EUROPEAN REAL ESTATE INFORMATION SYSTEM

NEWSLETTER

WWW.P1-INFO.COM

ISSN 1867-8467 / price: 9,90 € p. issue

The EREIS - Newsletter

The EREIS - Newsletter is part of the online portal EUROPEAN REAL ESTATE INFORMATION SYSTEM (www.p1-info.com). It is regularily issued in a two weeks term by the P1 PUBLISHING HOUSE. The following headings are subject to the newsletter:

- Editorial (actual overview of the real estate market)
- Real Estate News & Deals
- Company profile & analysis

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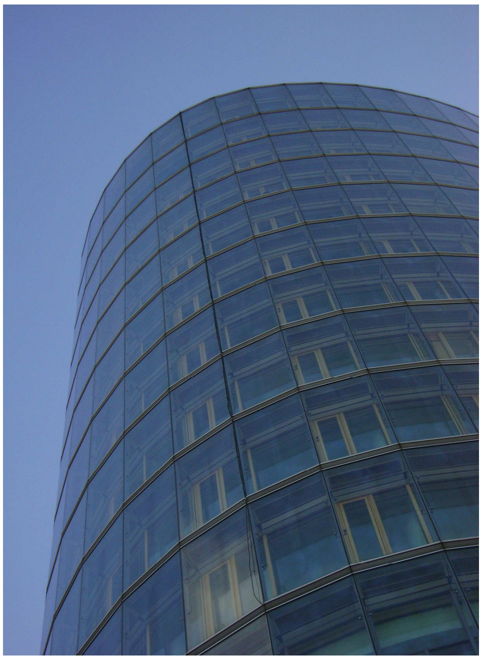
Editorial

The actual problems of the German Arcandor Group, the holding company of Karstadt, Primondo, Thomas Cook and others, seems to be an example what kind of repercussions the financial crisis can have on the real estate market. Arcandor had been a rather weak construction since its founding in 2004 when the former KarstadtQuelle holding was transformed in a new company. Extreme Financial mismanagement met the actual crunch with the result of a new insolvency and an impending fragmentation of the holding.
One scenario might be that due to this bankruptcy a lot of property objects of the former retail branch of the holding will be available under favourable conditions. If Arcandor would be a single case the impact on the real estate market might not be to big, but it is not unrealistic that the crisis will take its toll and other big players have to resign with the effect of a sensible price decline on the market due to many available objects.
The other scenario might be an investment in parts of the Group. In this case companies with various interest will try to get still financially healthy parts of the holding. But the imminent interest of the governement with its requirements in case of subsidaries will prevent real opportunity profit and as a result the whole Arcandor company with its negative balance and structure inhibits an economic necessary downgrade. (editor in chief: Dr. Roger Schöntag)



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Real Estate News

15.06.2009 Canada/Netherlands: Homburg Invest announces new strategic direction
Richard Homburg, Chairman and Chief Executive Officer of Homburg Invest Inc. today announced on behalf of the Company, a new strategic direction to focus the Company's activities exclusively on income producing properties. Homburg Invest has appointed a special committee to consider a plan to spin off the Company's development and other non-income producing properties to its shareholders. As part of the new strategic direction, the special committee will also consider a plan to reorganize Homburg's equity structure by creating a single class of common shares, each with a single vote and equal dividend rights. The terms of the share reorganization proposal, including the share exchange ratio, which will be subject to shareholder approval, will be announced in the coming months. Homburg also announced that no dividend will be payable in 2009. In future years, as previously announced, the Company will declare an annual dividend based on the Company's performance and market conditions. Dividends will be declared in June and paid in July. Planned initiatives: Under its new strategy, Homburg Invest will hold income-producing properties. The Company will be a growing real estate investment company with strong cash flows that will, subject of course to market conditions, pay healthy annual dividends to its shareholders. Homburg Invest will target a 50% to 60% ratio of debt to total equity. To achieve this, as previously announced, the Company will make greater use of strategic alliances and partnerships. The Company will continue to be listed on both the Toronto Stock Exchange (TSX) and on NYSE. (source: *Homburg*)

12.06.2009 USA: CB Richard Ellis Group, Inc. Announces $100 Million Common Stock Sale to Paulson & Co. Inc. and Launches At-The-Market Public Stock Offering of up to $50 Million
CB Richard Ellis Group, Inc. (NYSE:CBG) today announced it has reached an agreement to sell in a direct placement 13,440,860 shares of its Class A common stock for gross proceeds of approximately $100.0 million, to Paulson & Co. Inc. on behalf of several of its investment funds and accounts it manages. In addition, the Company intends to sell shares of its Class A common stock, having an aggregate offering price of up to $50.0 million, from time to time, pursuant to an at-the-market offering program through J.P. Morgan Securities Inc. as sales agent and/or principal (source: *CBRE*).

