



ASIA INVESTMENT MARKETVIEW 1H 2010

CBRE RESEARCH | ASIA

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CB RICHARD ELLIS



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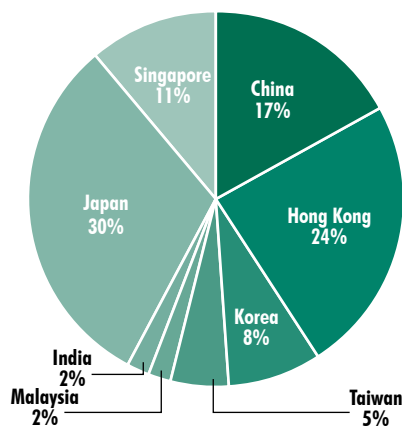
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EXECUTIVE SUMMARY

“MOMENTUM IN THE ASIAN DIRECT REAL ESTATE INVESTMENT MARKET SLOWED IN Q2 2010”

The Asian real estate investment market experienced a shift in market dynamics during the first half of 2010 as the spike in transaction volume witnessed in the first quarter decelerated during the second quarter. Direct real estate investment in the region was up by 136% y-o-y in the first six months to an estimated US\$30 billion. Although activity levels rose significantly in virtually every Asian market as measured on a yearly basis, investment volume fell by 22% quarter-over-quarter as investors turned more cautious, a mood that was partly attributable to the implementation of various measures by governments around the region intended to curb speculative activity. Worries over the fragility of the global economic recovery and the eurozone sovereign debt crisis also negatively impacted investor sentiment in the second quarter.

INVESTMENT TURNOVER BY MARKET (1H 2010)



Source: CBRE Research

TRANSACTION TURNOVER IN ASIA

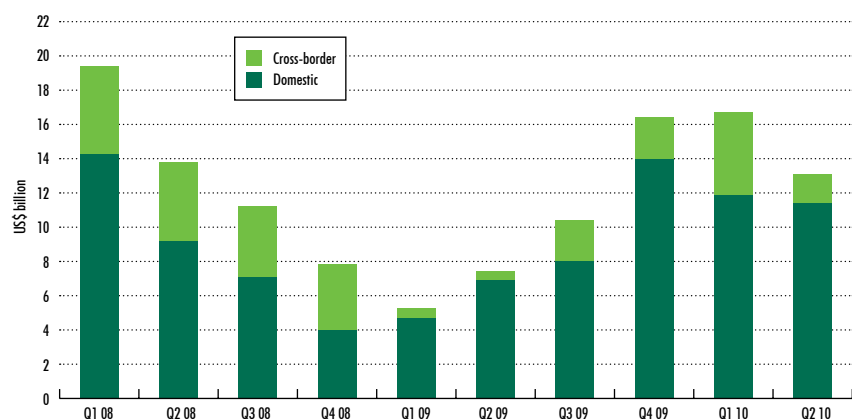
	US\$ Equivalent (billion)	% Change
1H 2010	29.7	10.5% (vs. 2H 2009)
Q1 2010	16.7	1.3% (vs. Q4 2009)
Q2 2010	13.0	-22% (vs. Q1 2010)

In the first half of 2010 the majority of acquisitions were made by domestic investors, which accounted for US\$23 billion or 78% of the total transaction volume. Cross-border activity, 70% of which was recorded in the first quarter, was primarily underpinned by intra-regional investors which accounted for 18% of the total volume, with the amount of non-Asian capital accounting for just 3% of the total investment. The most active buyers in the first six months were private and institutional investors, accounting for 24% and 22% respectively with a combined volume of US\$13.6 billion. Investment activity by Asian REITs also took flight with total investment volume reaching US\$5.1 billion in the first half of 2010, a surge of 331% y-o-y over the same period a year ago.

Japan was the most active market in terms of volume, accounting for 30% of total investment in the region. The US\$8.8 billion worth of transactions completed in the country during the first six months of the year, a rise of 62% y-o-y, was only slightly below the all-time high recorded in the first half of 2007. There was a steady flow of medium sized transactions involving the acquisition of assets in Tokyo as the period witnessed growing interest from foreign investors looking to return to the market and expand their Japanese portfolios. Seven of the ten largest transactions in Asia during the first half were completed in Japan with Mori Trust Sogo REIT's acquisition of a 50% stake in the Tokyo Shiodome Building Minato-ku for JPY 110 billion (US\$1.4 billion) denoting the largest office transaction concluded in the region during the review period.

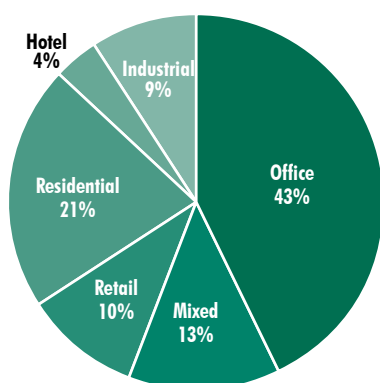
Hong Kong, South Korea and Taiwan all posted a strong q-o-q increase in transaction volume in the second quarter, rising by 33%, 81% and 82% respectively, as high net worth individuals and domestic buyers continued to display a strong appetite for prime investment

INVESTMENT TURNOVER BY BUYER ORIGIN



Source: CBRE Research

INVESTMENT TURNOVER BY SECTOR (1H 2010)



Source: CBRE Research

property. Hong Kong recorded US\$3 billion and US\$4 billion of real estate investment transactions in the first and second quarter respectively, resulting in an aggregate total for first half year of approximately US\$7 billion, 24% of the total investment volume in the region. Korea witnessed a tepid start to the year but enjoyed a more active second quarter as a number of major deals for office assets were completed in Seoul. Total investment in South Korea concluded during the second quarter reached US\$1.5 billion, up 81% from the preceding quarter. In Taiwan, end-users and local insurance companies completed a significant number of acquisitions within the same time frame, with investment sales totalling US\$951 million in the second quarter, up 82% from the US\$532 million recorded in the first quarter.

Activity in the Singapore real estate investment market continued to grow steadily throughout the first six months of the year. Investment sales excluding site transactions totalled US\$3.3 billion, surpassing 2009's total of \$3.2 billion by 2.9%. Nevertheless, total investment sales excluding site transactions for the second quarter were slightly below the level witnessed in the first quarter.

In contrast to other major investment destinations in Asia, China registered a sizeable decline in transaction volume during the second quarter, investment fell 87% q-o-q to an estimated US\$570 million (excluding site transactions) as a series of cooling measures implemented by the government to expand housing supply and squeeze speculation out of the market came into effect. However, the US\$ 5 billion worth of transactions completed in China during the first half of 2010 was still 115% higher than the amount recorded in the corresponding period of 2009. The relatively small flow of deals which were completed during the period were largely accounted for by domestic investors.

ESTIMATED INITIAL YIELDS

City	Prime Office	Luxury Residential	Retail	Industrial
Greater China				
Beijing*	7.5–8.5%	3.0–5.0%	8.0–9.5%	8.5–10.0%
Shanghai*	4.5–5.5%	4.5–5.0%	4.5–5.5%	6.0–7.0%
Guangzhou*	5.7–7.3%	2.4–3.7%	6.0–8.0%	na
Hong Kong ^	3.2%	2.8%	3.7%	5.1%
Taipei	3.2–3.8%*	na	3.5–4.0% ^	3.2–4.0*
Tokyo ^	3.5–4.0%	5.5–6.5%	3.8–4.3%	5.5–6.0%
Seoul	5.7–7.0%*	2.1–2.3% ^	6.0–7.0%*	9.0–10.0%*
India*				
New Delhi	6.5–7.5%	2.0–3.0%	8.5–9.5%	10.0–12.0%
Mumbai	10.0–12.0%	3.5–5.0%	12.0–14.0%	na
Singapore ^	3.4%	2.2%	5.8%	5.6%
Kuala Lumpur	6.5–7.0% ^	5.7–6.9%*	7.0–7.5% ^	na
Bangkok ^	4.5–5.5%	4.0–4.5%	6.5–7.5%	9.0–10.5%
Manila*	6.5–9.5%	7.0–10.0%	na	na

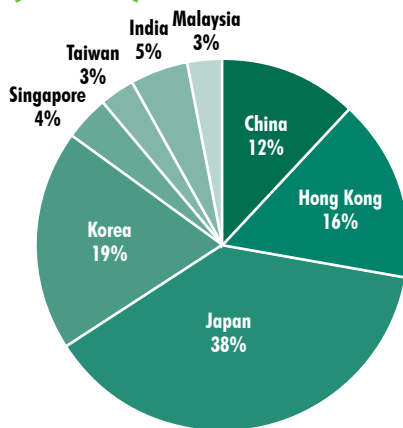
Reported initial yields for different cities are based on individual city's market practice and may be gross or net yields.

The reported estimated initial yields for Shanghai refers to estimated achievable yield, which replaced the previously reported buyer's expected entry yield.

* Gross yields - defined as the ratio of gross income (i.e. income before non-recoverable costs are allowed for) over purchase price.

^ Net yields - defined as the ratio of net income (i.e. income after allowing for non-recoverable costs of ownership) over purchase price.

OFFICE INVESTMENT IN ASIA (1H 2010)



Source: CBRE Research

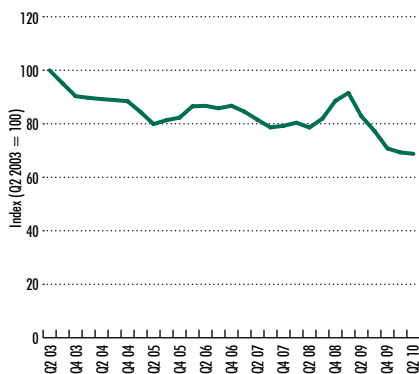
OFFICE

The office sector attracted US\$12.6 billion of investment in the first half, 43% of the total flow of capital in US dollar terms. It also accounted for eight of the ten largest transactions recorded during the period. Deals involving office properties were most prevalent in Japan, Korea and Hong Kong and were collectively worth a total of approximately US\$9.2 billion. Investment deals for office properties in China lost some momentum following the strong rebound witnessed in the second half of 2009, but nevertheless posted a big improvement on the US\$374 million recorded in the first half of 2009.

With prices and rents for office properties in Tokyo declining for some 12 consecutive months, investors were keen to take advantage of current market conditions to secure essentially sound assets at attractive prices.

