

January 14th, 2010

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PRESENTATION TO  
UNIVERSITY OF ZURICH  
CENTER FOR URBAN REAL ESTATE MANAGEMENT

Talk Title

Best Practice in Real Estate Research

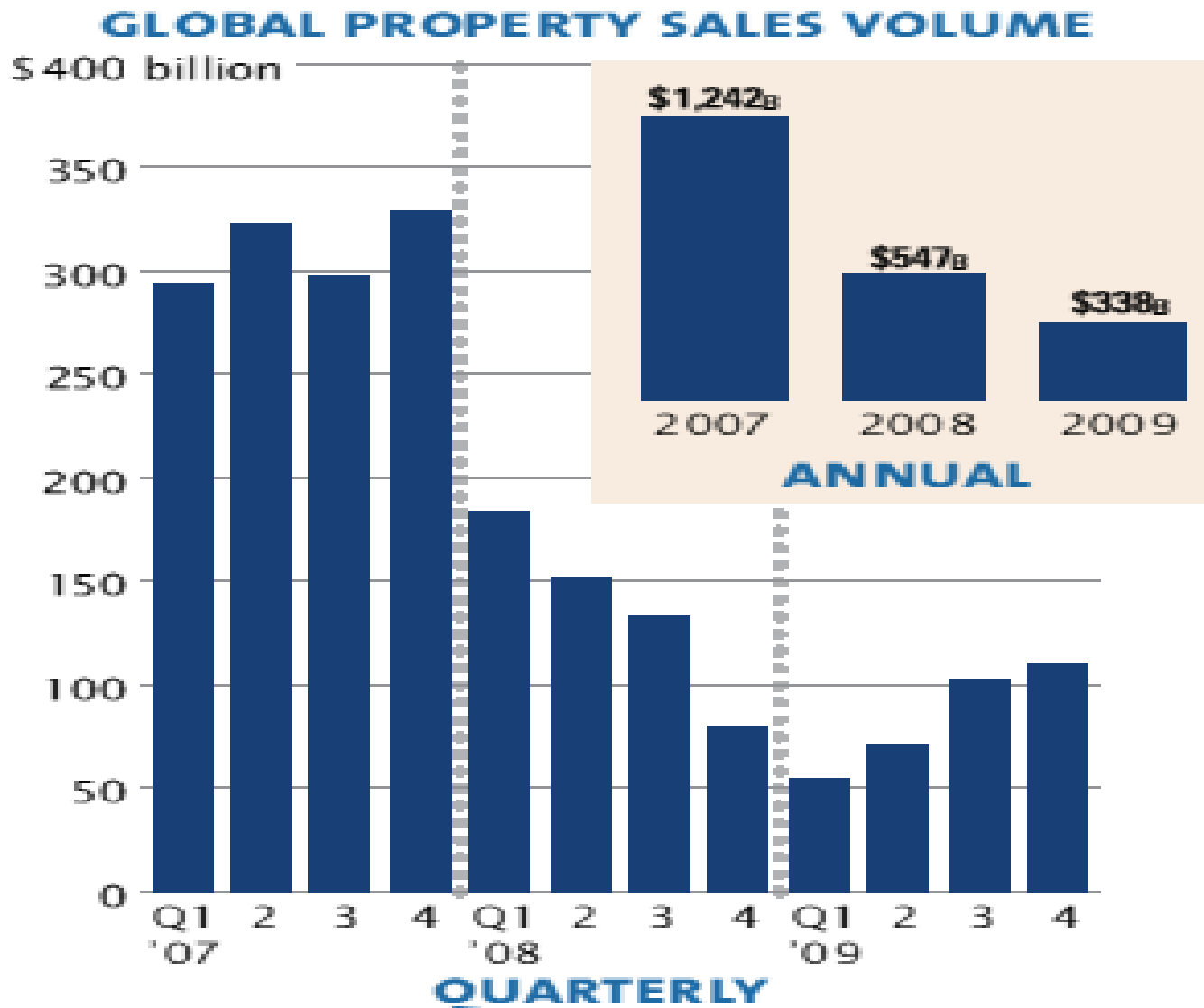


## The Results

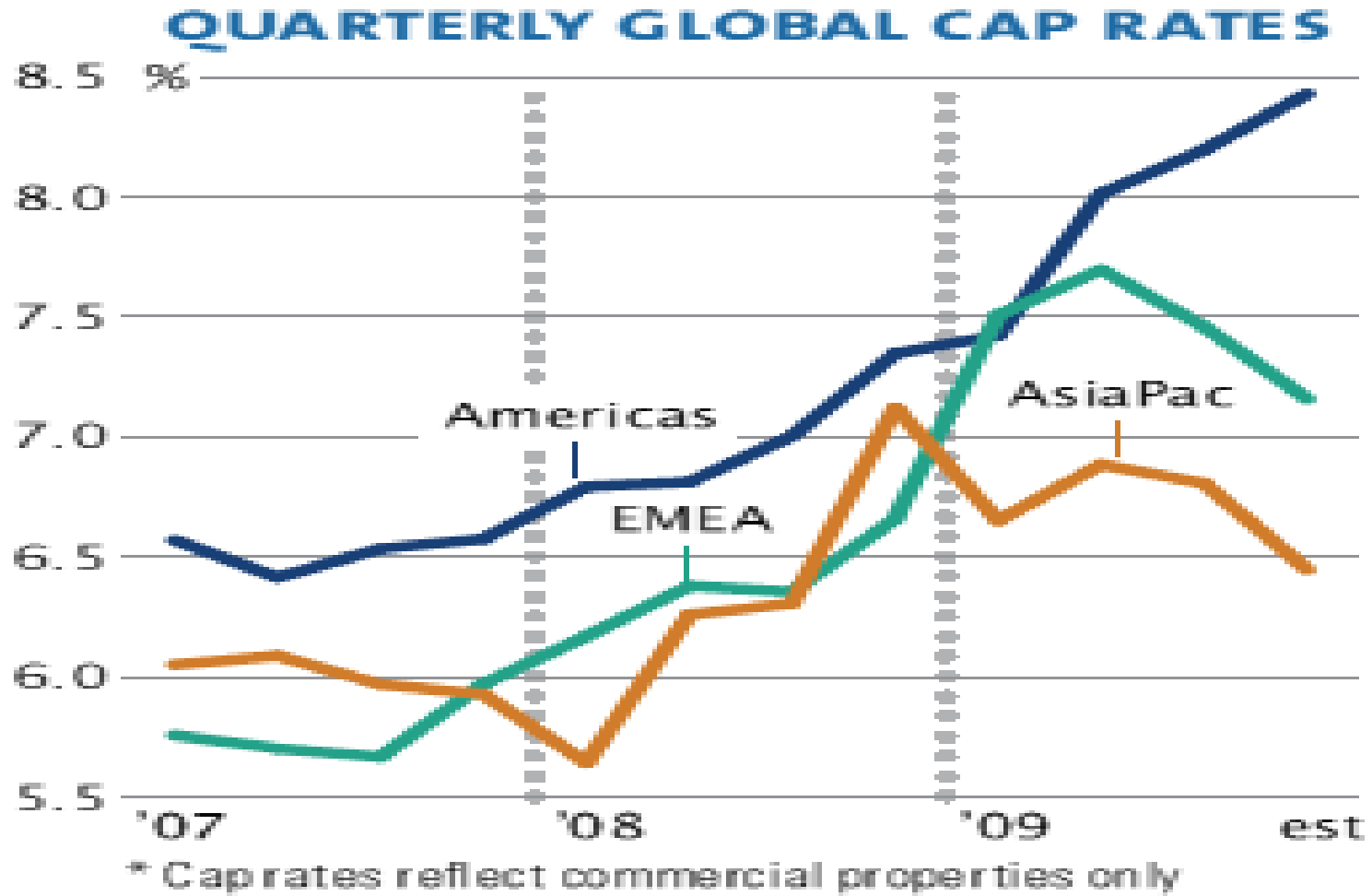
Global Real Estate Trends  
Year-End 2009



