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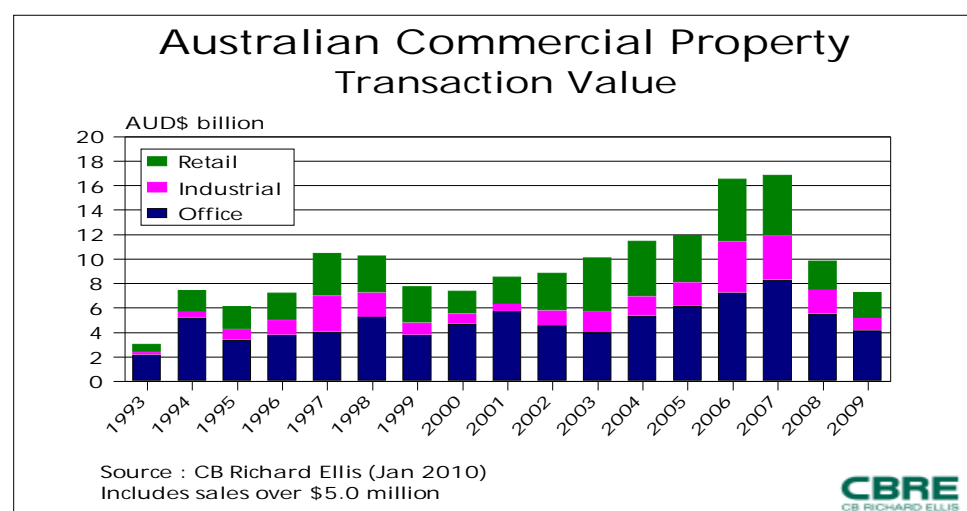
Sales activity troughs in 2009; a stronger 2010 expected

Sydney, NSW (1 February 2010)

In a year expected to be the trough in the investment cycle, commercial property sales activity in Australia in 2009 was 34% lower than 2008 according to new research from CB Richard Ellis.

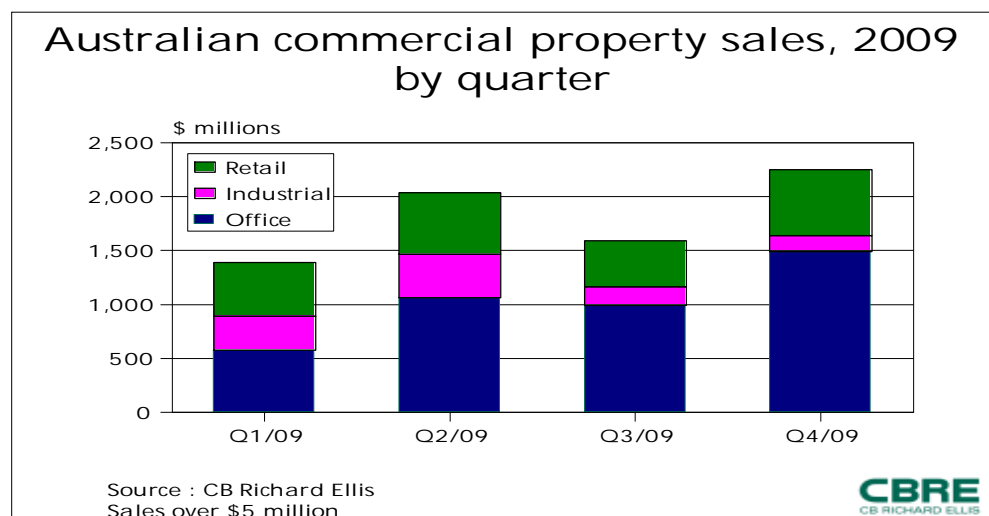
The CBRE sales data takes into account sales above \$5.0 million each in the office, industrial and retail sectors.

Sales in 2009 reached \$7.2 billion for the full calendar year, compared to \$9.7 billion the year before. The annual average sales activity is around \$9.5 billion; 2009 was 30% below this average.



However, CBRE Executive Director, Global Research and Consulting, Kevin Stanley, said there had been signs of trading activity increasing in the final stages of 2009 as institutions, both domestic and foreign, started purchasing again.