10.06.2009 UK: Hammerson today appointed Christophe Clamageran to its Board as an Executive Director. Christophe is currently Managing Director for France, having joined Hammerson in March 2008 as Development Director. He was previously Deputy CEO of BNP Paribas Real Estate, running office and residential development, and was head of the asset management division. Prior to this, he was CEO of Meunier Immobilier d'Enterprise. There are no matters in connection with this appointment to be disclosed under section 9.6.13 of the Listing Rules of the UK Listing Authority. John Nelson, Chairman, said: "I am delighted to welcome Christophe Clamageran to our Board. Christophe has now been with Hammerson for over a year, and brings a wealth of talent and experience of the French markets."(source: *Hammerson*)

09.06.2009 Germany: SoFFin now holds a 90 per cent stake in Hypo Real Esate; will initiate sqeeze-out of minority shareholders The German Financial Markets Stabilisation Fund („SoFFin") has been holding a 90 percent stake in the share capital of Hypo Real Estate AG since Monday. This follows SOFFin`s subscrition of approximately 986.5 millions shares from a capital increase resolved by the Company`s Extraordinary Generel Meeting on 2 June 2009. The Munich local court (Amtsgericht München), being the court having jurisdiction over Hypo Real Estate`s Commercial Register, has now registered the capital increase.: as a result, the Company`s issued share capital amounts to EUR 3,652,885,800, comprising 1,217,628,600 no-par value shares (Stückaktien). Hypo Real Estate raised funds amounting to approximately EUR 2.96 billion via this capital increase (source: *HRE*).

08.06.2009 Italy/Spain: Corio Italia wins IPD EuroProperty Award
Following last year, Corio Italia S.r.l. was given an award for the investment performance against their peers at the IPD EuroProperty Investment Awards on June 4th. Corio Italia received the award for having the highest total return relative to the appropriate sector benchmark three years annualised to December 2008 for the specialist fund category in Country. This award "intends to reward quantifiable investment performance by pension and life funds, pooled funds and property investment companies". It aims to promote transparency in European property markets. IPD uses data held in its databanks across a number of European countries to determine the award winners. The participating countries were Austria, France, Germany, Italy, Ireland, the Netherlands, Norway, Portugal, Spain, Switzerland and the United Kingdom. The award was presented over dinner following the IPD European Investment Conference in Barcelona. (source: *Corio*)

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05.06.2009 Czech Republic: Orco is pleased to announce a successful delivery of Palace Archa
Orco Property Group, a leading investor, developer and asset manager in the Central European real estate and hospitality market, is pleased to announce that the company has successfully delivered the second phase of its project in the centre of Prague – Palace Archa on time. The company owns the whole property which consists of five buildings and a courtyard, including two historical buildings designed by renowned architects Josef Gočár and František Marek in 1930's. The project totals approximately 22 500 sqm of leasable office space and 1,300 sqm of retail premises in the passage connecting the Na Poříčí and Na Florenci Streets. Project including also 120 underground parking Places. The total investment was approximately 57 mio EUR. (source: *Orcogroup*)

