation in excess of GBP 2bn, while the London property business is likely to have a flotation value of approximately GBP 1bn. Liberty International expects to unveil the terms of its demerger within the coming weeks. The transaction requires a number of third-party approvals, which have been requested and some of which are currently outstanding.

Unibail-Rodamco has entered into an agreement to acquire Simon Ivanhoe, a jointly-held European subsidiary of the Simon Property Group and Ivanhoe Cambridge, with a portfolio of shares in seven shopping centres in France and Poland. Unibail-Rodamco has also entered into a joint venture agreement according to which Simon Property Group and Ivanhoe Cambridge will jointly retain 50% of Simon Ivanhoe's interests in five retail development projects in France. Unibail-Rodamco will develop these five projects on behalf of the joint venture. Unibail-Rodamco has agreed to pay the Simon Property Group and Ivanhoe Cambridge EUR 715m for the assets, subject to customary post-closing adjustments. The transaction is expected to close during the first half of 2010, subject to customary closing conditions and anti-trust approval. Unibail-Rodamco will fund the acquisition from existing bank facilities.

Norwegian Property has initiated a process to split into two independent firms

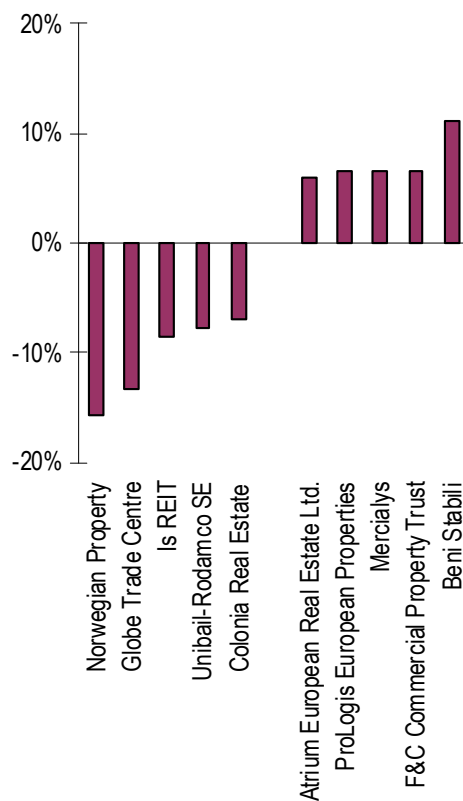
Norwegian Property has initiated a process to split into two independent firms, one for office and the other to manage its hotel portfolio. The move follows the completion of a strategic review.

ProLogis has increased its 24.8% holding in Prologis European Properties to 30.2%, since ProLogis felt that Prologis European Properties' share price did not fully reflect the significant progress made over the past 14 months to manage through the downturn. ProLogis does not intend to increase its equity ownership beyond 33.33%, a level which would trigger a mandatory tender offer.

EUROPE – DATA

February 2010

Graph 6:
Top and bottom performing
European companies (local
returns)



Graph 7:
Top and bottom performing
European countries (local
returns)

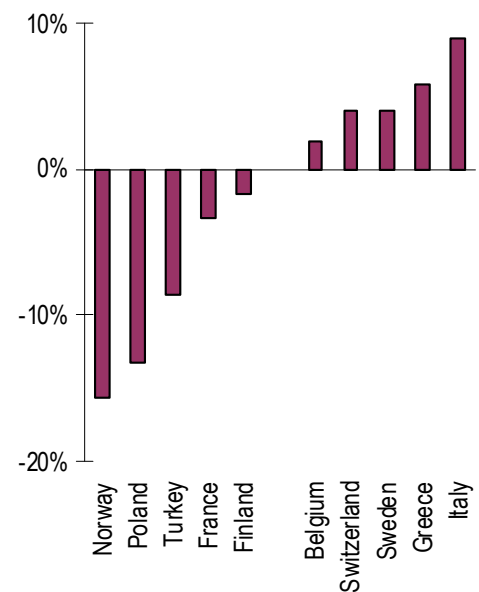


Table 2:
Long and short-term returns of
European countries (local returns)