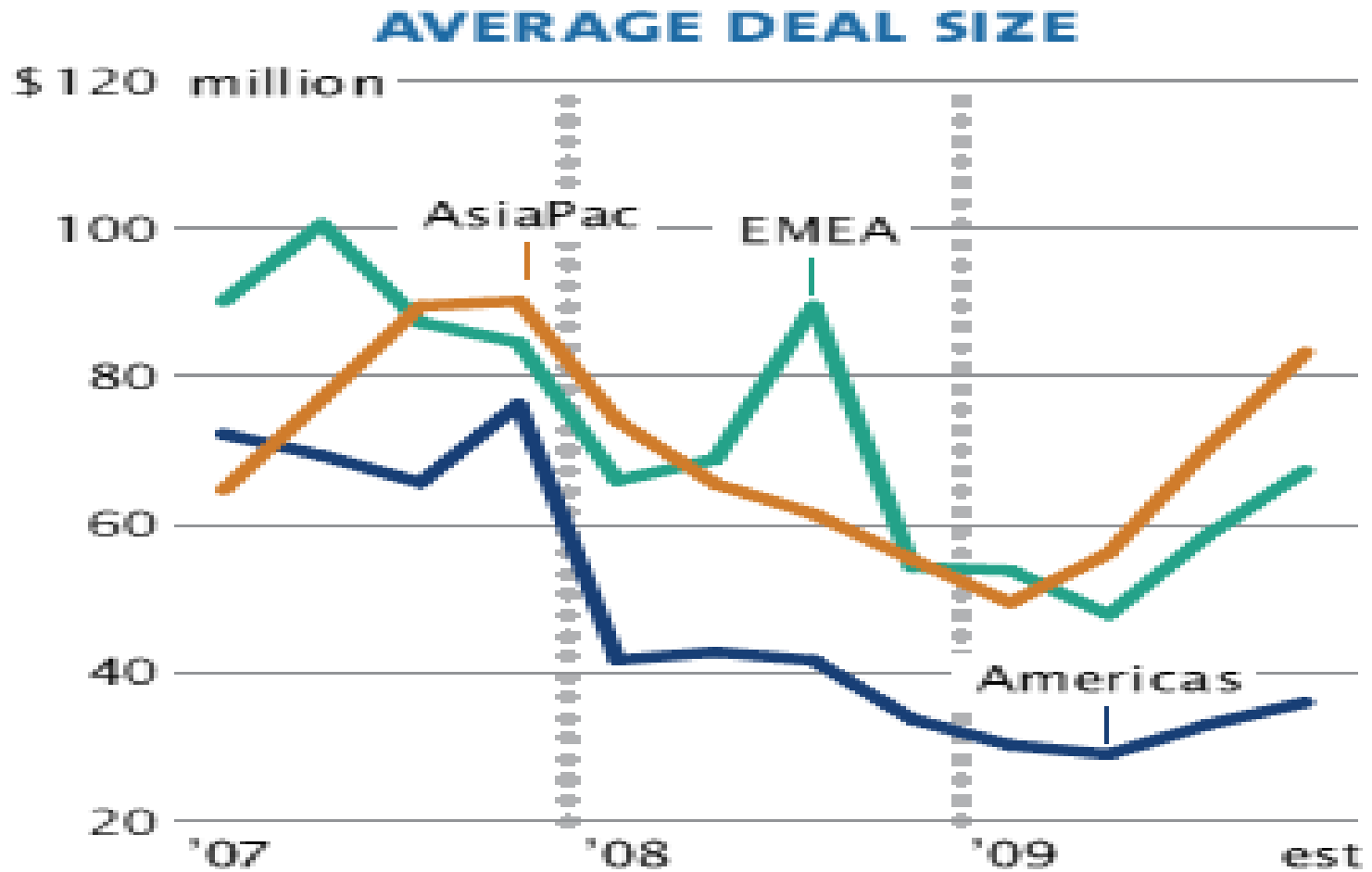
# 2007-9 Drop in Global Sales Volume



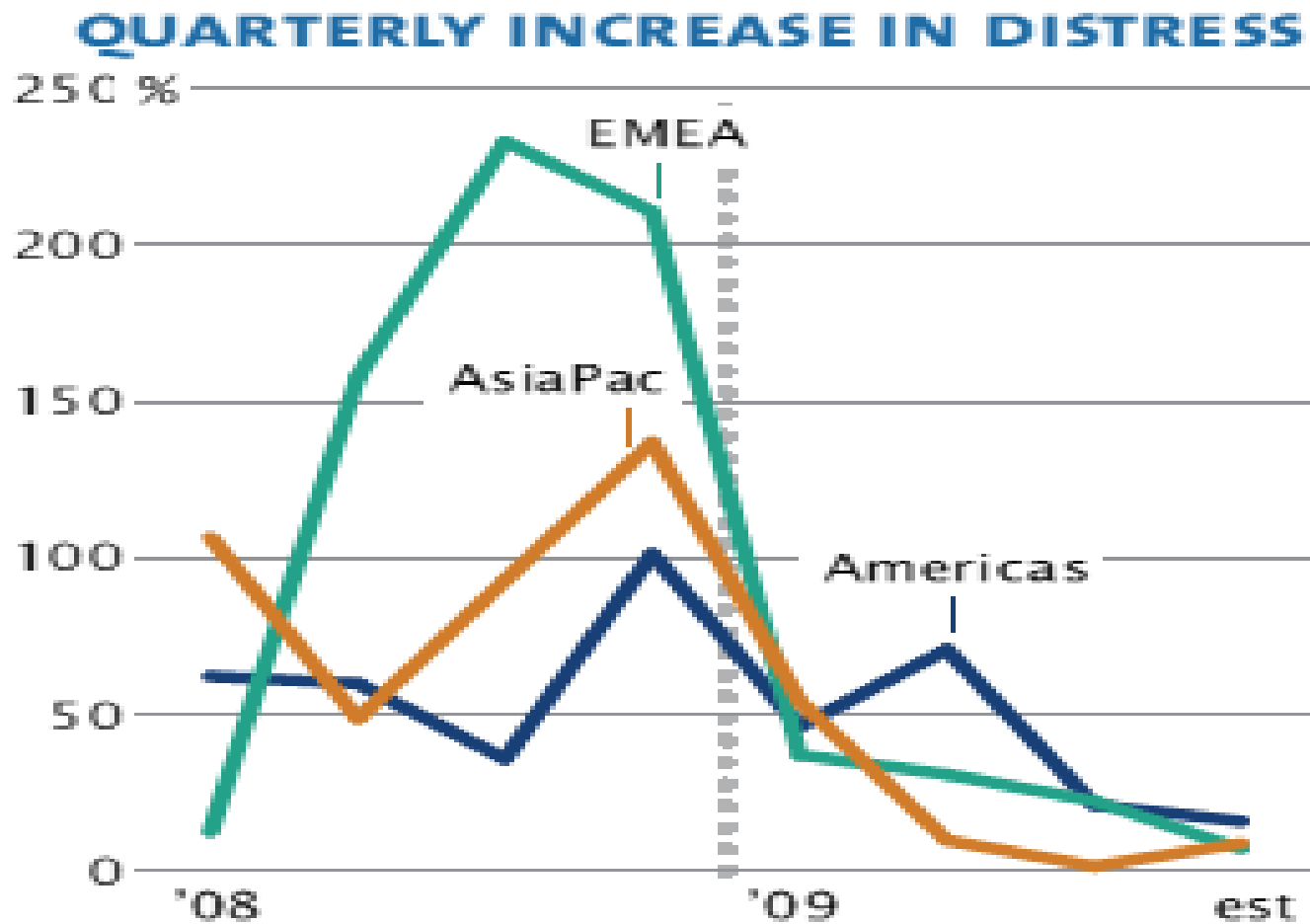
# Global Cap Rates 2007-9



# Average Deal Sizes 2007-9



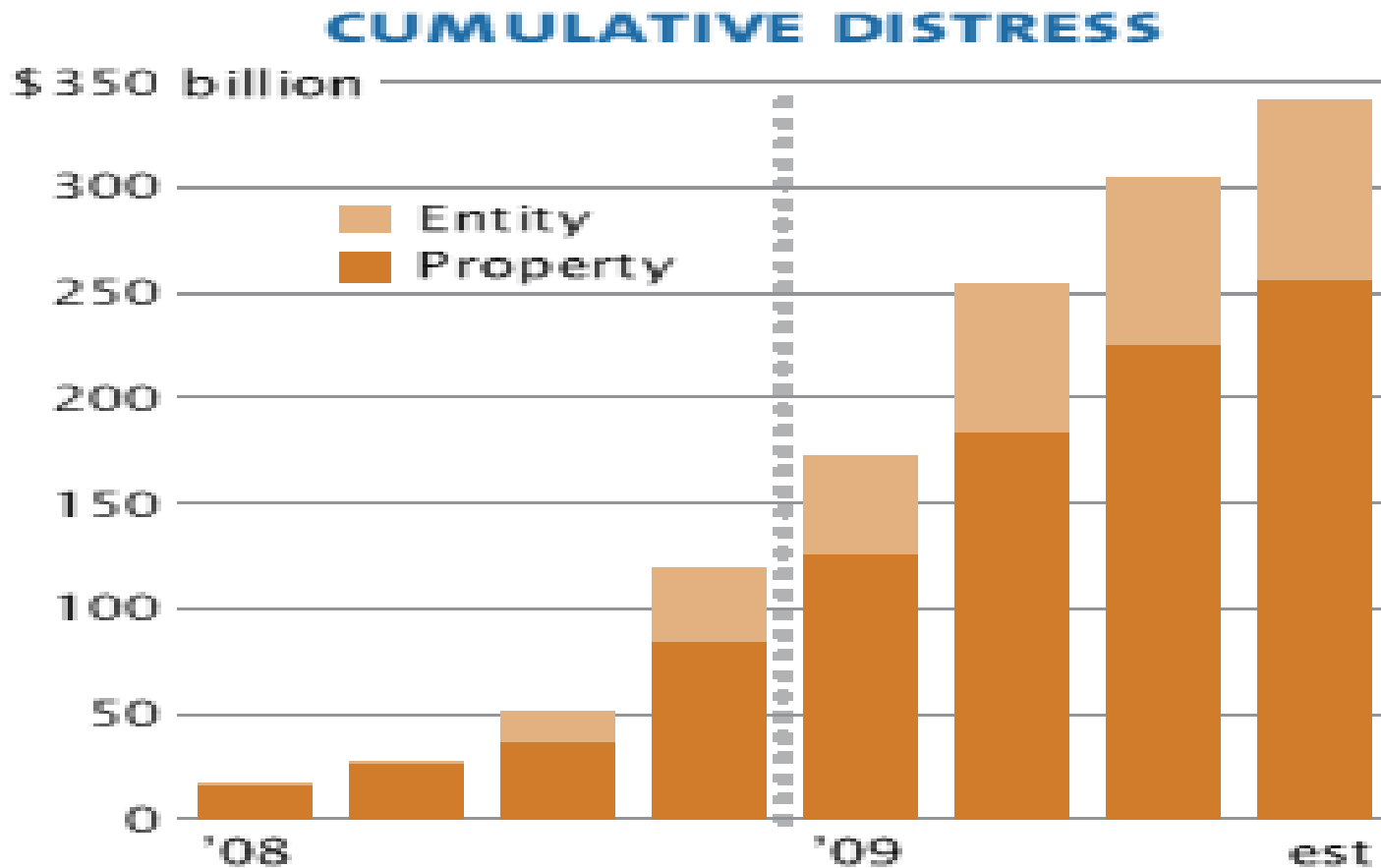
# Quarterly Increase in Distress 2008-9



5