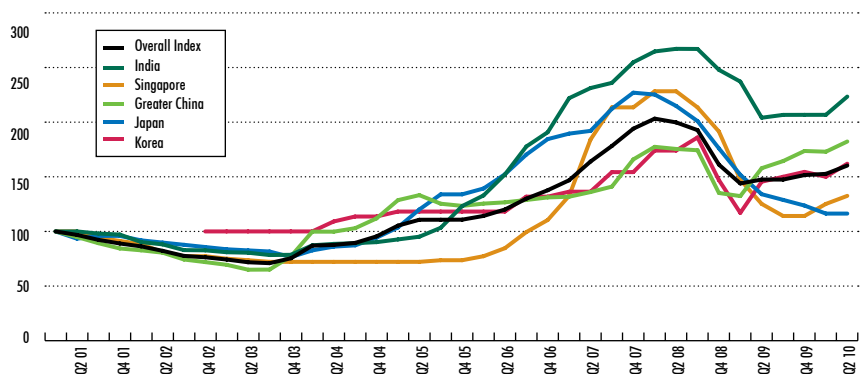
Led by strong growth in Greater China, overall office rents in Asia rose 2.1% in the second quarter, ending seven consecutive quarters of decline. Prime office capital values also rebounded strongly. This confluence of factors collectively stabilised prime office yields in

CBRE ASIA OFFICE YIELD INDEX



Source: CBRE Research

ASIA PRIME OFFICE CAPITAL VALUE INDEX



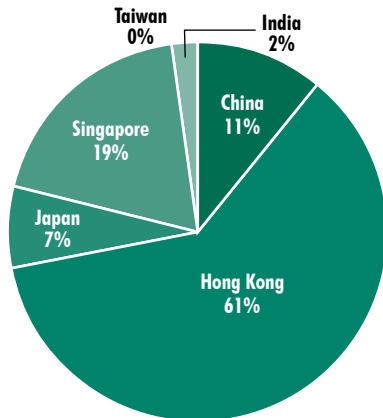
Source: CBRE Research

TOP 10 INVESTMENT DEALS

	MARKET	CITY	PROPERTY	SECTOR
1	China	Various Chinese Cities	100% equity of Orient Overseas Development Limited which owns various development projects	Mixed
2	Japan	Tokyo	50% share in Tokyo Shidome Building	Office
3	South Korea	Seoul	Centre One	Office
4	Japan	Tokyo	LABI 1 Nihon Flagship Store	Retail
5	Japan	Tokyo	95% share in Aoyama Building	Office
6	Japan	Tokyo	27% share in Resona Maruha Building	Office
7	South Korea	Seoul	Samsung Electronics Headquarter Building	Office
8	Japan	Tokyo	84% share in Aoyama Rise Square	Office
9	Japan	Tokyo	11.64% share in the GranTokyo South Tower	Office
10	China	Beijing	100% share in Gateway Plaza	Office

* Top 10 investment deals table excludes land transactions

RESIDENTIAL INVESTMENT IN ASIA (1H 2010)



Source: CBRE Research

Asia which fell by a marginal 10 bps to 4.83%, following some 150 bps of compression since the third quarter of 2008.

RESIDENTIAL

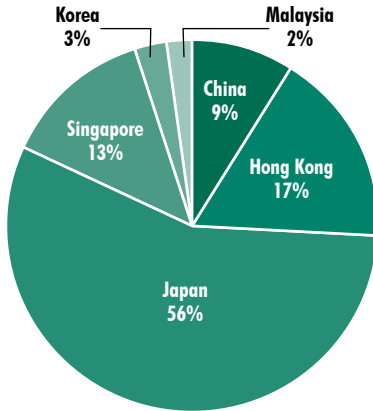
Deals totalling US\$6.3 billion, 21% of the total regional transaction turnover by sector were concluded for luxury homes, apartments and en bloc residential properties during the first half of 2010, 280% higher than the US\$1.6 billion recorded in the first half of 2009. The strong investment activity in the residential sector was most visible in Hong Kong and Singapore, where it accounted for US\$3.8 billion and US\$1.2 billion, or 61% and 19% of total transaction volume respectively in the first half. The largest residential en-bloc transaction completed during the first half was the collective sale of Central Mansion in Hong Kong. The property was sold to a Hong Kong based developer, Richfield Group Holdings, for approximately US\$334 million, and will be redeveloped.

The period saw a heightened level of interest in government land sales both in Hong Kong and Singapore. In Singapore, the sale of 10 residential sites totalled for S\$1.70 billion (US\$1.2 billion) and comprised of 20% of investment. In Hong Kong, the impressive auction result of the former government quarters residential site at 103 Mount Nicholson Road further affirmed the buoyant outlook for the city's luxury residential market amid continued strong demand from high net worth individual investors and buyers. The site on The Peak, a prestigious residential district, was auctioned for HK\$10.4 billion (US\$1.3 billion), equivalent to an accommodation value of HK\$32,014 psf.

China accounted for 11% of residential investment deals in the region. It remained difficult for some overseas institutions to invest in en-bloc assets, although those who had already established substantial onshore investment funds found it more straightforward. The review period saw local Chinese institutional investors more aggressive on pricing and faster to underwrite investment deals in the residential sector.

APPROX. TRANSACTION VALUE (million US\$)	SELLER	BUYER	LOCAL/ FOREIGN BUYER
2,200	Oriental Overseas (International) Limited	CapitaLand China (RE) Holdings Company Limited	Foreign
1,244	Mori Trust	Mori Trust Sogo REIT	Local
851	Merrill Lynch Capital	MAPS Investment Management	Local
802	Mitsukoshi Limited	Simplex REIT	Local
481	Mitsubishi Estate	Aoyama Property	Local
449	Otemachi Development (SPC)	Nippon Oil Corporation	Local
446	Samsung Electronics	Samsung Life Insurance	Local
429	FF Investments	Daibiru	Local
428	Nippon Oil Corporation	Yaesu Investment (SPC)	Local
425	RREEF China Commercial Trust	Mapletree India China Fund Limited	Foreign

RETAIL INVESTMENT IN ASIA (1H 2010)



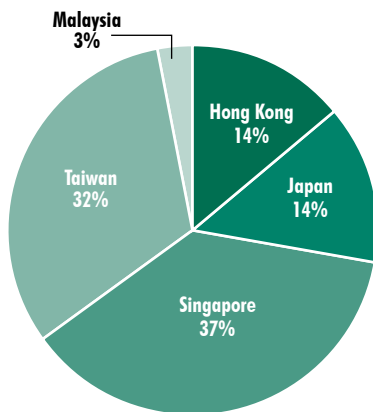
Source: CBRE Research

RETAIL AND HOSPITALITY

Consumer demand and retailer sentiment in most Asian retail markets was solid over the first half of 2010 and was underpinned by optimism over the relatively strong outlook for growth. Transactions involving retail properties in the first half accounted for US\$3 billion which was 10% of the total investment volume for the region and 38% up on the same period in 2009. Japan accounted for the largest proportion of retail investment during the period and also witnessed the largest retail transaction with the sale of the Labi 1 Japan Main Store Ikebukuro (formerly Mitsukoshi Ikebukuro Department Store) by Isetan Mitsukoshi to Simplex REIT for US\$802 million.

A total of 14 hotel properties were sold in Asia in the first half of the year, accounting for a combined value of US\$1.3 billion, a figure significantly greater than the US\$292 million recorded in the first half of 2009. The most noteworthy transaction in the hospitality sector in terms of value was the sale of the Raffles Hotel in Singapore which was reportedly sold to Qatari Diar - the principal real estate entity of the Qatar Investment Authority for US\$275 million.

INDUSTRIAL INVESTMENT IN ASIA (1H 2010)



Source: CBRE Research

INDUSTRIAL

The Asian industrial property sector continued to recover steadily in the first half, albeit at a slower pace compared to other property sectors. Major industrial markets such as Tokyo, Shanghai, Beijing and Hong Kong all began to report increased investment interest and demand from domestic occupiers. Rental rates for industrial facilities showed signs of stabilising in Shanghai, Beijing, Singapore and Hong Kong. Transactions for industrial assets amounted to US\$2.5 billion, a similar figure as that recorded for the whole of 2009. The largest industrial investment transaction during the period took place in Singapore with CWT's sale of CWT Commodity Hub to Cache Logistics Trust for US\$231 million.

OUTLOOK

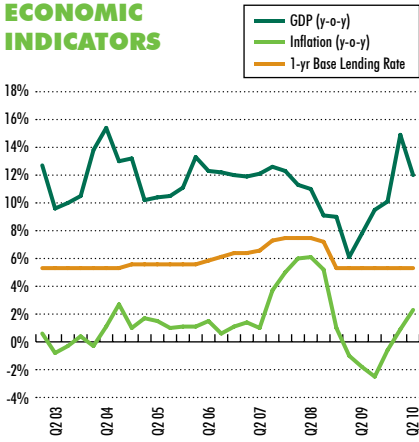
The region is experiencing an uneven recovery and the persisting mismatch between sellers' expectations and buyers' risk tolerance will continue to restrict market activity in the second half of 2010. However, the relatively steady level of activity witnessed in the first half could potentially be matched in the second half and total investment volume in Asia for 2010 could therefore reach around US\$60 billion. That said, the high level of outstanding corporate and government debt remains a cause for concern and continues to be viewed within the region as a potential downside risk. Nevertheless, the steady level of acquisition activity by both institutional investors and REITs, which jointly accounted for over US\$5.6 billion or 43% of total investment volume recorded during the second quarter, demonstrates that the Asian real estate investment market remains generally buoyant, although it is expanding at a slower pace than had been originally forecast.

Note:

1. Asia property investment sales volume is based on preliminary surveys carried out by CBRE Research Asia on major notable property transactions in major Asian cities, excluding land transactions and subject to final revision.
2. CBRE Research Asia has adopted relevant measurements and definitions in calculating real estate investment capital flow figures in Asia (i.e. we only track publicly announced deals above a minimum threshold which are converted to US dollars using exchange rates recorded during each survey period.)
3. Investment volume excludes development site transactions.

GREATER CHINA BEIJING

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	12.0% (Q2 10)	14.9% (Q1 10)
Inflation Rate (y-o-y)	2.3% (Jun 10)	0.9% (Mar 10)
1-year Lending Rate (end of period)	5.31% (Q2 10)	5.31% (Q1 10)

INITIAL YIELDS

Prime Office	7.5 - 8.5%
Luxury Residential	3.0 - 5.0%
Retail	8.0 - 9.5%
Industrial	8.5 - 10.0%

Gross yields - the ratio of gross income (i.e. income before non-recoverable costs are allowed for) over purchase price.

The listless investment market which prevailed in Beijing throughout the first quarter of 2010 persisted into the second quarter as the gap between seller expectations and buyer tolerance for risk discouraged deal flow. At the same time, a series of cooling measures implemented by the government to expand housing supply and cut out speculators from the mass residential market further compelled home buyers and investors to stay on the sidelines. Foreign investors were largely inactive and many real estate funds were still in disposition mode.

Market sentiment took a turn for the worse in mid-April after the State Council issued two notices relating to the residential market. The notices raised the down payment requirement on second home mortgages to at least 50% from 40% and increased the down payment on first homes with an area bigger than 90 sm (969 sf) to 30% from 20%. Commercial banks were instructed to refuse loans to people buying their third houses in areas with rapidly appreciating property prices, and local government authorities were empowered to restrict the number of homes a buyer could own. The period saw noticeably less activity in the Beijing residential sales market with transaction volume registering a 30% y-o-y dip between January and May. However, home prices remained firm despite the fall in transaction volume, indicating that a wait-and-see market had formed.

Domestic investors accounted for the small trickle of deals completed during the month. Hainan Airlines acquired Paradise Gloria Grand Hotel Beijing, a four-star hotel in Shijingshan District, for RMB 550 million (US\$81 million), and subsequently renamed it as the Rhine holiday hotel Beijing. The hotel has a GFA of 452,000 sf and stands on West Chang'an Avenue. Elsewhere, Beijing Naiya Information Technology Co., Ltd paid RMB 195 million (US\$28.8 million) for the Beijing Luneng Technology Building in Shangdi in Haidian District, hub for high-tech and R&D industries. Capital-raising by a number of institutional real estate investors continued during the first half of the year but the anticipated entry of RMB denominated funds and insurance companies into the real estate investment market did not materialise, with the former still in fund raising mode and the latter being held back from doing so by the government.

Earlier this year it had been thought that the second quarter would see a brisk flow of deals as investors swung back into action after the Chinese New Year vacation. However, following the implementation of various measures to cool the market, this situation has not materialised and market players are likely to remain cautious going forward. The second half of the year should see limited deal flow although pricing for prime commercial property should generally remain firm.