TABLE 2. Local Total Returns of European Countries (GPR 250)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Europe	-0.5%	2.7%	-3.2%	57.7%	-20.0%	-1.9%	0.28
Austria	-0.1%	1.1%	-5.9%	216.8%	-34.6%	-15.6%	0.69
Belgium	1.9%	1.3%	-0.8%	12.8%	-5.7%	2.3%	0.21
Finland	-1.6%	3.0%	-1.6%	70.2%	-22.7%	-0.7%	0.40
France	-3.3%	5.4%	-2.7%	58.9%	-10.8%	9.6%	0.26
Germany	-0.1%	7.3%	3.0%	57.6%	-33.4%	-9.7%	0.45
Greece	5.8%	-16.0%	-4.3%	-9.9%	-48.1%	N/A	0.96
Italy	9.0%	8.8%	10.3%	22.7%	-20.8%	-4.0%	0.39
Netherlands	1.1%	6.6%	-0.5%	54.5%	-9.2%	5.4%	0.24
Norway	-15.7%	54.7%	-15.6%	128.0%	N/A	N/A	N/A
Poland	-13.3%	-18.2%	-18.9%	56.7%	-23.8%	N/A	0.40
Sweden	4.1%	7.7%	2.4%	37.5%	-8.5%	8.7%	0.35
Switzerland	4.0%	13.7%	7.6%	46.3%	2.9%	8.7%	0.18
Turkey	-8.5%	-6.8%	-9.1%	69.7%	-8.2%	N/A	0.48
United Kingdom	0.7%	-2.7%	-6.3%	53.8%	-26.1%	-7.8%	0.33
MSCI Europe	0.7%	4.7%	-3.1%	45.9%	-6.6%	3.2%	0.20
JP Morgan Germany	0.9%	3.1%	2.5%	4.3%	5.9%	4.5%	0.04

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

Fight For General Growth Properties Inc. Escalates

The Americas continental counterpart of the GPR 250 Index gained 5.2% in February 2010 with the United States classified property stocks returning – on aggregate – 5.6% while Brazil and Canada posted gains of 8.5% and 0.7% respectively.

The Simon Property Group Inc. takeover bid for General Growth Properties Inc. rapidly escalated into a public brawl, with Brookfield Asset Management Inc. and Westfield Group also entering the fray

Simon Property Group Inc. offered to buy General Growth Properties Inc. for more than USD 10bn, of which about USD 9bn in cash. All unsecured creditors including some bondholders and lenders would be repaid in full at a cost of about USD 7bn. Shareholders of General Growth Properties Inc., which filed for bankruptcy last year after amassing USD 27bn in debt during an acquisition spree, would get the equivalent of about USD 9.00 a share, including USD 6.00 in cash. Blackstone Group LP may join Simon Property Group Inc.'s bid. The takeover bid rapidly escalated into a public brawl, with Simon Property Group Inc. pressuring General Growth Properties Inc. to begin talks. General Growth Properties Inc. described the bid as too low and announced plans to split itself into two companies as part of an effort to exit Chapter 11 bankruptcy. The proposal, which must be approved by a bankruptcy court judge, includes a USD 2.625bn investment from Brookfield Asset Management Inc. Most recently, Westfield Group (already owning 55 US shopping malls) signed a non-disclosure agreement to receive information from General Growth Properties Inc.

Brookfield Properties and its Canadian-based subsidiary BPO Properties are proposing to create a Canadian office REIT. The new REIT, to be named Brookfield Office Properties Canada, will acquire BPO Properties' directly owned office assets in Toronto, Calgary and Vancouver and will also acquire Brookfield Properties' interest in Brookfield Place. If approved by BPO Properties shareholders, upon closing of the transaction, it is expected that Brookfield Office Properties Canada will pay a special distribution of USD 1.02 per unit to unitholders and will also begin to pay monthly distributions of USD 0.0667 per unit. The board of directors of BPO Properties unanimously recommends that shareholders approve the reorganisation. Holders of BPO Properties common shares will receive one unit of Brookfield Office Properties Canada for each common share held.