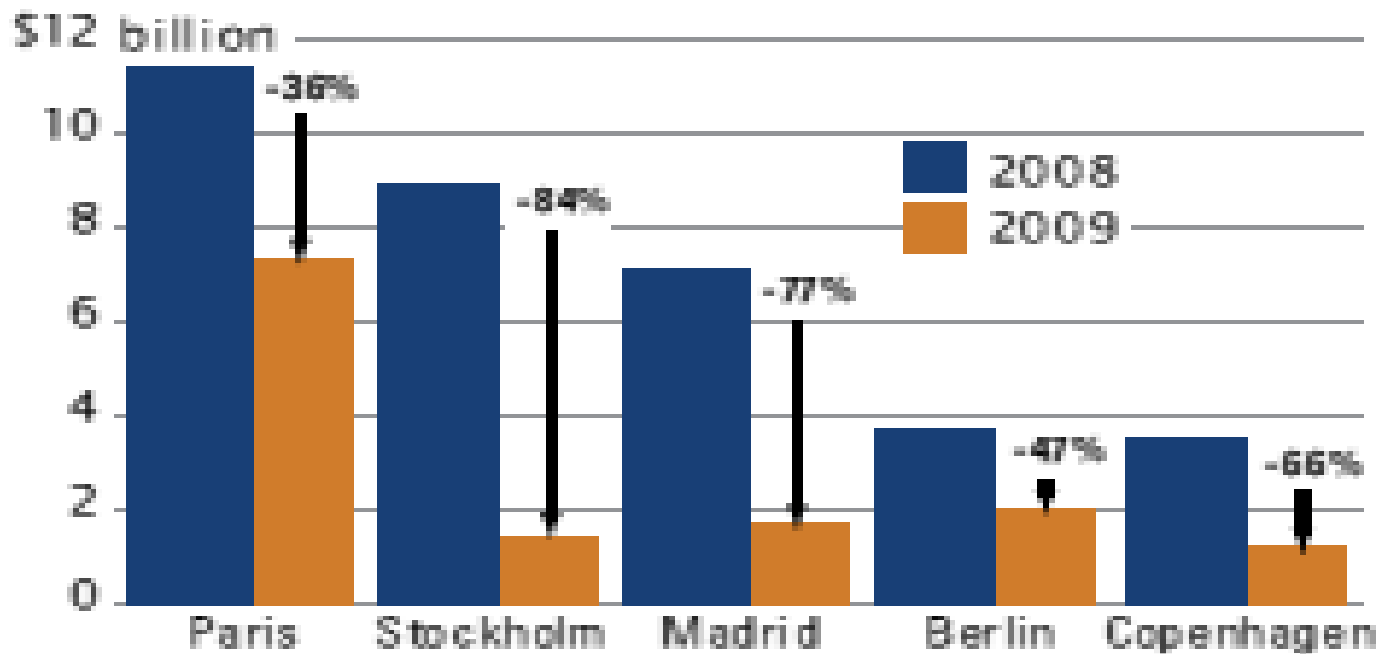
# Cumulative Distress 2008-9



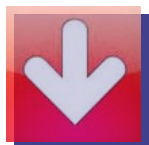


# Europe's Top 5 Metro by Volume 2008-9 (Ex London)

## WESTERN EUROPE TOP METROS BY VOLUME



# Good News and Bad News



## Bad News

- Despite stimulus packages, credit remains elusive



## Good News

- Equity cash reservoirs continue to brim
- Risk recognition has replaced 2007's "risk-amnesia"





## Lessons Learned?

- Do not benchmark against **yesterday's** risk profiles, revenue expectations, cap rates or values
- It is a new day – measure only against **today's** realistic projections of the **future**
- **Vacancy** is not all bad. In a rising market it can be an investor's best hope for rising revenues





# Thanks

*Thanks for Listening*

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