04.06.09 Germany: Deutsche Bank has issued inaugural Pfandbrief
Deutsche Bank (XETRA: DBKGn.DE / NYSE: DB) has further expanded its refinancing base by issuing an inaugural Pfandbrief (covered bond). The bank said today that the bond was placed at a spread of 55 basis points over the mid swap rate. The Pfandbrief has an issue volume of EUR 1 billion and a maturity of 7 years. The coupon is 3.75%. The Pfandbrief has been rated Aaa by Moody´s and AAA by Standard & Poor´s. The issue was oversubscribed more than 5 times, with over 170 orders in the book; final placement was 64% in Germany with the remainder placed with other European investors. 49% was placed with asset managers, pension funds and Central Banks. "The large demand is indicative of the high level of investor trust in Deutsche Bank", Rainer Rauleder, Deputy Group Treasurer, commented. "The Pfandbrief further expands our stable and cost-effective refinancing structure and we look forward to future issuance in this market", he added. In April 2009 Deutsche Bank obtained a licence to issue Mortgage Pfandbriefe from the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin). The cover pool (EUR 1.57bn) is composed of assets from Deutsche Bank's mortgage loan book. (source: *Deutsche Bank*)

03.06.2009 UK: King Sturge Real Estate Economy Index: Real estate climate back on the upswing
In May, the survey-based Real Estate Climate of the monthly King Sturge Real Estate Economy Index rose to its current level of 55.6 points, having experienced a momentary setback the previous month. This equals an 8.2% improvement from the April figure of 51.4 points. The improved mood in the real estate industry is reflected in all of the indicator values, which rose in sync for the first time this year.(source: *King Sturge*)

02.06.2009 Luxembourg: Office market set for a tough run
Luxembourg plays host to over 152 predominately foreign banks, the largest fund industry and second biggest money market in Europe. The growth of office demand in recent years helped propel Luxembourg's office market to record heights. With a marked slowdown in demand, Luxembourg is set for a tough run in 2009 and 2010 according to a report by Savills. Luxembourg plays host to over 152 predominately foreign banks, the largest fund industry and second biggest money market in Europe. The growth of office demand in recent years helped propel Luxembourg's office market to record heights. With a marked slowdown in demand, Luxembourg is set for a tough run in 2009 and 2010 according to a report by Savills. The international real estate advisor cites Luxembourg's low vacancy rate of 2.05% as attributable to its growth in the financial sector and limited supply. However, the decline in expansion from this business area and 170,000 sq m (1,829,924 sq ft) new supply set to hit the market this year, of which 70% remains speculative, Savills predicts the vacancy rate could increase to as much as 4-5%. This figure is still low by European comparison according to the advisor. The report states that during Q1 2009, take up reached 14,200 sq m (152,852 sq ft) representing a decrease of 71% compared to Q1 08 and 60% compared to Q1 five year average. Lettings, which averaged 510 sq m (5,489 sq ft), took place in the corporate sector only with no public sector tenants taking space. Despite top quartile rents* dropping 12.5% compared to Q1 08 at €326/sq m, Savills notes that too little supply and too much demand over the past three years had created an imbalance and so overall rents accelerated a faster rate than most other European cities. (source: *Savills*)

01.06.2009 Germany: IVG brings new EuroSelect Funds with KPMG headquarter in Amsterdam to the market
IVG Immobilien AG has now launched its new closed-end real estate fund "EuroSelect 17 Office Center Amstelveen". After the successful placement of the Luxembourg Funds now a top-notch office building ensemble south of Amsterdam which is almost completed comes next. The Dutch subsidiary of the auditors KPMG has leased the property long-term as corporate headquarters. The annual payout is expected to be 5.15 per cent after taxes. This is the second time that IVG Funds is investing in the Netherlands. In 2005 an office property in Amersfoort was offered for investment and so far has not only met expectations but succeeded in providing investors with a special payout of one percent for the second half of 2008. (source: *IVG*)

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Real Estate Deals

15.06.2009 Sweden: Pandox acquires Vildmarkshotellet
Pandox acquires hotel property Vildmarkshotellet in Kolmården of Parks & Resorts Scandinavia AB and signs a turnover-based lease agreement with the seller who will continue to operate the hotel. The purchase price amounts to 160 MSEK and Pandox takes over as new owner from 1 September 2009. The parties will invest approximately 20 MSEK in product development in order to strengthen the hotel as one of Sweden's most creative meeting places. Vildmarkshotellet is one of Sweden's most famous resorts and tourist attractions. The hotel is located outside Norrköping, about 150 km south of Stockholm in Sweden, next to Scandinavia's largest zoo Kolmården. The facility includes 213 rooms of which majorities are family friendly, large conference function with capacity up to 370 people in the largest room, a large restaurant with zoo theme and a lobby bar. A new family spa is recently finished which contains a water park, relaxation areas and treatment rooms. (source: *Pandox*)