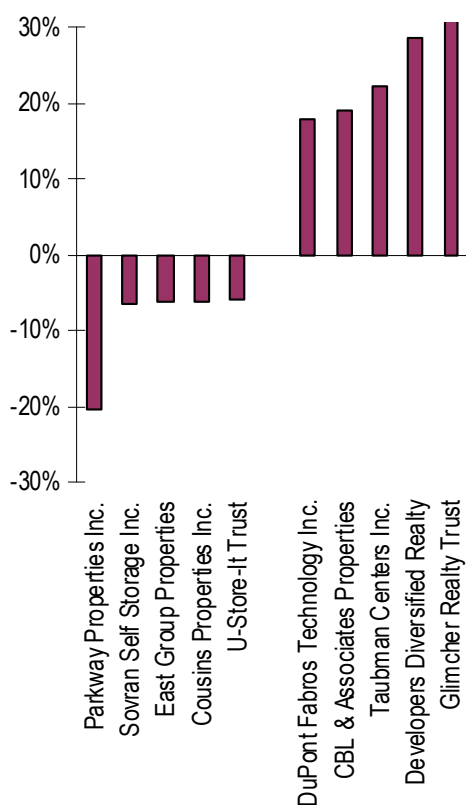
Piedmont Office Realty Trust, Inc. raised USD 174m in an IPO by offering 12 million Class A shares at USD 14.50 per share

Piedmont Office Realty Trust, Inc. raised USD 174m in an IPO by offering 12 million Class A shares at USD 14.50 per share, below the indicated price range of USD 16.00-18.00. The underwriters have a 30-day option to purchase up to an additional 1,800,000 shares. The net proceeds will be used for working capital, including capital expenditure related to renewing leases and acquiring new properties. The shares had their first day of trading on 10 February 2010.

AMERICA – DATA

February 2010

Graph 8:
Top and bottom performing
American companies (local
returns)



Graph 9:
Top and bottom performing
American countries (local
returns)

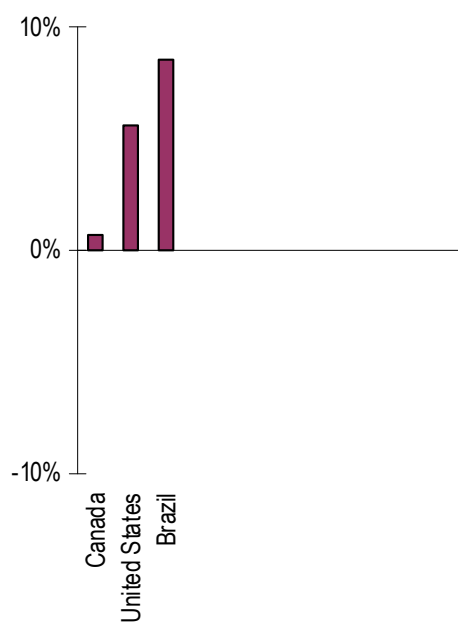


Table 3:
Long and short-term returns of
American countries (local
returns)

TABLE 3. Local Total Returns American Countries (GPR 250)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Americas	5.2%	16.3%	0.4%	93.6%	-14.5%	1.5%	0.39
Brazil	8.5%	19.7%	-0.4%	95.4%	N/A	N/A	N/A
Canada	0.7%	19.8%	3.3%	71.2%	-5.4%	7.4%	0.22
United States	5.6%	16.0%	0.2%	95.7%	-15.3%	1.0%	0.41
MSCI North America	3.2%	9.3%	-0.6%	52.6%	-5.1%	1.1%	0.20
JP Morgan United States	0.4%	1.5%	2.0%	1.9%	6.4%	5.4%	0.06

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

Charter Hall Group Outfit For Macquarie Funds

Africa gained 5.9% in February 2010, thus becoming the best performing continent

REITs are to be governed by the same rules on mergers, securities and futures as listed companies, under a new proposal from Hong Kong's Securities and Futures Commission (SFC)

