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News Release

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Global Direct Real Estate Investment Volumes Constrained by Product Availability in Third Quarter 2010

Full-year volumes projected to reach up to $290 billion of investment trades globally

CHICAGO, LONDON, SINGAPORE, 22nd October, 2010 – New research from Jones Lang LaSalle reveals that preliminary global direct commercial real estate investment volumes totalled US$69 billion in the third quarter of 2010. This level is similar to the second quarter of 2010 and indicates that the recovery in investment activity seen in the previous four quarters has levelled off. Direct commercial real estate investment volumes in the first three quarters of this year have reached US$202 billion compared to the US$139 billion transacted over the same period of 2009. Jones Lang LaSalle expects volumes for the full year to reach US$280 to 290 billion.

Arthur de Haast, Head of the International Capital Group (ICG) at Jones Lang LaSalle commented: "A significant weight of equity capital is targeting prime assets across all sectors, but a scarcity of prime product for sale is constraining investment volumes. Product shortages are also resulting in yield compression and substantial rises in prime capital values across many of the world's leading office markets, from London to Washington DC to Shanghai."

He added: "For the full year, we now expect global direct real estate volumes to reach US$280 to 290 billion, marginally below our original projection of US$300 billion, but nonetheless representing a 35 to 40 percent increase on 2009. Further growth in volumes is anticipated in 2011, with cash-rich investors widening their geographic search, pushing into value-added opportunities and eventually into secondary stock."

Asia Pacific has seen a 12% quarter-on-quarter increase in investment volumes in the third quarter to US$18 billion, with notable quarterly rises in Singapore, Australia, China and Malaysia. Stuart Crow, head of Capital Markets in Asia Pacific commented: "The Asia Pacific investment market is benefiting from optimistic business sentiment, resurging investor confidence and strong economic fundamentals. We anticipate transaction volumes to show 15 to 25% growth on 2009, reaching the US$77 billion mark by year end."

Alistair Meadows, head of the International Capital Group (ICG), Asia Pacific said: "In addition to net positive in-flows to Asia Pacific there continues to be strong investor demand from Asia to selective

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European and US markets, with Asian investors exporting US$1.1 billion into the European market, particularly London in 1H 2010. Given the currency play favouring Asian investors into these markets, we see this export of capital continuing into 2011."

In Europe, Middle East and Africa (EMEA), despite the third quarter witnessing a 12% decline in volumes on Q2 to €21 billion (US$27 billion), full year volumes are expected to be 30% higher than in 2009. A lull during the summer months, a lack of core product and ongoing concerns around sovereign debt in some countries have restrained transaction volumes in the past quarter. In Spain and Italy, volumes are down significantly from second quarter, while in the UK and Germany, the pace of activity has slowed. This is counterbalanced by an increase in investment volumes quarter on quarter in France and, more notably, in Sweden.

Richard Bloxam, head of the firm's pan EMEA Capital Markets team commented: "Compared with 2009, investor sentiment remains positive across the region. For the full year we expect EMEA investment volumes to be 30 percent higher than in 2009. Looking forward, both Germany and the Nordics are likely to see higher volumes, where improving fundamentals and resilient economies are boosting investor confidence."

Damian Corbett, Head of Offices Capital Markets England added "Although volumes in the UK, Europe's largest market, appear to have levelled off, demand remains very strong particularly for prime assets. Transaction volumes in Central London alone are likely to hit over £10 billion (US$15 billion) in 2010 which is a 20% increase on 2009. Interest in London is coming from across the world with investors from over 45 countries actively bidding."

In the Americas capital market momentum has continued to build, with volumes up 12% in the third quarter. With a significant pick up in activity, particularly in the U.S. gateway cities, U.S. volumes have risen by a further 24% in the third quarter, and are more than 50% higher than a year ago. Brazil is the region's most compelling growth market, and volumes have more than tripled through the first three quarters of 2010 as both cross-border and domestic investors are eager to capitalise on the country's robust economic progress.

Steve Collins, Head of the ICG in the Americas commented, "The strength of global interest in investment in the Americas is strengthening as investors are drawn both to emerging markets like Brazil and to the core coastal markets of New York and Washington, D.C. A broad range of domestic investor types are now actively looking for prime product and in some cases, they're now willing to review secondary markets to achieve higher return requirements. This momentum is likely to continue, and we expect US transaction volumes to total US$85-90 billion in 2010, around 90 percent higher than 2009."

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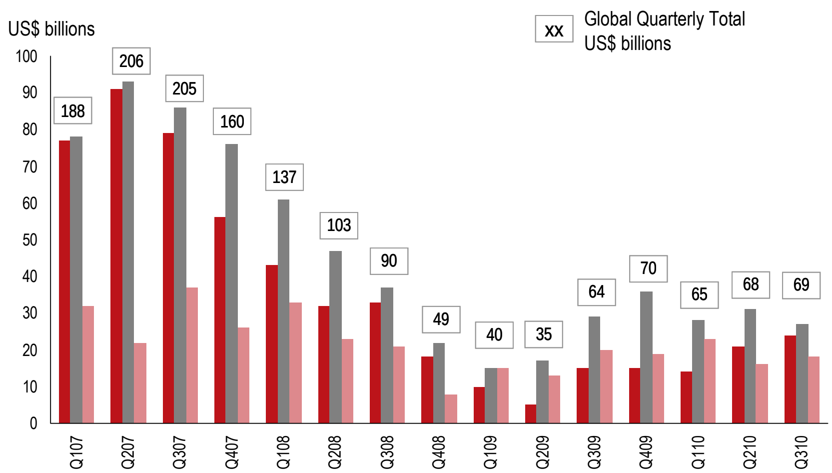
Direct Commercial Real Estate Investment, Global Trends



Source: Jones Lang LaSalle

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Notes to Editors

1. Entity-level transactions, land acquisitions, development projects and multi-family residential investment are excluded from our data, as well as deals below US$5 million.
2. Regional real estate investment volumes have been rounded to the nearest $US one billion.