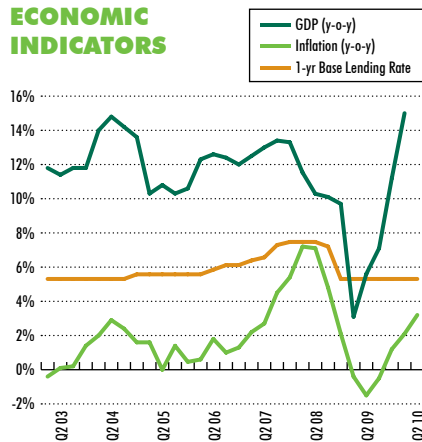
MAJOR TRANSACTIONS

EXCHANGE RATE: US\$ 1 = RMB 6.826 (Q1 2010)* US\$ 1 = RMB 6.781 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			RMB	US\$
Office	Chaoyang	100% share in Gateway Plaza	2,900	425*
Office	Xuanwu	Global Finance & News Centre	1,495	219*
Hotel	Shijingshan	Paradise Gloria Grand Hotel Beijing	550	81

GREATER CHINA SHANGHAI

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	15.0% (Q1 10)	11.2% (Q4 09)
Inflation Rate (y-o-y)	3.2% (Jun 10)	2.1% (Mar 10)
1-year Lending Rate (end of period)	5.31% (Q2 10)	5.31% (Q1 10)

INITIAL YIELDS

Prime Office	4.5 - 5.5%
Luxury Residential	4.5 - 5.0%
Retail	4.5 - 5.5%
Industrial	6.0 - 7.0%

Note:
The reported estimated initial yields for Shanghai refers to estimated achievable yield, which replaced the previously reported buyer's expected entry yield.

Gross yields - the ratio of gross income (i.e. income before non-recoverable costs are allowed for) over purchase price.

Following the State Council's issuing of the 'Notice to Firmly Contain the Excessive Rise of Residential Prices in Some Cities' in April, a move which was widely viewed as being quite severe within the spectrum of recently implemented residential market cooling policies, activity in the Shanghai real estate investment market declined noticeably during the second quarter after a bright start to the year. Seven major investment deals were completed during the April - June period, with transaction volume totaling RMB 7.2 billion. This marked a q-o-q decrease of 61%, but was nevertheless a relatively high figure compared to historical trends. However, the bulk of transaction volume during the quarter was contributed by connected transactions and domestic banks' acquisition of office space for self-occupation, with domestic and Hong Kong-based investors dominating such transactions.

Despite the introduction of stricter real estate policies and regulations, prices for luxury residential homes remained firm, with capital values of luxury apartments and villas increasing by 4.1% and 4.6% q-o-q respectively in the second quarter. Prices for office assets also increased, rising by 2% during the same period. Investment yields consequently remained fairly tight, although they did not compress further during the quarter. High capital values, low yields, and policy uncertainties encouraged some investors to stay on the sidelines, although prime development sites and properties in core locations such as the Bund, Xintiandi and Lujiazui were in strong demand.

Major deals completed during the month included SOHO China entering into an agreement to acquire a 90% stake in T&T International, which indirectly holds a 61.5% equity interest in the project company holding Bund Plot 204 on the riverfront area of Huangpu District. According to the agreement, SOHO China will pay a total consideration of approximately RMB 2.3 billion (US\$332 million) for the acquisition. Bund Plot 204 has been designated for office, retail and financial use and has a total planned GFA of 2 million sf. In June, Franshion Properties announced that it had entered into an agreement to acquire a 50% stake of Shanghai Yin Hui Property Development Company Limited for a total consideration of RMB 928.8 million (US\$137 million). Shanghai Yin Hui holds Plot No. 26E in the North Bund area of Hongkou District and is designated for office and retail use with a planned GFA of 196,570 sm (2.1 million sf). The same month saw Fosun International and Shanghai Forte Land jointly announce an equity transfer agreement. According to the terms of the deal, Fosun would acquire from Forte 30% equity and shareholder loan of a joint venture - Shanghai Haizhimen Property Investment Management Co. Ltd - set up in April by Forte, Zendai Property, Greentown and Panshi Investment. The total consideration of the deal was RMB 1.6 billion (US\$236 million). Shanghai Haizhimen was established to make real estate development and investment in citywide projects recommended by Zendai Property.

With the transaction volume of first-hand commodity properties slowing dramatically, developers' cash flow is expected to tighten in the months ahead. More than two months have passed since the State Council released 'Notice to Firmly Contain the Excessive Rise of Residential Price in Some Cities', and the Shanghai municipal government has yet to put forward its own city-level curbing regulations, which has resulted in a great deal of uncertainty in the market.

MAJOR TRANSACTIONS

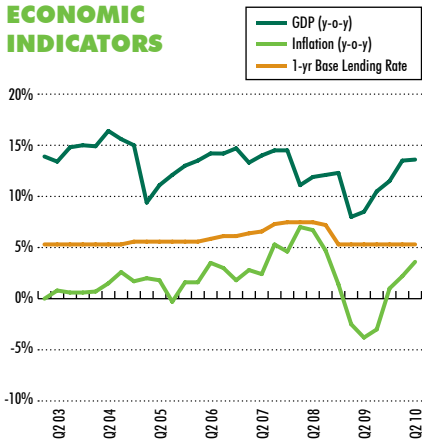
EXCHANGE RATE: US\$ 1 = RMB 6.826 (Q1 2010)* US\$ 1 = RMB 6.781 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			RMB	US\$
Residential	Changning	Shanghai Garden Plaza	2,239	328*
Residential	Changning	Belgravia Place	2,000	295
Office	Lujan	Platinum Tower	1,845	270*

GREATER CHINA

GUANGZHOU

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	13.6% (Q2 10)	13.5% (Q1 10)
Inflation Rate (y-o-y)	3.6% (Jun 10)	2.2% (Mar 10)
1-year Lending Rate (end of period)	5.31% (Q2 10)	5.31% (Q1 10)

INITIAL YIELDS

Prime Office	5.7 - 7.3%
Luxury Residential	2.4 - 3.7%
Retail	6.0 - 8.0%
Industrial	n.a.

Gross yields - the ratio of gross income (i.e. income before non-recoverable costs are allowed for) over purchase price.

The Guangzhou real estate investment market turned more sluggish in the second quarter as both the volume and number of investment transactions fell significantly on the previous quarter. The period witnessed just two investment deals, both of which were site acquisitions by developers. Transaction value for the second quarter totaled RMB 671 million (US\$99 million), just 10% of the amount recorded during the previous quarter. Bare sites and development projects were nevertheless highly sought-after by local developers and investors. Hanny Group, a Hong Kong listed developer, acquired the remaining interest in a mixed-use development for a total consideration of HK\$470 million (US\$60 million). The development covers 85,832 sf of site area at the intersection of Jixiang Road and Zhongshan Wu Road and will comprise a mixed-use retail, office and residential development upon completion.

The period saw Shimao Group and CITIC Real Estate jointly acquire a 40% interest in a Guangzhou Asian Games City project. The two parties will each pay HK\$150 million (approximately US\$19 million) to R&F Properties, Agile Group and Country Garden Group to each secure a 20% interest in the development. Upon the conclusion of the deal each of the five developers will hold a 20% share in the project company, which will commit to the largest ever development project in Guangzhou. Guangzhou Asian Games City is comprised of 9.3 million sf of completed but unsold space and 14 undeveloped land plots with a designated GFA of 35 million sf, the majority of which is designated for residential development. R&F, Agile Group and Country Garden won the bid for the development rights of the entire scheme as one package in 2009 for a total consideration of RMB 25.5 billion (US\$3.8 billion), in a deal which is supposed to be paid for in phases.

In addition to the secondary land market, domestic developers continued to retain a strong appetite for development sites in the primary land sales market. In June, state-owned developer China Railway Real Estate Co Ltd snapped up two residential sites in the Fangcun area of Liwan District through public auction for a total consideration of RMB 1.3 billion (US\$191 million). The two sites cover a total land area of 700,000 sf with a designated GFA of about 1.9 million sf. In May, two Foshan-based enterprises jointly secured a land plot in Guangdong Baiyun New Town for RMB 525 million (US\$77 million). The site is designated for commercial development with a total GFA not exceeding 916,000 sf. Several office development sites two in Luogang and one in Pazhou, were also taken up in the quarter.

Although the second quarter saw no significant property investment deals in Guangzhou, quality office premises and prime retail facilities continued to be sought-after by domestic and foreign investors. However, with the increasing tightening of land resources in the downtown parts of the city, developers have shown a tendency to retain ownership of prime office and retail properties which can bring them long-term stable rental income and earn potential premiums on land appreciation. Investors may therefore encounter difficulties in locating potential investment opportunities over the remainder of 2010.

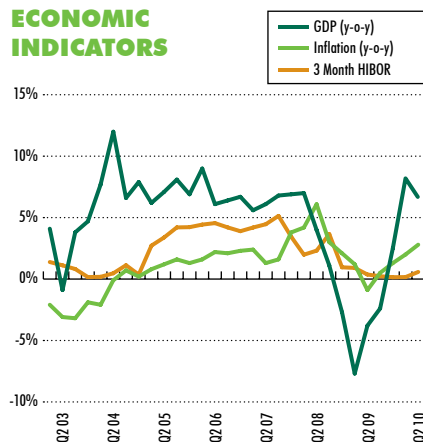
MAJOR TRANSACTIONS

EXCHANGE RATE: US\$ 1 = RMB 6.826 (Q1 2010)* US\$ 1 = RMB 6.781 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			RMB	US\$
Others (Site)	Yuexiu	Jixiang Road Project	409	60
Residential	Panyu	Asian Games City (Project)	261	39

GREATER CHINA HONG KONG

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	6.5% (Q2 10)	8.0% (Q1 10)
Inflation Rate (y-o-y)	2.8% (Jun 10)	2.0% (Mar 10)
3 Month HIBOR (end of period)	0.57% (Q2 10)	0.15% (Q1 10)

INITIAL YIELDS

Prime Office	3.2%
Luxury Residential	2.8%
Retail	3.7%
Industrial	5.1%

Net yields - defined as the ratio of net income (i.e. income after allowing for non-recoverable costs of ownership) over purchase price.

April saw the Hong Kong government introduce a series of measures to boost land supply and increase transparency in the primary residential sales market. On the land supply front, two residential sites were made available for public auction, marking the first time in eight years that the government had sold land sites on the application list without the sale being triggered by developers. A site at Ho Man Tin fetched HK\$10.9 billion (US\$1.4 billion), a figure that way well above market expectations, and which also alleviated concerns over whether the government's new policy to increase land supply would reverse recent price gains. Sentiment in the real estate investment market subsequently turned more positive as the first half closed, as investors shrugged off concerns over external factors including the eurozone debt crisis and volatile global stock markets.

Towards the end of the review period there was a noticeable jump in interest from international institutional investors. One of the largest transactions recorded during the second quarter was the acquisition of the Manulife Tower office building in North Point for HK\$2.25 billion (US\$289 million), equivalent to HK\$5,859 psf (US\$752 psf), by Singapore-based ARA Asset Management, backed by capital from Cheung Kong Holdings.

Elsewhere, new policies to encourage the wholesale conversion and redevelopment of ageing industrial buildings boosted interest in industrial properties, particularly those with unified ownership. The review period saw a number of en-bloc buildings in this sector change hands. The period also saw a number of small-size deals in the luxury residential and retail sectors with the largest transaction being Swire Properties' disposal of six villas at Peel Rise on the Peak for HK\$1.098 billion (US\$141 million).