“Our quarterly turnover data reveals the trend of increasing trading activity through the course of the year with over \$2.2 billion of commercial real estate traded in the 4th quarter of 2009,” Mr Stanley said.



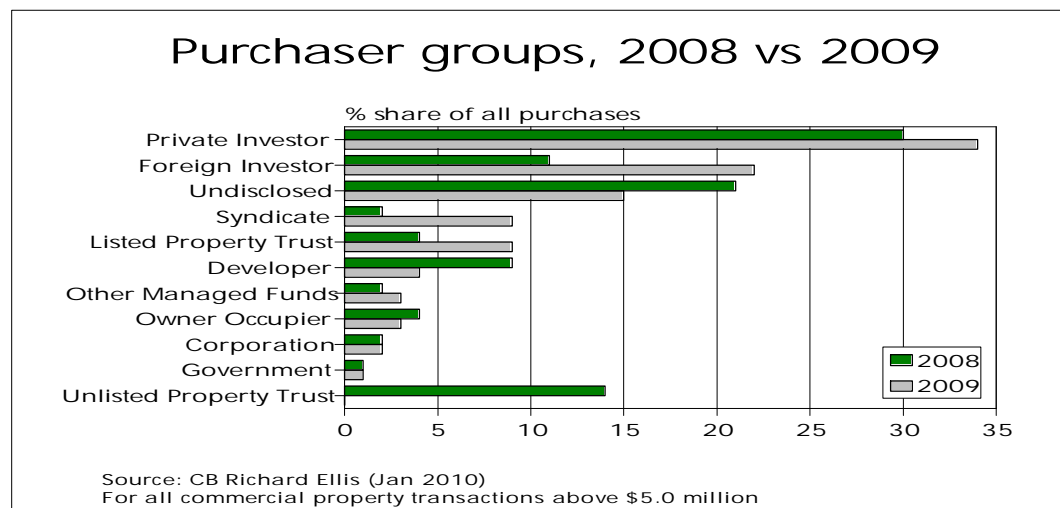
Private investors were the most active purchaser group in 2009, accounting for 34% of all properties traded (by volume). Syndicates, backed by private equity, represented a further 9.0% of all trade.

“While institutions, especially the normally acquisitive A-REIT’s, were focused on addressing balance sheet imbalances for most of the year, private investors and syndicates were together responsible for purchasing almost half of all traded commercial real estate in 2009; a record amount for this category of purchaser,” Mr Stanley said.

Foreign investors were the other stand-out purchaser group in 2009 and represented a 22.0% share of all turnover. This is twice the share achieved in 2008 and four times the long term average share of acquisitions made by foreign investors.

“2009 was a sweet spot for foreign investors, with the cost of debt low, the exchange rate conducive to hedging (for most of the year) and pricing at its low point of the cycle,” Mr Stanley said.

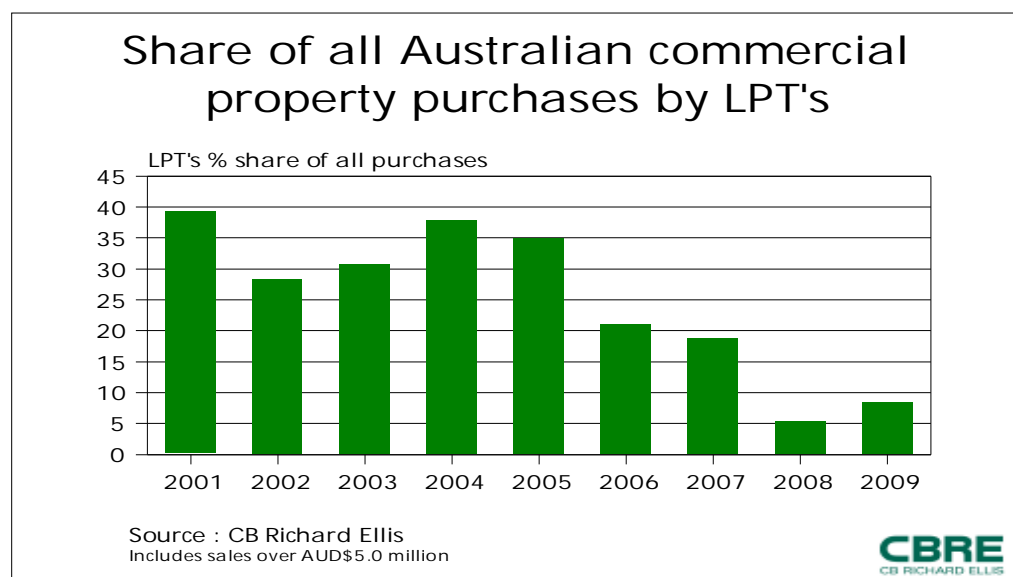
“With these conditions now very different, it will be more difficult for foreign investors to stack up viable transactions in 2010 and their share of purchases may drop.”