Africa gained 5.9% in February 2010, thus becoming the best performing continent. Asia (0.3%) also gained albeit marginally because of positive total return performances in Hong Kong (6.7%) and the Philippines (3.3%). The monthly losses for other Asian countries ranged from 0.3% for Singapore to 2.2% for Japan. The Oceania listed property sector gained 1.4% last month, with the country indices for both Australia (1.5%) and New Zealand (0.8%) gaining. Macquarie Group Ltd. agreed to sell stakes in property funds and the rights to manage them for AUD 297m as the bank moves away from its listed funds model. Australian property fund company Charter Hall Group will pay AUD 108m for the management rights of two listed funds - Macquarie Office Trust (re-named Charter Hall Office REIT with effect from 4 March 2010) and Macquarie CountryWide Trust (re-named Charter Hall Retail REIT with effect from 4 March 2010) - and another three unlisted funds. Charter Hall Group will also buy stakes in those funds from Macquarie Group Ltd. for AUD 189m. Charter Hall Group will partly fund the purchase with a stock sale, and a AUD 85m share placement to Macquarie Group Ltd. that will leave the bank with a 10% stake in Charter Hall Group. Charter Hall Group started a fully underwritten two (2) per five (5) entitlement offer priced at AUD 0.65 per share raising AUD 195.154m. Macquarie Group Ltd. owns 14% of Macquarie Office Trust and 12% of Macquarie CountryWide Trust.

Advance Residence Investment Corporation and Nippon Residential Investment Corporation announced that approval had been obtained from the Tokyo Stock Exchange for the listing of Advance Residence Investment Corporation's shares on the REIT section after the consolidation-type merger was approved by both companies' unitholders. Nippon Residential Investment Corporation was delisted on 23 February 2010.

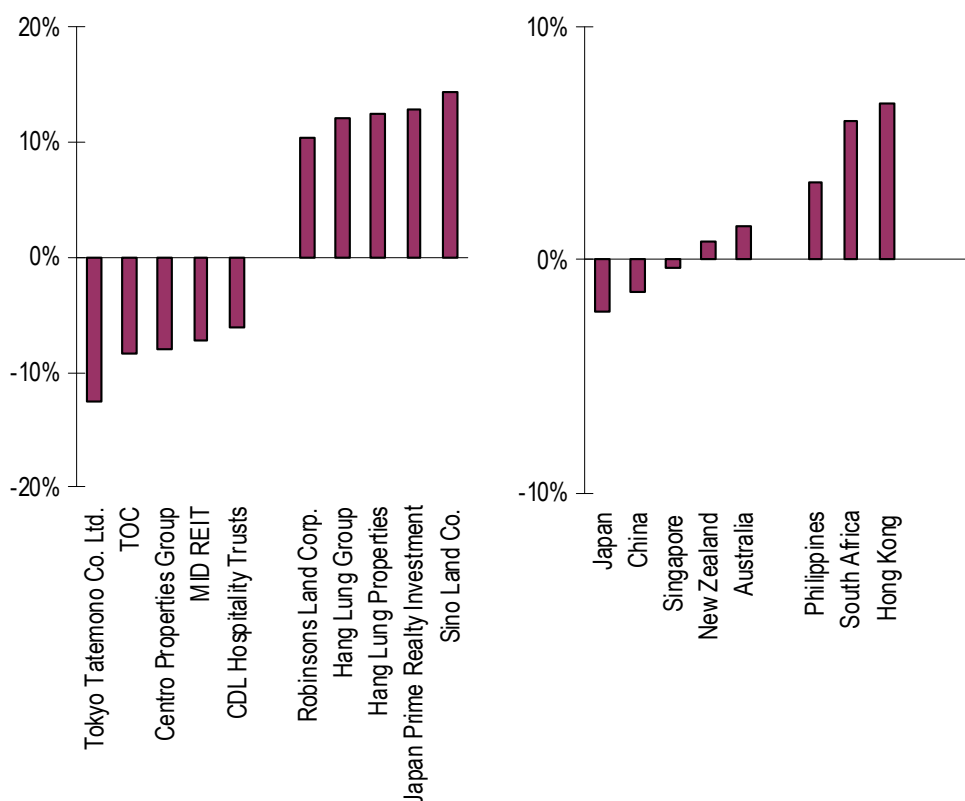
Sekisui House Ltd. will pay JPY 1.36bn for about 7% of Joint REIT Investment Corp. Sekisui House Ltd. will also buy 75% of the REIT's asset management company, Joint Capital Partners Co. Closely-held Spring Investment Co. will purchase about 2% of Joint REIT Investment Corp. and 25% of the asset manager.