Demand for prime or en-bloc assets is expected to remain firm in the forthcoming quarter given the expected steady growth in rents and property values on the back of continued economic growth. The pick up in activity among overseas funds, particularly for en-bloc office properties on Hong Kong Island, may reflect such expectations, but could also be attributed to the fact that the pipeline of office supply on Hong Kong Island will be very limited over the longer term.

Foreign institutions will also remain active in searching for yield-accretive real estate assets in Hong Kong, and should display the same preference for office buildings. Rental appreciation under the current low interest rate environment means that the yield spread is expected to improve going forward. The market is likely to see more significant acquisitions over the next few months as investors turn positive about the market outlook.

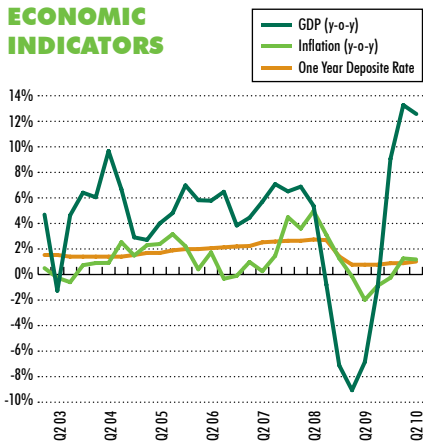
MAJOR TRANSACTIONS

EXCHANGE RATE: US\$ 1 = HK\$ 7.764 (Q1 2010)* US\$ 1 = HK\$ 7.788 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			HK\$	US\$
Office	North Point	Manulife Tower (En-Bloc)	2,250	289
Office	Quarry Bay	Fortis Centre (En-Bloc)	1,825	235*
Residential	The Peak	Falconridge (En-Bloc)	1,820	234
Hotel	Tsim Sha Tsui	Imperial Hotel (En-Bloc)	1,150	148
Residential	Shouson Hill	Flamaglo (En-Bloc)	1,148	147
Residential	The Peak	Peel Rise (6 Villas)	1,098	141
Office	Kwun Tong	One Harbour East (10 Floors)	1,068	138*
Residential	Repulse Bay	Majestic View Manor (En-Bloc)	800	103*

GREATER CHINA TAIPEI

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	12.53% (Q2 10)	13.71% (Q1 10)
Inflation Rate (y-o-y)	1.18% (Jun 10)	1.26% (Mar 10)
One Year Deposit Rate (end of period)	1.02% (Q2 10)	0.89% (Q1 10)

INITIAL YIELDS

Prime Office	3.2 - 3.8%*
Luxury Residential	n.a.
Retail	3.5 - 4.0% ^
Industrial	3.2 - 4.0%*

* Gross yield
^ Net yield

Investment sentiment in Taiwan remained positive in the second quarter with transaction turnover for commercial properties totaling NT\$30.7 billion (US\$951 million), representing q-o-q growth of 82%. The period saw a significant increase in the number of buyers acquiring properties for self use, while local insurance companies continued to retain a strong interest in office and I/O assets. Investment activity in the office sector was limited due to the price gap between sellers and buyers. The Central Bank decided during its June board meeting to raise benchmark interest rates by 125 basis points and also unveiled new measures governing the extension of housing loans in the Taipei metropolitan area to cool down the local residential market.

Institutional investors continued to look for investment opportunities but a significant number of acquisitions were made by end-users, which accounted for 58% of total investment sales in the commercial property sector during the second quarter. The low cost of borrowing supported domestic companies in stepping up their investment activity to prepare for future expansion and adopting a long-term strategy towards real estate acquisition. Companies which purchased properties in the second quarter were mostly engaged in the technology and manufacturing industries. In one high profile acquisition, Pacific SOGO, a local department store chain, acquired the Windance Shopping Mall in Hsinchu City for approximately NT\$5.9 billion (US\$182.5 million) through a court auction. Elsewhere, the I/O sector saw Wistron Corporation purchase an under-construction building in Taipei's Neihu Technology Park for approximately NT\$2.8 billion (US\$86.3 million). It is expected that Wistron Corporation will use the building as its head office once the property is completed.

Local insurance companies continued to exhibit a strong interest in yield-accretive properties, accounting for NT\$9.7 billion (US\$300 million) or 31.6% of the total investment volume for commercial properties during the period. The second quarter saw Fubon Life Insurance purchase two I/O properties in Taipei City for a combined total of NT\$6.9 billion (US\$214 million). Despite the continued lack of en-bloc office buildings available for sale, Taiwan Fire & Marine Insurance (TFMI) acquired an office building in downtown Taipei for NT\$1.54 billion (US\$47.7 million). It is expected that TFMI will redevelop the site into a high-end residential project.

Local developers continued to purchase land for future development during the review period. Listed companies including Farglory Land Development and Kindom Construction acquired several plots of land in Sinjhuang, an emerging area which is set to be integrated into the city core of Taipei County. Other major deals included the sale at auction of a 345 ping (1,139 sm) commercial plot in the bustling Ximending shopping area of Taipei City by Shin Kong Life Insurance. The buyer, local hotel operator Royal Seasons Hotel, paid NT\$1.8 billion (US\$56.5 million) to obtain the lot.

Domestic buyers dominated investment activity in the first half of 2010 but the second half of the year is likely to see the return of foreign investors. Enquires from institutional investors, local and foreign, have also increased in recent months, with most exhibiting a strong appetite for retail and hotel assets.

EXCHANGE RATE: US\$ 1 = NT\$ 31.77 (Q1 2010)* US\$ 1 = NT\$ 32.27 (Q2 2010)

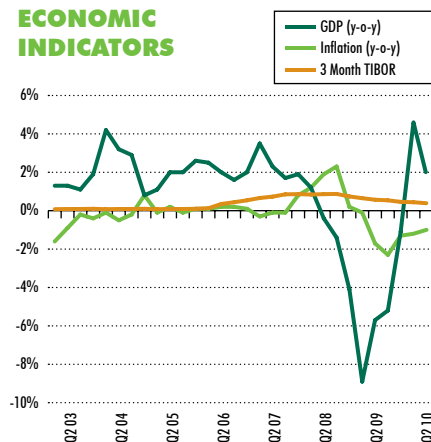
MAJOR TRANSACTIONS

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			NT\$	US\$
Mixed	Hsinchu City	Windance Shopping Mall	5,889	182
Industrial/Office	Neihu	Hannover Technology Building	4,711	146
Industrial/Office	Neihu	Huaku Ruiguang Building	3,560	112*
Industrial/Office	Neihu	Ding Ji Building	2,785	86

JAPAN

TOKYO

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	2.0% (Q2 10)	4.7% (Q1 10)
Core Inflation Rate (y-o-y)	-1.0% (Jun 10)	-1.2% (Mar 10)
3 Month TIBOR (end of period)	0.39% (Q2 10)	0.44% (Q1 10)

INITIAL YIELDS

Prime Office	3.5 - 4.0%
Luxury Residential	5.5 - 6.5%
Retail	3.8 - 4.3%
Industrial	5.5 - 6.0%

Net yields - defined as the ratio of net income (i.e. income after allowing for non-recoverable costs of ownership) over purchase price.

Investor sentiment in the Tokyo real estate investment market continued to improve in the second quarter as the sector shrugged off economic worries emanating from other markets. There was a steady flow of medium sized deals and domestic buyers once again accounted for the bulk of completed transactions, although interest among foreign investors continued to rise, with many buyers attracted by the Tokyo market's strong fundamentals.

Notable transactions completed during the second quarter included Mori Trust Sogo REIT's acquisition of a 50% stake in the Tokyo Shiodome Building in Minato-ku for JPY 110 billion (US\$1.24 billion) at an estimated 4.5% NOI cap rate. Completed in 2005, this landmark building consists of office space and a hotel and provides a GFA of slightly more than 2 million sf over 37-storeys above ground and four storeys below. Mori Trust, the sponsor of the Mori Trust Sogo REIT was the seller. The period also saw noticeable interest in retail and logistics assets. June saw the Frontier Real Estate Investment REIT acquire two such properties from Mitsui Fudosan (its sponsor) and a Mitsui Fudosan related company. The first deal was for Mitsui Shopping Park LaLaport Iwata a regional shopping centre completed in 2009, providing a GFA of more than 1.4 million sf. It was acquired for JPY 15.2 billion (US\$ 172 million) at an estimated 6.5% NOI cap rate. Second deal was for Ginza Glasse, located in the Ginza district of Tokyo. Completed in 2008, the mall provides a GFA of 77,520 sf over 11 storeys above ground and two storeys below. The purchase price of JPY 13.6 billion (US\$154 million) equated to an estimated 4.0% NOI cap rate.

Domestic corporates and real estate companies were also active buyers. In April, Daibiru, a mid-size office building leasing company, acquired an 84% stake in Aoyama Rise Square in Minato-ku, Tokyo, for JPY 37.9 billion (US\$429 million) at an estimated NOI cap rate of 4.3% on passing rents. The building, completed in 2003, is located in the Omotesando district with direct subway access and provides a GFA of 265,565 sf over 16-storeys above ground and two storeys below. Major sellers during the period included private funds and major real estate companies. A number of J-REITs also sold assets in order to refocus portfolios or avoid potential impairment losses on assets that were being revalued at a significant discount to book value.

Against the background of low and stable interest rates, determining appropriate risk adjusted pricing has been a key issue for many investors. Amid signs that the downward trend in rents in Tokyo is ending, the prospect of a further softening in prices is receding and the market has become more confident despite subdued fundamentals. The residential and office investment markets will continue to remain competitive and it will be highly challenging for investors to secure attractive deals as there is a lack of quality stock currently available on the market. Interest in suburban retail and logistics assets and properties in cities such as Osaka and Fukuoka should continue to grow, although this trend is largely asset driven as opposed to strategic.

MAJOR TRANSACTIONS

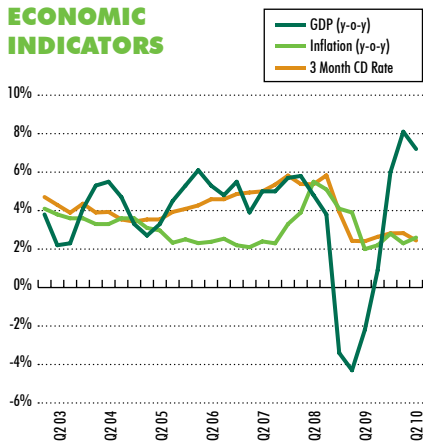
EXCHANGE RATE: US\$ 1 = JPY 93.460 (Q1 2010)* US\$ 1 = JPY 88.390 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			JPY	US\$
Office	Minato-ku	50% share in Tokyo Shiodome Building	110,000	1,244
Retail	Toshima-ku	LABI 1 Nihon Flagship Store	75,000	802*
Office	Minato-ku	95% share in Aoyama Building	45,000	481*
Office	Chiyoda-ku	27% share in Risona Maruha Building	42,000	449*

SOUTH KOREA

SEOUL

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	7.2% (Q2 10)	8.1% (Q1 10)
Inflation Rate (y-o-y)	2.6% (Jun 10)	2.3% (Mar 09)
3 Month CD Rate (end of period)	2.45% (Q2 10)	2.83% (Q1 10)

INITIAL YIELDS

Prime Office	5.7 - 7.0%*
Luxury Residential	2.1 - 2.3% ^
Retail	6.0 - 7.0%*
Industrial	9.0 - 10.0%*

* Gross yield
^ Net yield

Activity in the Seoul real estate investment market increased slightly during the second quarter following a relatively tepid first quarter. Demand was greatest for office property and the period saw some scattered deals for Grade A and B buildings. Institutional investors and Korean companies were looking to acquire suitable en-bloc office buildings for self use but the price gap between sellers and buyers continued to be an obstacle. Investment interest focused on high quality yield-accretive properties in prime locations and under long-term lease contract. In the residential sector, both transaction volume and prices in Seoul and Gyeonggi province slipped as investors continued to adopt a wait-and-see attitude.