Mr Stanley forecast that domestic purchasers, especially the re-capitalised A-REIT's, were likely to once again be the driving force in trading activity in 2010.

"The share of purchases by A-REIT's is typically at least 25% per annum," Mr Stanley said.

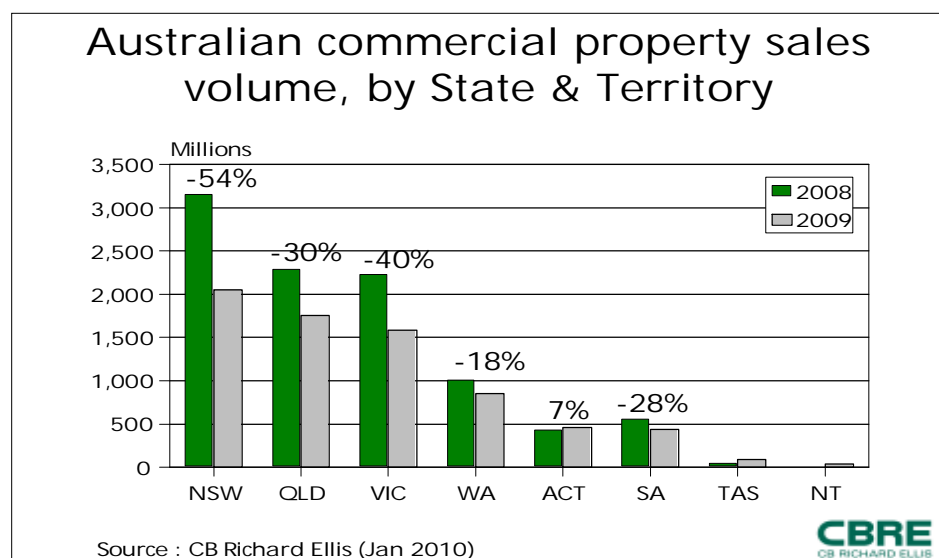
"In 2009, it was less than 10%, but it is now rising. This will probably lead to the share of sales in all other purchaser categories falling in 2010."



New South Wales saw the largest drop in trading activity in 2009; down 54%.

"It appears institutions were least likely to sell in what's perceived to be the "core" market of Sydney and instead, have traded in the so-called "non-core" markets around the rest of the country," Mr Stanley said.

"Only the ACT was able to increase its annual trading in 2009; up 7.0%. Foreign investors weighed heavily into what was seen as a safe haven of assets leased to Government for long terms."



Overall, Mr Stanley said the outlook for the commercial property markets was much brighter in 2010.

"Values have re-adjusted, the A-REIT's have recapitalized and buyer interest is well and truly back, across all sectors," Mr Stanley concluded.

"The economic growth outlook is improving by the week, meaning the expected rise in vacancy and reduction in average market rentals are likely to be much less than originally expected. In turn, this will motivate investors more than ever to re-enter the market and this is likely to provide a stimulus to pricing as well."

About CB Richard Ellis

CB Richard Ellis Group, Inc. (NYSE:CBG), a *Fortune* 500 and S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services firm (in terms of 2008 revenue). The Company has approximately 30,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers through more than 300 offices (excluding affiliates) worldwide. CB Richard Ellis offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting. CB Richard Ellis has been named a *BusinessWeek* 50 "best in class" company for three years in a row. Please visit our Web site at www.cbre.com.