Cache Logistics Trust, to be managed by ARA-CWT Trust Management (Cache) Limited and sponsored by CWT Limited, plans an IPO. The company will principally invest in logistics properties in the Asia Pacific region, and have an initial portfolio of six logistics properties located in Singapore, valued at approximately SGD 730m.

AFRICA, ASIA & OCEANIA – DATA

February 2010

Graph 10:
Top and bottom performing
Asian and Oceanian
companies (local returns)



Graph 11:
Top and bottom performing
Asian and Oceanian countries
(local returns)

Table 4:
Long and short-term
performance of Asian and
Oceania countries (local
returns)

TABLE 4. Local Total Returns of Asian and Oceania Countries (GPR 250)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Africa	5.9%	11.8%	5.8%	27.1%	9.8%	19.7%	0.22
Asia	0.3%	-2.8%	-3.8%	56.6%	-15.9%	5.0%	0.30
Oceania	1.4%	3.1%	-1.5%	41.1%	-22.7%	-6.2%	0.28
Australia	1.5%	3.0%	-1.4%	41.5%	-22.7%	-6.2%	0.28
China	-1.4%	-1.7%	-6.7%	N/A	N/A	N/A	N/A
Hong Kong	6.7%	17.1%	-4.2%	103.8%	8.7%	15.2%	0.36
Japan	-2.2%	-11.9%	-2.7%	37.1%	-25.7%	0.3%	0.31
New Zealand	0.8%	3.2%	-2.6%	13.1%	N/A	N/A	N/A
Philippines	3.3%	-8.2%	-1.9%	48.6%	-2.9%	7.0%	0.30
Singapore	-0.3%	10.5%	-7.0%	91.3%	-9.3%	11.9%	0.35
South Africa	5.9%	11.8%	5.8%	10.6%	9.8%	19.7%	0.22
MSCI Pacific	0.3%	-1.6%	-2.4%	31.1%	-13.8%	0.1%	0.20
JP Morgan Japan	0.1%	0.9%	0.1%	1.3%	2.3%	1.7%	0.02
JP Morgan Australia	0.2%	3.0%	1.6%	-0.2%	6.7%	6.0%	0.05

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

GPR 250 REIT – DATA

February 2010

Graph 12:
Rolling 36-months correlation
between different asset classes
(local returns)

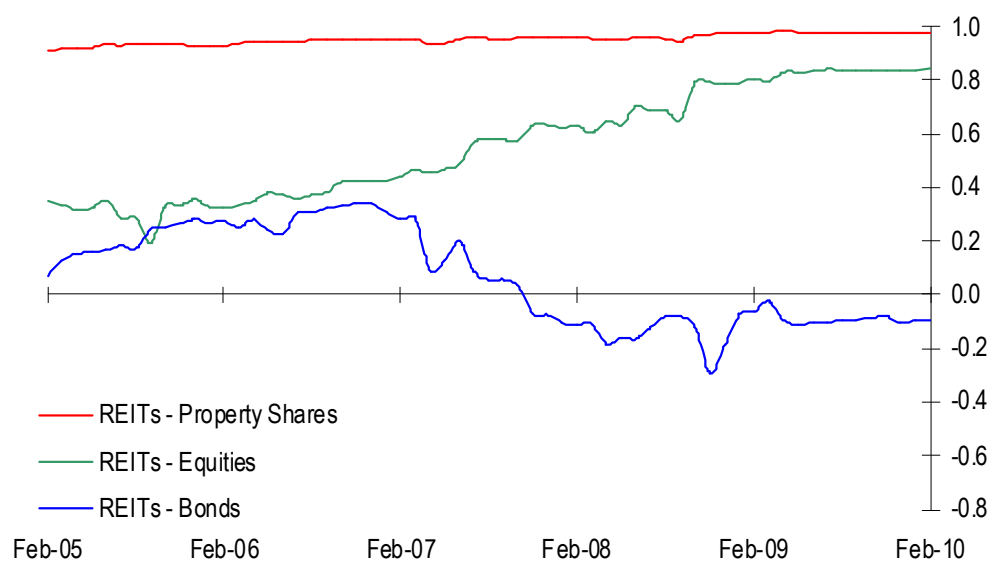


Table 5:
Long and short-term returns of
of REITs

TABLE 5. Local Total Returns of REITs (GPR 250 REIT)