Capital values for office properties continued to diverge with respect to the location, occupancy and asset quality, with Grade A office investment properties recording a minor compression in cap rate as a result of softening rental growth. Interest in Grade A buildings in the capital remained firm but the scarcity of assets for sale constrained activity, and just one major Grade A transaction was completed. The Eugene Securities building (GFA 433,283 sf) in the YBD was disposed by DEKA, a German property fund, to the Public Officials Benefit Association (POBA) for KRW 181.2 billion (US\$148 million), equivalent to a cap rate of approximately 5.7%. The prime location and stable cash flow of the building coupled with a 10-year lease agreement with Eugene Securities as its headquarters since 2009 ensured fierce bidding and resulted in a relatively lower cap rate compared to other recent transactions.

The period also saw the liquidation of the MAPS Frontier Real Estate Fund #13 ahead of its maturity date in August. MAPS Frontier Real Estate Fund #13 comprised two Grade B office properties, the Alpha building (GFA of 145,485 sf) and the Gateway Tower (GFA of 436,845 sf), both in the CBD. The Gateway Tower was sold to Dongbu Fire & Marine Insurance for KRW 139.7 billion (US\$114 million). The buyer plans to utilise the building as its headquarters.

Investment in the commercial segment should remain quiet but steady in the forthcoming quarter. However, the Seoul residential market and the surrounding metropolitan area look set to continue to experience a downturn. The Bank of Korea's decision to raise the interest rate by 0.25 percentage points to 2.25% in the first week of July after maintaining it at a record-low 2% reflects the strong economy but is envisaged to weigh on real estate investment sentiment in the quarters ahead. The average apartment price in Seoul has now fallen by 1.1% since 2009. A further drop in both transaction volume and prices in the residential market is likely to be witnessed in the months ahead.

MAJOR TRANSACTIONS

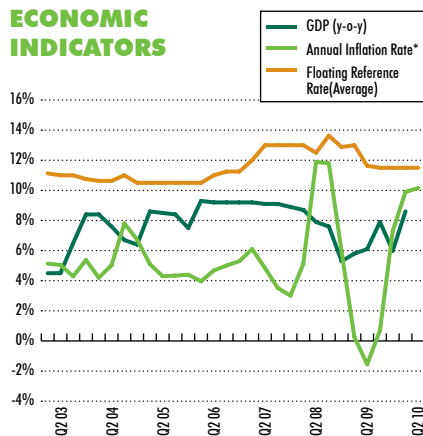
EXCHANGE RATE: US\$ 1 = KWR 1,132 (Q1 2010)* US\$ 1 = KWR 1,222 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			KWR	US\$
Office	CBD	Centre One	1,040,000	851
Office	CBD	Samsung Electronics Headquarters Building	504,800	446*
Office	CBD	Jeong-dong Building	178,089	157*
Office	YBD	Eugene Securities Building	181,200	148
Office	GBD	Prime Tower	140,000	115
Office	CBD	Gateway Tower	139,700	114

INDIA

MUMBAI

ECONOMIC INDICATORS



* based on Wholesale Price Index (WPI)

INDIA	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	8.6% (Q1 10)	6.0% (Q4 09)
Inflation Rate*	10.6% (Jun 10)	9.9% (Mar 10)
Floating Reference Rate (end of period)	11.00-12.00% (Q2 10)	11.00-12.00% (Q1 10)

*Wholesale Price Index (WPI) is the base for calculating the inflation rate in India (y-o-y)

INITIAL YIELDS

Prime Office	10.0 - 12.0%
Luxury Residential	3.5 - 5.0%
Retail	12.0 - 14.0%
Industrial	n.a.

Gross yields - the ratio of gross income (i.e. income before non-recoverable costs are allowed for) over purchase price.

The Mumbai real estate investment market enjoyed a rise in activity in the second quarter with investment activity led by the residential sector following several major launches in the central and northern areas of the city. The commercial sector was steady with a few high profile deals taking place, and capital rates and yields more or less remained stable. The industrial sector remained popular with a number of developers putting in requests to develop new Special Economic Zones (SEZs). Investment yields for commercial property in Mumbai held firm at at 10% - 12% during the period and are expected to maintain the same levels over the short term.

The period saw a national record US\$850 million land deal – twice the auction asking price - completed by the Lodha Group for a 25,000 sm (269,100 sf) site in the centre of the city. Another prominent deal completed during the quarter was the unveiling of a joint venture between Godrej Properties and Jet Airways, which will see the two companies jointly develop a 2.5-acre plot at Bandra Kurla Complex (BKC).

Private equity funds specialised in real estate projects were also active during the second quarter and a number of institutional funds were chasing deals. One major private equity fund was understood to be in negotiations for a US\$10 million hotel property in Powai district and a US\$43 million IT office in Thane. REITs are expected to be launched in India very shortly and will provide a monetisation vehicle for capital intensive projects such as commercial real estate and retail malls, thereby injecting much needed capital in the real estates sector. They will also provide an alternative channel to tap fragmented retail savings into real estate and are perceived to be relatively low risk with steady returns.

In early July the Reserve Bank of India (RBI) raised key interest rates by 25 basis points in an attempt to curb double-digit inflation. Market players will be looking out for further upward adjustments, which could see banks respond by increasing interest rates on home loans, a move which could further impact investment sentiment.

The residential market may witness downward pressure on prices as a result of the large quantum of supply in the market and the sharp increase in asking prices over the last quarter. Developers may need to reduce prices to induce volume or dilute equity to manage their debt repayments in the near to medium term. High net worth individuals and non resident Indians have been the main investors to date in luxury residential housing although it remains to be seen whether the revival in this segment is sustainable in the long term given that prices have risen quite sharply in the space of just a few months.

MAJOR TRANSACTIONS

EXCHANGE RATE: US\$ 1 = INR 44.910 (Q1 2010)* US\$ 1 = INR 46.340 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			INR	US\$
Office	Worli	Office Tower located within Bombay Dyeing Mills Compound	7,820	169
Office	Worli	Wadia Tower A	6,400	143*

INDIA

NEW DELHI

“INVESTOR INTEREST IN THE HOSPITALITY SECTOR WAS ON THE RISE”

The New Delhi real estate investment market witnessed a steady flow of transactions during the second quarter although investors continued to be wary of external risks amid concern that the country could be impacted by further setbacks in the global economy. Private equity fund raising continued apace whilst the residential market remained busy with inklings of a revival in the affordable and high end segment. Investor sentiment in the mass residential sector also enjoyed a boost after the government unveiled proposals to the revised Draft Direct Tax Code which would retain income tax exemption for interest on housing loans of up to INR 150,000.

The industrial sector remained popular with a number of developers putting in requests to develop new Special Economic Zones (SEZs). IT SEZ space saw a rise in leasing activity which was a positive indicator for investors which had taken significant positions in SEZs during the pre-recession period.

Capital values continued to firm up but rental values were under downward pressure due to the significant amount of available supply. This trend is likely to persist until off-take reaches market induced equilibrium. Yields continued to be depressed as a natural corollary to this phenomenon. The hospitality sector enjoyed growing interest from investors who have been scouting for deals in various locations across the city.

Of the various micromarkets in the National Capital Region (NCR), Noida was particularly popular among large foreign investors and private equity funds which have exhibited a strong interest in mid-sized local developers, spearheading the mid-end housing boom. Most developers who do not have their own land banks were observed scouting for joint venture opportunities which in turn permit them to use their limited resources optimally.

The quarter was also notable for the Department of Land Resources unveiling the draft of the 2010 Land Titling Bill. The draft pledges to do away with the old deeds system that has long been the source of much litigation due to inaccuracies in property records. The new legislation will create a system of conclusive property titles with title guarantees and indemnification against losses due to inaccuracies in property titles. If passed, the draft Bill is expected to have a positive impact on market sentiment given that it will make it easier for investors to acquire land, particularly large parcels for major projects.

INITIAL YIELDS

Prime Office	6.5 - 7.5%
Luxury Residential	2.0 - 3.0%
Retail	8.5 - 9.5%
Industrial	10.0 - 12.0%

Gross yields - the ratio of gross income (i.e. income before non-recoverable costs are allowed for) over purchase price.

MAJOR TRANSACTIONS

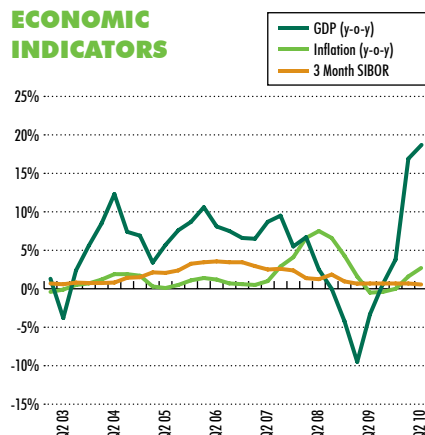
EXCHANGE RATE: US\$ 1 = INR 44.910 (Q1 2010)* US\$ 1 = INR 46.340 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			INR	US\$
Residential	NCR	Township near Chandigarh	5,500	119

SINGAPORE

SINGAPORE

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	18.8% (Q2 10)	16.9% (Q1 10)
Inflation Rate (y-o-y)	2.7% (Jun 10)	1.6% (Mar 10)
3 Month SIBOR (end of period)	0.56% (Q2 10)	0.69% (Q1 10)

INITIAL YIELDS

Prime Office	3.4%
Luxury Residential	2.2%
Retail	5.8%
Industrial	5.6%

Net yields - defined as the ratio of net income (i.e. income after allowing for non-recoverable costs of ownership) over purchase price.

Activity in the Singapore real estate investment market continued to grow steadily during the second quarter. Total investment sales for the first half of 2010 exceeded the total recorded for 2009, with US\$3.3 billion in real estate investment sales completed. This figure surpassed 2009's total of US\$3.2 billion by 2.9%. Between April and June a significant volume of investment sales were generated by the sale of ten residential government land sale (GLS) sites, which accounted for some S\$1.7 billion.

The largest sale was for a site at Boon Lay Way/Lakeside Drive which was sold to Keppel Land (Mayfair) Pte Ltd for S\$303.0 million (S\$499 psf/plot ratio). The collective sales market also saw an increase in activity during the second quarter, with six properties sold for residential redevelopment for a total of S\$278.9 million. The most prominent was the sale of Pender Court for S\$95.0 million or S\$1,007 psf/plot ratio to Hoi Hup Realty. Good class bungalows also continued to sell well and at rising prices. Between April and June, 29 GCBs were sold for a total of S\$610.1 million. Some 59 GCBs were transacted in the first half for a total of S\$1.1 billion.

The investment market in the commercial sector was less active, accounting for just S\$877.7 million or 12.9% of total investment sales. A number of strata-titled office units were sold in Suntec City Tower 1 and Suntec City Tower 2, attaining prices of S\$2,300 psf and S\$2,163 psf respectively. A white GLS site at Jurong Gateway Road closed in June with a top bid of S\$748.9 million (S\$650 psf/plot ratio). It was awarded to Lend Lease Retail Investments 3 Pte Ltd and Lend Lease Commercial Investments Pte Ltd, who will develop a mixed office and retail complex. In the only hotel sale during the period under review, the Raffles Hotel was reportedly sold to Qatari Diar - the principal real estate entity of the Qatar Investment Authority - for S\$384.0 million (US\$275 million).