11.06.2009 U.K.: LAND SECURITIES SELLS RACECOURSE RETAIL PARK, LIVERPOOL
Land Securities today announces that it has exchanged contracts for the sale of the freehold interest in Racecourse retail park Aintree, Liverpool to London & Stamford Retail Limited for £61m at an 8.5% yield. The property comprises a bulky goods retail park totalling 290,000 sq ft which Land Securities has recently enhanced through obtaining open A1 planning consents on 60,000 sq ft to bring Marks & Spencer, Next and Boots to the park. The property provides a current rental income of approximately £5.4m per annum. Dominic O'Rourke, Head of Retail Warehousing for Land Securities said: "Land Securities is pleased to have disposed of this property in a more challenging investment market. Having improved the planning consent and brought new retailers to the park in 2008 the property now provides stable income but no longer has the same opportunity for value enhancement in the near future." Cushman & Wakefield acted for Land Securities and Savills represented London & Stamford Retail Limited. (source: *Land Securities*)

10.06.2009 U.K.: ACQUISITION OF RACECOURSE RETAIL PARK, AINTREE FOR £60.928M
London & Stamford Property Limited ("London & Stamford Property") (AIM: LSP), today announces that it has exchanged contracts with a subsidiary of Land Securities to acquire Racecourse Retail Park, Aintree for £60.928m. The 291,471 sq ft dominant, part Open A1 retail park is let to thirteen tenants including B&Q, Homebase, Mothercare, Marks and Spencer, Next and Boots with a weighted average unexpired lease term of approximately 13 years. The property generates £5,481,579 per annum and is let at rents ranging between £13.00 and £30.00 per square foot. Savills acted for London & Stamford Property Limited and Cushman and Wakefield acted for Land Securities. Raymond Mould, the Non-executive Chairman of London & Stamford Property, said: "This acquisition marks our first purchase in the retail warehouse sector. The park combines security of income from a good tenant mix, sustainable rents and, after leverage, a very attractive cash on equity return with scope for adding value through planning and asset management initiatives." (source: London & Stamford)

09.06.2009 Hungary: Further tenant for Capital Square office building in Budapest Essen
Ferrero Magyarország secures 1,400 square meters in second construction section - More than 30 percent of total space already let HOCHTIEF Development Hungary concluded a lease contract with Ferrero Magyarország on 1,400 square meters of rental space in the Capital Square. The international confectionery producer will move its Hungarian branch to the office complex in July 2009. This brings to roughly 30 percent the total space let in the Capital Square. The property was sold to CA Immo International at the end of 2006. The project with a total of more than 38,000 square meters of gross floor space for office, retail, services and catering is being built in two construction sections at the crossing of Váci út and Dráva utca streets. The first construction section comprising some 22,100 square meters of rental space was handed over to the tenants in April 2009. (source: Hochtief).

04.06.2009 France/U.K.: Sale of Paris Property
Hammerson plc has completed the sale of its freehold interest in Les Trois Quartiers, a 29,700m2 retail and office building in Paris 1er for a total consideration of €210 million (£181 million). The purchaser is MGPA Europe Fund III. The proceeds will be used by Hammerson to reduce net debt. At 31 December 2008, the property was valued at €275 million (£266 million) and had passing rents of €19.8 million (£19.1 million). John Richards, Chief Executive of Hammerson, said: "We are pleased to announce the disposal of Les Trois Quartiers. This sale, in conjunction with the previous disposal of Forum Steglitz, will strengthen our balance sheet. Following the sale, Hammerson will have available around £700 million of unutilised committed bank facilities." (source: Hammerson)

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Real Estate Company Profile

VastNed Group

VastNed Group consists of two listed property funds, a retail property fund and an office property fund. Both funds realise attractive dividend yields for their shareholders. Currency risks are excluded by investing exclusively in the eurozone.