	1 month	6 months	y-t-d	1 year	3 year	5 year	volatility
Global	2.9%	9.3%	-0.8%	67.9%	-16.3%	-0.2%	0.30
Africa	3.9%	12.8%	4.8%	29.0%	8.7%	15.6%	0.22
Americas	5.1%	16.1%	0.2%	92.9%	-14.1%	1.8%	0.39
Asia	1.5%	2.1%	1.3%	37.3%	-17.3%	0.5%	0.24
Europe	-1.0%	1.7%	-4.3%	50.1%	-16.9%	-0.4%	0.26
Oceania	1.4%	3.1%	-1.5%	41.1%	-22.7%	-6.2%	0.28
Australia	1.5%	3.0%	-1.4%	41.5%	-22.7%	-6.2%	0.28
Belgium	1.9%	1.3%	-0.8%	12.8%	-5.7%	2.4%	0.21
Canada	0.8%	20.1%	3.6%	72.1%	-4.9%	7.7%	0.22
China	-3.3%	-4.2%	-9.4%	N/A	N/A	N/A	N/A
France	-3.3%	5.4%	-2.7%	58.9%	-10.7%	N/A	0.26
Germany	-0.7%	22.5%	8.0%	93.0%	N/A	N/A	N/A
Hong Kong	4.7%	18.1%	-0.3%	49.7%	10.1%	N/A	0.25
Italy	4.8%	9.9%	-1.3%	48.2%	N/A	N/A	N/A
Japan	0.9%	-5.5%	3.8%	23.7%	-22.1%	-3.6%	0.25
Netherlands	0.7%	5.2%	-1.6%	48.5%	-7.6%	6.4%	0.22
New Zealand	0.8%	3.2%	-2.6%	13.1%	N/A	N/A	N/A
Singapore	1.4%	18.8%	-3.9%	85.8%	-8.5%	N/A	0.33
South Africa	3.9%	12.8%	4.8%	29.0%	8.7%	15.6%	0.22
Turkey	-8.5%	-6.8%	-9.1%	69.7%	-5.0%	N/A	0.48
United Kingdom	0.6%	38.0%	-6.9%	49.4%	-25.0%	N/A	0.33
United States	5.5%	15.7%	-0.1%	94.8%	-14.8%	1.3%	0.41

Note: Volatility is the 36-month standard deviation of returns. 3 and 5 year returns are annualized