S-REITs continued to improve and enjoyed an added boost following Moody's decision to revise their outlook from negative to stable in view of the solid fundamental credit conditions over the next 12 to 18 months. Property developers are expected to remain keen on development sites during the remainder of the year. The commercial segment should see a growing number of buyers with prime office properties highly sought after, although there is a lack of quality assets available for sale. The months ahead should witness a steady flow of collective sales projects and private land site transactions for land parcels of a size less than 100,000 sf. Total investment sales for 2010 are likely to overtake initial forecasts of S\$15.0 billion and could even reach the S\$17.9 billion achieved in 2008.

MAJOR TRANSACTIONS

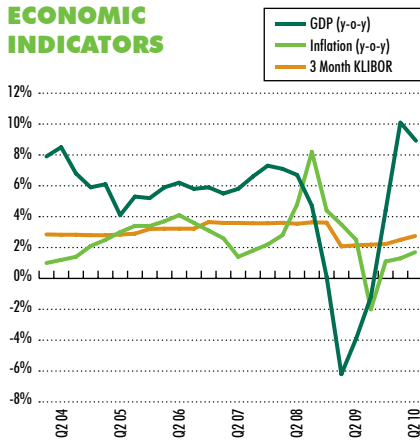
EXCHANGE RATE: US\$ 1 = S\$1.398 (Q1 2010)* US\$ 1 = S\$1.399 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			S\$	US\$
Hotel	Central Region	Raffles Hotel	384	274
Industrial	West	CWT Commodity Hub	323	231*
Retail	Central Region	Clark Quay	268	192*
Residential	Central Region	The Cascadia (162 units)	247	177
Office	Central Region	Robinson Point	203	145*
Retail	North	Northpoint 2	165	118*

MALAYSIA

KUALA LUMPUR

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	8.9% (Q2 10)	10.1% (Q1 10)
Inflation Rate (y-o-y)	1.7% (Jun 10)	1.3% (Mar 10)
3 Month KLIBOR (end of period)	2.8% (Q2 10)	2.5% (Q1 10)

INITIAL YIELDS

Prime Office	6.5 - 7.0% ^
Luxury Residential	5.7 - 6.9%*
Retail	7.0 - 7.5% ^
Industrial	n.a.

* Gross yield
^ Net yield

The Kuala Lumpur real estate investment market enjoyed a solid second quarter of 2010 with 20 major investment transactions reported, including deals for development sites, office buildings, hotels and industrial facilities. Local developers were witnessed actively replenishing their land banks. Although no major regulatory changes were reported during the second quarter, Bank Negara Malaysia, the central bank of Malaysia, raised its overnight rate to 2.75%, its third consecutive increase of 0.25% since March. There was no obvious adverse impact on the property market during the second quarter and capital and rental values for prime commercial property generally remained stable, while the investment yield ranged from 6.0% - 7.0%.

Buyers were mostly domestic investors including developers, M-REITs and other real estate companies, whilst the period also witnessed one major acquisition by a Hong Kong based investor which purchased two hotels. The deals were for the Dynasty Hotel in downtown Kuala Lumpur and Empress Hotel in Sepang for RM 151 million (US\$46.6 million) and RM 42.9 million (US\$13.2 million) respectively from Dynawell Corporation (M) Sdn Bhd. Dynasty Hotel comprises a total of 788 rooms coupled with approximately 25,000 sf of retail space and 117,000 sf of office space, while the Empress Hotel comprises a total of 320 rooms.

M-REITs were also active during the quarter. UOA REIT acquired two office buildings, Wisma UOA Damansara and Menara UOA Bangsar, for RM 211 million (US\$ 65.1 million) and RM 289 million (US\$89.1 million) respectively from UOA Holdings. Both properties are Grade A standard and have an estimated gross initial yield of around 6.5 to 6.7%. Other notable deals completed during the second quarter included Menara Olympia, a 31-storey office building located at Jalan Raja Chulan, which was sold for RM 200 million (US\$61.7 million) to Jelita Timur Sdn Bhd. Axis REIT expanded its portfolio with the acquisition of Axis PDI Centre and Axis Technology Centre for RM 85 million (US\$26.2 million) and RM 49 million (US\$15.1 million) respectively.

Two major M-REITs were listed on the local bourse during the second quarter. SunREIT and CapitaMalls Malaysia Trust (CMMT) both started trading in early July 2010 and also became the largest M-REITs listed on Bursa Malaysia with combined portfolios of having an appraised value of well over RM 5.0 billion. Additional purchases by M-REITs will continue to be a major driver in the Kuala Lumpur real estate investment market over the next three to six months.

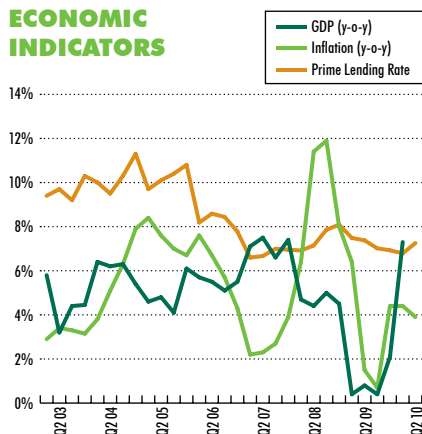
MAJOR TRANSACTIONS

EXCHANGE RATE: US\$ 1 = RM 3.259 (Q1 2010)* US\$ 1 = RM 3.242 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			RM	US\$
Office	Jalan Bangsar Utama	Menara UOA Bangsar	289	89
Office	Changkat Semantan	Wisma UOA Damansara II	211	65
Office	Jalan Raja Chulan	100% share in Menara Olympia	200	62
Hotel	Jln Ipoh	The Dynasty Hotel	151	47

PHILIPPINES MANILA

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	7.3% (Q1 10)	2.1% (Q4 09)
Inflation Rate (y-o-y)	3.9% (Jun 10)	4.4% (Mar 10)
Prime Lending Rate (end of period)	7.4% (Q2 10)	6.8% (Q1 10)

INITIAL YIELDS

Prime Office	6.5 - 9.5%
Luxury Residential	7.0 - 10.0%
Retail	n.a.
Industrial	n.a.

Gross yields - the ratio of gross income (i.e. income before non-recoverable costs are allowed for) over purchase price.

Sentiment in the Manila real estate investment market strengthened further during the second quarter following the Philippine Stock Exchange's confirmation of the approval of the REIT listing rules in June. The anticipation of fresh capital to be generated from the listing of P-REITs provided developers with the confidence to more aggressively pursue property development and investment.

Developers specialising in the retail sector were particularly upbeat, with SM Group opening a new mall and two new supermarkets during the period. Puregold, another major retail developer, has opened six supermarkets so far this year and plans to launch a further 20 by year-end. Other retail developers pursued new developments and expanded their operations either through the upgrading of existing facilities to accommodate more patrons or the rollout of new establishments. The continued growth in remittances from overseas Filipino workers (OFWs) remained one of the major contributing factors in supporting domestic spending, along with the BPO industry, which continued to expand steadily.

The investment market for residential property remained stable during the first half with units in the affordable and mid-level priced segments much sought after. High-end condominiums were also in demand. One Shangri-La Place, a luxury development by Shang Properties which was launched for sale in late March, had sold 70% of the units in its first tower by the end of the second quarter. Supply in the luxury segment remained tight and this situation will persist for the next 12 months as only a few developers are capable of delivering this product.

The industrial sector was less active although the strong domestic consumer market encouraged several manufacturing companies to expand their operations to meet demand. In one such example, Nestlé announced plans to set up a US\$92.6 million factory that will produce powdered milk and coffee creamer.

The impending launch of the domestic REIT market is a major boon for the local real estate industry and is seen as an important step towards supporting the long term growth and development of the domestic property market. By opening up to investors in this way, developers will be able to ease the financial burden on themselves and generate capital for new developments. P-REITs will also provide foreign investors with new opportunities to place their capital in the Philippines and contribute to the Philippine capital markets.

MAJOR TRANSACTIONS

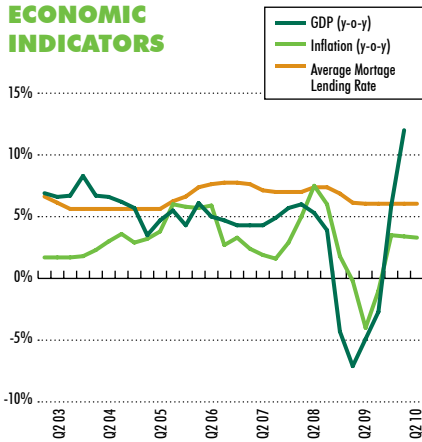
EXCHANGE RATE: US\$ 1 = PHP 45.050 (Q1 2010)* US\$ 1 = PHP 46.340 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			PHP	US\$
Mixed	Fort Bonifacio	Jusmag	10,740	238*

THAILAND

BANGKOK

ECONOMIC INDICATORS



	Latest Available Data	Previous Period
Real GDP Growth Rate (y-o-y)	12.0% (Q1 10)	5.9% (Q4 09)
Inflation Rate (y-o-y)	3.3% (Jun 10)	3.4% (Mar 10)
Average Lending Rate (end of period)	6.05% (Q2 10)	6.05% (Q1 10)

INITIAL YIELDS

Prime Office	4.5 - 5.5%
Luxury Residential	4.0 - 4.5%
Retail	6.5 - 7.5%
Industrial	9.0 - 10.5%

Net yields - defined as the ratio of net income (i.e. income after allowing for non-recoverable costs of ownership) over purchase price.

The Bangkok real estate investment market showed signs of recovery as the second quarter drew to an end, although ongoing political and market uncertainty ensured foreign investors remained on the sidelines. Domestic investors were more active and local developers continued to acquire sites for development and pursue new projects. The real estate capital market received a boost following the listing of The Thai Commercial Investment Fund (TCIF) on the Stock Exchange of Thailand in June. The freehold property fund has a reported market capitalisation at IPO of approximately THB 1.96 billion with par value of THB 10 per unit. It has already invested in The Nation Tower, which consists of three office buildings and a car parking facility.

Investor interest in land and condominium development strengthened during the quarter with rising demand from local developers for development sites surrounding the Central Business District. The quarter saw three major transactions including AIA's acquisition of a commercial site from the Stock Exchange of Thailand and the acquisition of two commercial properties, the Future Park Bangkae shopping centre and the Fenix Tower office building by local investors.

The retail sector, which was hit hard by the outbreak of political violence in May and the subsequent decline of inbound tourism also showed signs of recovery. The Retail Sales Index slipped from 179.91 in March to 150.37 in April, but the Consumer Confidence Index (CCI) edged higher from 75.5 in May to 77.1 in June.

On July 14 The Bank of Thailand raised the policy repo rate by 25 basis points, a move that did not have any major impact on the market. Under the persistent low interest rate environment, property remains a much sought after asset class. Given the fact that bank deposit rates are low, capital is expected to continue to flow into the real estate sector from both developers and private investors, as well as from individuals buying condominiums for investment purposes.