VastNed Retail was founded in 1986 and invests in retail property in good and top locations in the eurozone. VastNed Retail is a listed property fund primarily invested in retail properties on good and top locations in the eurozone. The portfolio consists approximately 600 properties with an average size of EUR 3.3 mln. VastNed Retail is active in six countries with her own organisation in five countries. Many well known retail chains rent their properties from VastNed Retail. The property portfolio on December 31 2008 represented a value of EUR 2.0 billion. VastNed Retail qualifies as a fiscal investment institution as meant in article 28 of the Netherlands Corporation Tax Act 1969. This means that no corporate income tax is due in the Netherlands. The Belgium and French investments reside in similar fiscal friendly local vehicles, also here no corporate income tax is paid.

Investment mix
A mix of Inner City properties, Shopping centres and retail warehouses, aiming for a ratio of:
-inner city properties between 35% and 60%
-shopping centres between 20% and 50%
-retail warehouses between 10% and 30%

VastNed Offices/Industrial was founded in 1984 and invests mainly in office property in good and top locations in the eurozone. VastNed Offices/Industrial is a listed property fund primarily invested in offices and semi-industrial properties on good and top locations in the eurozone. The portfolio consists approximately 170 properties with an average size of EUR 6.9 mln. VastNed Offices/Industrial is active in three countries with its own organisation. The property portfolio investment properties in operation on December 31 2008 represented a value of EUR 1,1 billion. VastNed Offices/Industrial qualifies as a fiscal investment institution as meant in article 28 of the Netherlands Corporation Tax Act 1969. This means that no corporate income tax is due in the Netherlands. The Belgium investments reside in similar fiscal friendly local vehicles, also here no corporate income tax is paid. The German tax structure is of such a nature that only a limited profit tax is due.

Investment mix
VastNed Offices/Industrial pursues its objective by focusing on the following investment product:
-a mix of office and industrial property (logistics centres and industrial premises). The aim is to keep the proportion of office property between 75% and 100% and that of industrial property between 0% and 20% of the invested capital;
-investing in large-scale liquid office markets. (source: *VastNed*)

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15.06.2009 VASTNED OFFICES/INDUSTRIAL PRIORITISES SUSTAINABILITY POLICY BY PURCHASING GREEN POWER AND INSTALLING SOLAR PANELS
The pan-European property fund VastNed Offices/Industrial has taken a major step towards greener energy use by jointly purchasing green power. In addition, the roofs of its logistics centres will be used to generate electricity by means of solar cell technology. In this way, the board of management of VastNed Offices/ Industrial confirms that the present economic crisis has not reduced the relevance of sustainability. VastNed Offices/Industrial has concluded a contract with the company supplying power to its Belgian property portfolio to start purchasing green power (AlpEnergie) as from June 1, 2009. Due to the multi-tenant character of its office portfolio, the company is ideally placed to play a leading role in the energy consumption of the common spaces and the spaces leased to tenants. The conditions of the new contract are so attractive that annual cost savings will be realised of more than 10% of the present energy costs of the Belgian property portfolio. Based on unchanged use of energy cost savings will benefit VastNed Offices/Industrial's tenants. Similar contracts are expected to be concluded for the Dutch office portfolio in the second half of 2009. (source: *VastNed*)

10.06.2009 VASTNED OFFICES/INDUSTRIAL SIGNS LEASE AGREEMENTS IN ARNHEM AND LEIDEN
Pan European property investor VastNed Offices/Industrial announces it signed two important leases for its properties in Arnhem and Leiden, of which the first one relates to a new letting, which is with a new tenant, and the second one a lease renewal with a current tenant. The Arnhem lease concerns the office building at Mr. E.N. van Kleffenstraat 10, and is a 7½-year lease with Vestas Benelux for the entire floor space of 2,850 sqm and 70 parking spaces at market conditions. Vestas is the world's market leader in wind energy and will use the property as its Benelux headquarters. The lease renewal concerns the office building at Schipholweg 68, Leiden. A ten year lease was signed with audit and consultancy firm Grant Thornton. The lease comprises appr. 1,550 sqm and 28 parking spaces and was concluded at market conditions. (source: *VastNed*)

Imprint
Editorial office: Dipl. Kfm Jürgen Maier & Dr. Roger Schöntag, Munich (Germany)
Publisher & Editor: P1 Verlag GbR, Westenriederstrasse 19, D-80333 München
Subscription: The EREIS - Newsletter is issued twice a month. For subscribing, please contact the editors (info@p1-info.com).
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