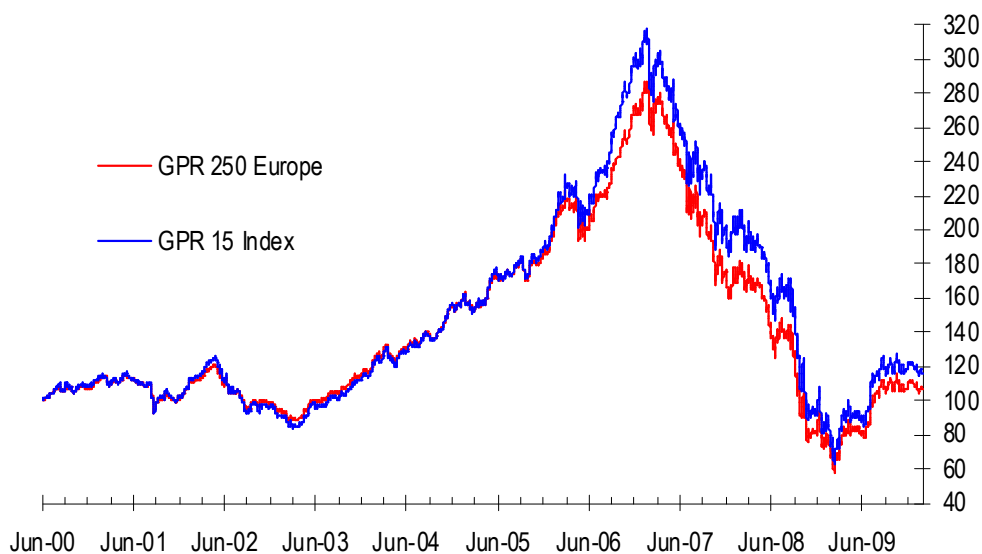
GPR 15 REAL TIME INDEX

February 2010

GPR 15 Index serves as a representative benchmark for the European market

As of 30 June 2000, Global Property Research has launched the GPR 15 Real Time Index. The index tracks the performances of the 15 most liquid European property companies taking into account the country weight of the GPR 250 Europe Index. It covers more than 60% of the European market in terms of market capitalization. The number of stocks per company is fixed, so it is easy for investors to hedge the portfolio. The correlation between the GPR 15 Index and the GPR 250 Europe Index is about 0.99 over the past three years.

	<i>Country</i>	<i>Company</i>	<i>Weight</i>
1	Austria	Immofinanz AG	2.17%
2	France	Fonciere des Regions	5.15%
3	France	Gecina	3.45%
4	France	Icade	3.55%
5	France	Klepierre	5.63%
6	France	Unibail-Rodamco SE	27.70%
7	Germany	IVG Immobilien AG	1.03%
8	Netherlands	Corio NV	5.01%
9	Sweden	Castellum AB	2.49%
10	Switzerland	PSP Swiss Property	3.36%
11	United Kingdom	British Land Company Plc	9.95%
12	United Kingdom	Hammerson Plc	6.51%
13	United Kingdom	Land Securities Plc	12.38%
14	United Kingdom	Liberty International plc	5.86%
15	United Kingdom	Segro Plc	5.77%



Global Property Research has observed the following changes in the GPR 250

- Nippon Residential Investment Corporation (Japan) has been removed from the GPR 250 Indices as from 24 February 2010 following the acquisition by Advance Residence Investment Corporation (Japan).

Global Property Research will adjust the constituents of the GPR 250 Index and the GPR 250 REIT Index on a quarterly basis. The table below summarizes the inclusions and exclusions of the GPR 250 Index and the GPR 250 REIT Index (indicated with an asterisk), which will become effective as from 22 March 2010.

<i>Inclusions</i>		<i>Exclusions</i>	
Australia	Ardent Leisure Group *	Germany	Alstria Office REIT AG *
Canada	Artis REIT *	Japan	Astro Japan Property Group *
Hong Kong	Henderson Land Development	Japan	Fukuoka REIT *
Singapore	Mapletree Logistics Trust *	New Zealand	AMP NZ Office Trust *
Thailand	Central Pattana Public Company	South Africa	SA Corporate Real Estate Fund *
United Kingdom	Minerva Plc	Sweden	Klovern AB
United States	Centro Retail Trust *		

Global Property Research has observed the following changes in the GPR General

Global Property Research will adjust the constituents of the GPR General Index on a monthly basis. The table below summarizes the inclusions and exclusions of the GPR General and the GPR General Quoted Index as from 1 March 2010. Open-ended funds, which are indicated with an asterisk, are excluded from the GPR General Quoted Index.

<i>Inclusions</i>		<i>Exclusions</i>	
Australia	Trafalgar Corporate Group	Japan	Challenger Kenedix Japan Trust
United Kingdom	MedicX Fund Limited	Japan	LaSalle Japan REIT Inc.
		Japan	Nippon Residential Investment Trust

GPR Indices on Data Systems

Bloomberg: GPRI <GO>

ThomsonReuters Datastream: Mnemonics structured as: GPRXCC#, where
X is 2 for GPR 250 or G for GPR General
CC is country code
is currency (L for local; E for euro; \$ for US dollar)

EcoWin: Graphics: Select Country → Stock Market
Pro: Financial Database → Select Country → Equity Indices → GPR
Graphics and Pro: text search “GPR”

FactSet Research Systems: Structured as: GPCC#, where
CC is country code
is currency (LOC for local; EUR for euro; USD for US dollar)

Reuters: NXT/Indices9 (in quote browser window)
0#.GPR (in quote browser window)

Rimes: Search for “Global Property Research”

Financial Express: Search for “GPR”

Morningstar, Inc.: Search for “GPR”

Wilshire: Search for “GPR”

Capco: Search for “GPR”

Fininfo: Search for “GPR”

Markit: Search for “GPR”

StatPro Search for “GPR”

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