MAJOR TRANSACTIONS

EXCHANGE RATE: US\$ 1 = THB 32.340 (Q1 2010)* US\$ 1 = THB 32.400 (Q2 2010)

SECTOR	DISTRICT	PROPERTY	APPROX. PRICE (MILLION)	
			THB	US\$
Office	Asoke	Serm-Mit Tower (Strata-title units with a total area of 34,000 sm)	1,500	46*
Retail	Bangkhae	Future Park Bangkhae	1,000	31

ASIA REAL ESTATE INVESTMENT GUIDE

		GREATER CHINA			NORTH ASIA	
		CHINA	HONG KONG	TAIWAN	JAPAN	SOUTH KOREA
Land	Land system	Leasehold. Land use rights can be granted by the State for designated public uses. General lease term of land use for Residential is 70 yrs; Industrial 50 yrs; Commercial, tourism, recreation 40 yrs and Comprehensive mixed 50 yrs.	Leasehold. Before 1997, land lease terms usually ranged from between 75 and 999 years. Post-1997, land leases shall generally be granted or renewed with a lease term of 50 years.	Freehold and leasehold. The majority of land comes under freehold. Leasehold land usually applies to government-owned lands. The lease terms of leasehold usually range from 30 to 50 years and subject to approval.	Freehold, conventional land leasehold and fixed term land leasehold. There are 3 types of fixed term land leasehold: general fixed term leasehold, fixed term with building assignment right and business use fixed term leasehold.	Freehold. The majority of land is held on fee simple. Generally, leasehold land is very rare and the lease term usually less than 10 years and renew for 10 years upon expiration.
	Land use related restriction	Property developments in China are required to comply with local government regulations on zoning, plot ratio, site coverage, environmental planning and building height. A simplified procedure of the whole development approval process is depicted as follows: 1) A land premium is paid to acquire the Land Ownership Certificate; 2) Development master plan is submitted to the local Planning Bureau for approval to acquire the Permit for the Planned Use of Land 3) A project construction plan is submitted to the local Planning Bureau for approval to acquire the Planning Permit of Construction Engineering; construction conditions are prepared for the approval of local Construction Commission and to acquire the Construction License.	Land use rights in Hong Kong are subject to various restrictions as set out in the Land Leases, the Town Planning Ordinance and Buildings Ordinance. The development of land is subject to plot ratio, zoning, site coverage, environmental impact and development density.	Property developments in Taiwan are required to comply with government regulations on zoning, plot ratio, site coverage, environmental planning and building height. Foreign investors are not allowed to invest in certain property types: forest land; land for fishery; hunting land; salt industry land; mining industry land; land for water sources; boarder land or military land.	Property developments in Japan are required to comply with regulations and laws, most important of such being zoning. Regions where zoning is not in place, permission from the government is required. The urban planning area is divided into Urban Promotion Area (UPA) and Urban Controlled Area (UCA). The former includes the developed region and the regions that are to be developed in the next ten years, whereas urbanization is strictly controlled for the latter. Except for special conditions and approval from the authority, all development activities within UCA are prohibited under city planning laws and related regulations.	Property developments in South Korea are required to comply with regulations and laws on zoning, plot ratio, site coverage and building height. The Ministry of Construction & Transportation is a key administrative body in charge of territorial management, balanced regional development, and construction and management of major infrastructures.
	Restriction	Foreign investors have to register the onshore entities to hold non-self use properties. Given the changing market dynamic, China's land and housing systems are subject to change from time to time. Investors shall mindful about the latest policies, regulations, taxes and measures on holding of land, development project and real estate.	No restriction	A "reciprocal principal" should be met: foreign investors can obtain land rights in Taiwan only if Taiwanese people enjoy the same rights in their countries.	No restriction	No restriction
	Holding related restriction					
	Foreign exchange control	The exchange of FX has to be approved in advance and supervised by the State Administration of Foreign Exchange. Effectively ban the use of FX loans.	No restriction	Cumulative remittances (per year) exceeding US\$50 million (corporate) or US\$5 million (individual) are subject to permission by the government	No restriction	No restriction
	Transaction (acquisition / transfer / disposal) fees & taxes	For the purpose of this investment guide, all listed taxes and tax rates are generally applicable to corporate investors in Shanghai and Beijing only. Business Tax , a developer of real estate properties is subject to a 5% (with 11% surcharge) business tax levied upon the sales turnover of the properties. In case of companies or individuals self purchased properties, 5% business tax is levied upon the capital gain of the transaction. Stamp Duty , varies one cities to another and is levied upon the buyer and seller ranging from 0.03% to 0.05% of the contract prices of the property in first tier one cities. Land Appreciation Tax , is levied upon the transferor of the land and its attached properties. The tax is levied on a progressive basis, ranging from 30% to 60% of the capital gain produced by the transaction. Deed Tax , is levied upon the buyer. The amount varies from one city to another, and is usually between 1.5% and 5% of the property's sale price.	Stamp Duty , is payable on Agreements and Assignments (sales and purchase) and Tenancy Agreement (lease). The maximum taxable rate is 3.75% which is to be shared equally by both parties. With effect from 1 April 2010, stamp duty on transaction of properties valued more than HK\$20 million be increased from 3.75% to 4.25% and buyers will no longer be allowed to defer payment of stamp duty on such transactions.	Land Value Incremental Tax , is payable by the seller on 20% to 40% of the unearned increase in the value of land – the unearned increment is the difference between the officially assessed value at the time of sale and its assessed value at the time of purchase period. Value Added Tax (VAT) , is borne by the seller and levied at 5% of the transaction price of the building (land price is deducted from the total sales). Income Tax , is payable by the seller (Corporate: 20%; Personal: 5% to 40%) Deed Tax , is payable by the purchaser at 6% of the assessed building value. Stamp Duty , is levied at 0.1% of assessed values of land and building and usually payable by the buyer. Registration Fee , is levied at 0.1% of assessed building value and assessed land price which is different from assessed land value.	Stamp Duty , for the sales contract of a property is derived from the property value on a progressive basis from JPY200 to JPY600,000. (Discount rate applicable only until Dec 31 2009) Real Estate Acquisition Tax , is borne by the purchaser. Standard tax rate is 4% of assessed value of the property value at the time of purchase. However, derogation is in place from April 1, 2003 to March 31, 2012 for land and building for residential use, which the rate is reduced to 3%. Registration Tax , is levied on the registration of ownership and leasehold right. The tax rate registration of newly constructed building is at 0.4% of the asset value. Standard tax rate in connection to transfer of ownership (purchase/sales, etc.) is at 2%; however, following derogation for tax rates are in place for land ownership transfer. Capital Gain Tax , is taxable for individual and corporate income tax purposes. (Please refer to the Other fees / taxes section)	Acquisition Tax , is payable by the purchaser at 2% of the property transaction price Special Rural Development Tax , is levied at 10% of Acquisition Tax Registration Tax , is levied at 3% of the property transaction price Local Educational Tax 20% of Registration Tax to be paid by individual for the disposition of property. Transfer Income Tax , is payable at between 9% and 36% of capital gains Inhabitant Tax, is levied at 10% of Transfer Income Tax Tax to be paid by corporation for the disposition of property: Corporation Tax of 10%-20% of capital gains Inhabitant Tax, is levied at 10% of Corporate Tax
	Property related fees & taxes	For the purpose of this investment guide, all listed taxes and tax rates are generally applicable to corporate investors in Shanghai and Beijing only. For leased properties with rental income, Business Tax , 5% of rental income. Income Tax , to be settled and paid by the owner annually together with the company's other profits, usually at 25% of profit before tax. Stamp Duty , 0.1% of contract rental. Urban Real Estate Tax , is applicable to the holders of land use rights. The tax rates vary from one city to another. For Beijing and Shanghai, the tax is levied annually at 1.2% based on 70% of the initial contract price of the property. City Maintenance and Construction Tax , is levied at 11% of Business Tax	Property Tax , is payable by the owner at the standard rate (2008/09 onwards 15%) by the year of assessment on "net assessable value" (NAV). Where the owner receives only rent and no other benefit, the annual rent is the "assessable value" (AV). Rent receivable (due but not yet received) should be included in the AV. Irrecoverable rent can be excluded from tax charge in the year in which it become irrecoverable. Any amount subsequently recovered is assessable to tax as income in the year of recovery. If the tenant pays rates, NAV is equal to the AV less a standard allowance of 20% for repairs and outgoings. If the owner is responsible for paying rates, rates paid can be deducted before allowing the 20% deduction. Profits Tax , is charged only on net profits arising business. Incorporated and unincorporated businesses are taxed at different rates - incorporated businesses at 16.5% and unincorporated at 15%.	Land Value Tax is levied at a rate of between 1% to 5.5% of assessed land price; special rate of 0.2% for self-used residential land, 0.6% for land reserved for public infrastructures and 1% for industrial land. Building Tax , is levied annually at a rate of between 3% to 5% of assessed building value for business premises and 1.2% to 2% for self-used housing.	Fixed-asset Tax , is levied annually on fixed assets including land, buildings, and other depreciable assets for business purpose. The fixed-asset tax rate is at 1.4% of the asset value, where the asset value is reviewed every 3 years for land and buildings. City Planning Tax , Tax in the Urban Promotion Area (UPA) is levied at maximum rate of 0.3% for land and buildings. Business Facilities Tax , is payable by owner of a property and corporations that occupy the property. Tax amount will be the total of following two calculations. Floor area : JPY600 per sq m (Exemption: the first 1,000 sq m) Employees' salary : Total salary amount x tax rate of 0.25% (Exemption: the first 100 employees)	Property Tax is payable as follows; Property Tax for Building , the tax rate is ranging from 0.25% to 4% of the value of the building. Property Tax for Land , the tax rate is ranging from 0.2% to 0.4% of the land value. General real estate tax , the tax rate is ranging from 0.5% to 0.7% of the property value as assessed by the government.
	Other fees / taxes	Transaction Fee , is payable to the government. The rate varies from one city to another, and is payable and/or stored by developer and/or purchaser and seller, the rate can be based on contract price of the property or derive by a unit price on the CFA. Transaction Fee related to both new properties and second hand properties (residential and non-residential).	Government Rent , is 3% of the rateable value of the property, payable quarterly. The responsibility of the property owner. Government Rates , are levied at 5% on the rateable value of a property. Both the owner and the occupier are liable for Rates. In practice, this will depend on the terms of the agreement between the owner and occupier of the property. In the absence of any agreement to the contrary, liability of rates rests with the occupier.	N/A	Corporate Tax , corporate will be levied under corporate tax with tax rate of 30% for companies with capital over JPY100 million. Companies with capital JPY10 million or less will be levied with tax rate of 22% for income less than JPY8 million per annum and 30% for over JPY8 million per annum. (Discount rate applicable from April 1, 2009 - March 31, 2011)	Value Added Tax (VAT) is levied at 10% of the property transaction price
	Investment loan	3-year to 5-year term, 50%-70% LTV ratio	5-year to 7-year term, 50% to 70% LTV ratio	Various terms, 50% LTV ratio for land loan, 60% to 80% LTV ratio (with collateral)	1, 2 or 3 year terms, 50% to 60% LTV ratio	50% LTV ratio on commercial real estate
	Cost of fund	Usually based on the benchmark lending rate set by PBOC, at least 10% higher for non-residential property loans, at most 30% discount for the residential loans.	Traditionally based on prime lending rate plus / minus spread. More recently banks have offered funding based on HIBOR plus a mark-up.	Usually based on 1-year deposit rates plus spread	Usually based on TIBOR plus spread	Usually based on CD Rate plus spread
	Mode of loan	Bullet Loan is popular for the institutional investors	Balloon Payment is quite popular	Repayment, with recourse (most common)	Repayment in full on the maturity date, non-recourse Repayment, non-recourse	Repayment

Note: The investment guide only provides a brief comparison, summary of major property related issues and taxes associated with the acquisitions, disposition, transfer and possession of real estate assets in Asia

SOUTH EAST ASIA						SOUTH ASIA
SINGAPORE	THAILAND	PHILIPPINES	MALAYSIA	INDONESIA	INDIA	
Freehold includes Grant in Fee Simple and Statutory Land Grant. The most common leasehold term is 99 years. 60 years or 30 years are also issued for various industrial, commercial and recreational uses.	Mainly freehold with individual and corporate landholding. Leasehold land lease term generally ranging from 30 years plus options to renew.	Freehold for local (foreigners are not allowed to own land) Freehold / Leasehold for JV Company [60% Filipino owned (min), 40% Foreign owned (max)] Leasehold (local and foreigners)	State Freehold and Leasehold. The government/state can grant individuals with land titles for a specific lease term.	Freehold and Leasehold. Freehold land consists of two types: Certified Land and Adat land (Right to own) by Indonesian citizen only. Leasehold consists of three types of land: Hak Guna Usaha (Right to exploit), Hak Pakai (Right to use), Hak Guna Bangunan (Right to build).	Freehold and Leasehold. For leasehold land, land use or occupation is granted by the government for a specific lease term. The lease term generally ranging from 90 to 99 years.	
Property developments in Singapore are required to comply with regulations and laws on zoning, plot ratio, site coverage and building height.	Property developments in Thailand are required to comply with regulations and laws on zoning, plot ratio, site coverage, environmental impact assessments and building height. The Town Planning Act and Building Control Act are statutory building construction controls. The zoning regulations empower local government to identify land uses in specific areas in each province. The restrictions are subdivided into several uses with different colors. In Bangkok, the zoning will also restrict the floor area ratio and the open space ratio of the new development.	Property developments in Philippines are required to comply with regulations and laws on zoning, plot ratio, site coverage and building height.	Property developments in Malaysia are required to comply with regulations and laws on zoning, plot ratio, site coverage, environmental impact assessments and building height.	All the property developments in Indonesia are required to comply with the local government's regulations including building density, plot ratios, coverage of buildings and heights. Leasehold lands: Right to Exploit , is the right granted by the government to Indonesian citizens, entities or certified Penanaman Modal Asing (Foreign Capital Investor) for agricultural, fishery or husbandry purposes. Right to Use , is the right to held by citizens, permanent residents of foreign nationality in Indonesia, foreign corporations with offices in Indonesia, including banks and embassies. Right to Build , is the rights to build buildings on the land and hold the land building rights by citizens, legal entities incorporated in Indonesia including foreign-owned enterprises, JV).	Land use (State Owned Land & Private Land) is subject to zoning uses designated by development plan including height, ground coverage, plot ratios, etc.	
Development sites sold under GLS programme	No foreign ownership of land except via Board of Investment promoted companies. Freehold foreign ownership of condominiums permitted but capped so that the maximum proportion of foreign ownership within a condominium building is restricted to 49% of the saleable floor area of all the units. Foreigners are generally restricted from owning freehold title to landed properties. There are exceptions, principally for companies with Board of Investment Approval. In general, a foreigner may lease land in Thailand not exceeding 30 years but may also have options to renew.	Foreigners not allowed to own land	In an effort to boost investment in the country, the Government of Malaysia has recently repealed the Foreign Investment Committee (FIC) guidelines effective 30 June 2009. This resulted in the abolition of most restrictions on the purchase of properties by foreign investors. Some very minor restrictions remaining are detailed below: 1) Approval from the Economic Planning Unit (EPU) is required where a direct or indirect property transaction involves the dilution of Bumiputra or Government interest for properties valued at RM20 million and above; 2) Foreign investors are allowed to purchase commercial and residential properties priced above RM500,000 per unit effective 1 January 2010. 3) Foreign investors are restricted from purchasing properties built on Malay reserved land or properties allocated to Bumiputra interest.	Foreigners are not allowed to own Certified freehold land. However, foreign joint-venture entity and wholly foreign-owned enterprises can hold "rights to build", the lease term can be at most 30 years and governments sells the rights to build through transactions, tenders and auctions.	Privately held properties - Nil Government allotted land - Construction should be initiated within 24 months from the allotment date in most cases.	
No restriction	Subject to permission by Bank of Thailand	Needs clearance from Banko Sentral ng Pilipinas (BSP)	No restriction	No restriction	Minimum investment in land through FDI capped at 10 hectares Minimum investment in built up area through FDI capped at 50,000 sm Other restrictions on FDI as per Press Note.	
Stamp Duty , is levied at 3.0% of the property transaction price. Seller's stamp duty is imposed on all residential properties and residential lands bought on or after 20 February 2010 and sold within one year from the date of purchase.	Transfer Fee , is levied at 2% of the property value assessed by the government. Stamp Duty , is levied at 0.5% of the government's assessed value, will be charged upon any person who sells land or property held for 5 years or longer. However, if the Specific Business Tax is imposed, stamp duty will not be payable. Specific Business Tax (SBT) , is imposed only on sales of land and property held for less than 5 years in transactions of properties listed below: 1. Property for which the land allocation is permitted 2. Condominiums 3. Property developed for sale 4. Property which is used for corporate purposes 5. Property which is re-sold within five years of its purchase The SBT rate for real estate is 3.3% of the government's assessed value or transaction price, whichever is greater. Withholding Tax for corporate , in case the sale corporate entities or companies, the Withholding Tax for real estate is 1% of the government's assessed value or transaction price, whichever is greater.	Capital Gains Tax , is levied at 6% of the property transaction and payable by the seller. Withholding Tax , is levied at 6% of the property transaction price and is payable by seller/lessor for corporate entity. Documentary Stamp Tax , is levied at 1.5% of the contract price, zonal value and the market value, whichever is higher. Value Added Tax (VAT) , is levied at 12% of the contract price and payable by seller/lessor. Transfer Tax , is payable by the purchaser and is levied at 0.5% of the contract price, zonal value and the market value, whichever is higher. Registration Fee , is generally payable by purchaser and is based on the contract price or assessed value of the property whichever is the higher and the rates vary per city / municipality.	Stamp Duty , shall be borne by the buyer. The tax is levied at 1% for the first RM100,000; 2% for RM100,001 to RM500,000; 3% for RM500,001 & above. Legal Fees , are charged at 1% on the first RM100,000 of the market value, plus 0.5% on the next RM4.9 million of the market value. Real Property Gains Tax (RPGT) , has been reinstated effective 1 January 2010 at a fixed rate of 5% on chargeable gains arising from the disposal of any land, interest option or right in or over such land or the disposal of shares in a 'real estate company'. The RPGT is applicable to transfer of property within five (5) years of purchase. The RPGT is also subject to the following exemptions: 1. Transfer as gifts between parent and child, husband and wife, grandparent and grandchild; 2. Disposal of a residential property once in a lifetime; 3. Exemption of RM10,000 or 10% of the chargeable gain, whichever is higher, for each disposal of a property by an individual.	Stamp Duty , is levied on various legal documents to which a monetary value is affixed. The rates are fixed as follows: Fixed amount of Rp. 3,000 for transaction price between Rp. 250,001 to Rp. 1,000,000; fixed amount of Rp. 6,000 for transaction price over Rp. 1 million. Notary fees , for the processing of legal documents are usually charged at about 0.5% to 1.5% of the transacted price. Individuals or companies obtaining rights to land or buildings are required to pay a Land and Building Transfer Duty ("Bea Perolehan Hak Atas Tanah dan Bangunan" / BPHTB) of 5%. The 5% duty is computed based on the transaction value or the assessed value, whichever is higher. Transaction below Rp. 60 million are not subject to BPHTB. For acquisitions by inheritance, the non-taxable property value is stipulated by the regional authorities but may not exceed Rp 300 million. Capital Gains Tax , the net gains from asset revaluations are subject to a 10% final tax. An additional income tax of 15% is imposed if the revalued assets are sold or transferred within 5 years.	Stamp Duty , shall be levied on the property transaction price and generally borne by the purchaser or lessee of the properties. The tax rates generally range from 2% to 10% in major cities of India, such as Mumbai, New Delhi and Bangalore. Registration Fees , is levied at 1% of the transaction value and payable by the purchaser. Capital Gain Tax , is taxable on the profit realized from property transfer. For property holding less than 3 years, the tax rate is 30%. For property with a holding period of 3 years or more, the tax rate is generally 20% (however this varies with the type of assesses).	
Property Tax , is payable to government on residential, commercial, industrial properties as well as land. The tax rate is calculated as follows: Property Tax for land, the tax rate is 5% of the land value. Property Tax for owner-occupied properties, the tax rate is ranging from 4% to 10% of annual rental value.	There are two kinds of Property Tax in Thailand, namely, Household Tax and Local Development Tax. Household Tax , is imposed on the owners of a house, building, structure or land, which is rented or otherwise put to commercial use. The tax rate is 12.5% of the actual or assessed annual rental value of the property. Local Development Tax , is imposed upon any person who either owns land or is in possession of land. The tax rates vary according to the appraised value of the property being determined by the Land Department. There is an allowance granted for land utilized for personal dwellings, the raising of livestock and the cultivation of crops by the owner. The extent of the allowance differs according to the location of the land.	Real Property Tax , is payable by owner which is based on the property value assessed by the local government unit.	Quit Rent and Assessment Fee , are property related taxes. The amount varies and depends on the category of the land and size. Quit Rent , is a form of land tax. Its amount varies from state to state. Assessment fee, collected twice a year, is computed based on the value of the property.	Property Tax (PBB) , on land and buildings is generally fixed at 0.1% of the assessed value. A rate of 0.2% of the assessed value is applicable to land and buildings worth more than Rp. 1 billion. The non-taxable threshold of property is stipulated by each regional government but may not exceed Rp. 12 million. Withholding Tax , on Property Income Income derived from rental payments and service charges are subject to a final withholding tax of 10% of the transaction value, which is considered an advance payment of income tax. Corporate Taxation , the income of resident and non-resident corporate entities is taxed annually at 28%.	Property Tax , is payable by the owner. The tax is levied at a certain percentage of the rateable value of properties. Local governments determine the rateable values.	
N/A	N/A	N/A	Income Tax , rental income from property is taxable under Income Tax. Generally, rental income received by a non-resident individual is taxed at a flat rate of 26% without any personal deductions. Corporations are taxed at 25% of the chargeable income from the property.	Value Added Tax (VAT) , the sale of raw land is not subject to VAT, but the sale of land already prepared for development is subject to a VAT of 8%. VAT on rental payments is 10%, while VAT on Service Charge is 4%. Sales Tax , a 20% Sales Tax on Luxury Goods is applicable to luxury houses. "Luxury Houses" include condominium with a unit size of more than 150 sqm and landed houses with a building size of above 400 sqm or electricity of above 6,600 watt.	N/A	
3-yr to 5-yr term, 50% to 60% LTV ratio	50% to 70% LTV ratio on commercial real estate with various terms	60% to 70% LTV ratio	5-year to 10-year term, 60-70% LTV	5-year to 7-year term, 50%-70% LTV	Up to 8-year to 10-year term and 50% to 70% LTV ratio	
Usually based on SIBOR plus a mark-up	Minimum Lending Rate + spread	Philippine Dealing System Treasury Fixing Rate (5, 7, 10 year rate depending on loan term) + 3% to 5% risk premium	Usually based on KLIBOR plus a markup	Usually according to Bank Interest (Approx 14%)	Usually based on Floating Reference Rate or Prime Lending Rate plus a mark-up	
Balloon Payment (common)	Repayment with recourse most common	Repayment with recourse most common	Conventional mortgage Mixture of mortgage/bond issue/debentures Mezzanine financing	Repayment	Repayment with recourse (most common)	

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