As filed with the Securities and Exchange Commission on October 4, 2001
Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT
Under
The Securities Act Of 1933

CB Richard Ellis Services, Inc.
(Exact name of Registrant as specified in its charter)

<TABLE>
<S> <C> <C>

Delaware	6500	52-1616016
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

</TABLE>

355 South Grand Avenue, Suite 3295
Los Angeles, CA 90071
(213) 613-3546
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Walter V. Stafford, Esq.
Senior Executive Vice President and General Counsel
CB Richard Ellis Services, Inc.
355 South Grand Avenue, Suite 3295
Los Angeles, CA 90071
(213) 613-3546
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a copy to:
William B. Brentani, Esq.
Simpson Thacher & Bartlett
3330 Hillview Avenue
Palo Alto, CA 94304
(650) 251-5000

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. [_]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

CALCULATION OF REGISTRATION FEE

<TABLE>
<CAPTION>

Title of each class of	Amount to be	Maximum offering price	Maximum aggregate

Amount of securities to be registered	registered	per unit	offering price	registration fee
<S>	<C>	<C>	<C>	<C>
11 1/4% Senior Subordinated Notes Due June 15, 2011.....	$229,000,000	100%	$229,000,000	$57,250
Guarantees of 11 1/4% Senior Subordinated Notes Due June 15, 2011 (1)	$229,000,000	100%	$229,000,000	(2)

(1) See inside facing page for additional registrant guarantors.
(2) Pursuant to Rule 457(n) under the Securities Act of 1933, as amended, no separate fee for the guarantees is payable.

The Registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with section 8(a) of the Securities Act of 1933, as amended, or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

TABLE OF ADDITIONAL REGISTRANT GUARANTORS

Exact name of Registrant guarantor as specified in its charter	State or other jurisdiction of incorporation or organization	I.R.S. Employer Identification Number	Primary Standard Industrial Classification Code Number	Address including zip code and telephone number including area code of Registrant guarantor's principal executive offices
<S>	<C>	<C>	<C>	<C>
CBRE Holding, Inc.	Delaware	94-3391143	6500	355 South Grand Avenue Suite 3295 Los Angeles, CA 90071 (213) 613-3546
Bonutto-Hofer Investments	California	33-0003584	6799	4000 MacArthur Suite 7500 Newport Beach, CA 92260 (213) 613-3546
CBRE/LJM Mortgage Company, L.L.C.	Delaware	74-2900986	6162	5847 San Felipe Suite 4400 Houston, TX 77057 (213) 613-3546
CBRE/LJM-Nevada, Inc.	Nevada	76-0592505	6162	355 South Grand Avenue Suite 3295 Los Angeles, CA 90071 (213) 613-3546
CB Richard Ellis Corporate Facilities Management, Inc.	Delaware	33-0582062	6500	5000 Birch Street Suite 510 Newport Beach, CA 92260 (213) 613-3546
CB Richard Ellis, Inc.	Delaware	95-2743174	6500	355 South Grand Avenue Suite 3295 Los Angeles, CA 90071 (213) 613-3546
CB Richard Ellis Investors, L.L.C.	Delaware	95-3695034	6799	865 South Figueroa Street Suite 3500 Los Angeles, CA 90017 (213) 613-3546
D.A. Management, Inc.	California	95-3242122	6799	5000 Birch Street

				Suite 510 Newport Beach, CA 92260 (213) 613-3546
Global Innovation Advisor, LLC	Delaware	95-4869925	6799	865 South Figueroa Street Suite 3500 Los Angeles, CA 90017 (213) 683-4200
Holdpar A	Delaware	95-4536362	6799	355 South Grand Avenue Suite 3295 Los Angeles, CA 90071 (213) 613-3546
Holdpar B	Delaware	95-4536363	6799	355 South Grand Avenue Suite 3295 Los Angeles, CA 90071 (213) 613-3546

</TABLE>

<TABLE>
<CAPTION>

Exact name of Registrant guarantor as specified in its charter	State or other jurisdiction of incorporation or organization	I.R.S. Employer Identification Number	Primary Standard Industrial Classification Code Number	Address including zip code and telephone number including area code of Registrant guarantor's principal executive offices
<S>	<C>	<C>	<C>	<C>
KEA/1, Inc.	Delaware	33-0764441	6500	355 South Grand Avenue Suite 3295 Los Angeles, CA 90071 (213) 613-3546
KEA/II, Inc.	Delaware	33-0764445	6500	355 South Grand Avenue Suite 3295 Los Angeles, CA 90071 (213) 613-3546
Koll Capital Markets Group, Inc.	Delaware	33-0556837	6500	4343 Von Karman Avenue Newport Beach, CA 92260 (213) 613-3546
Koll Investment Management, Inc.	California	33-0367147	6799	4343 Von Karman Avenue Newport Beach, CA 92260 (213) 613-3546
Koll Partnerships I, Inc.	Delaware	33-0607113	6500	4000 MacArthur Suite 7500 Newport Beach, CA 92260 (213) 613-3546
Koll Partnerships II, Inc.	Delaware	33-0622656	6500	4000 MacArthur Suite 7500 Newport Beach, CA 92260 (213) 613-3546
L.J. Melody & Company	Texas	76-0590855	6162	5847 San Felipe Suite 4400 Houston, TX 77057 (213) 613-3546
L J Melody & Company of Texas, L.P.	Texas	74-1949382	6162	5847 San Felipe Suite 4400 Houston, TX 77057 (213) 613-3546
Sol L. Rabin, Inc.	California	95-3695029	6799	355 South Grand Avenue Suite 3295 Los Angeles, CA 90071 (213) 613-3546
Vincent F. Martin, Jr., Inc.	California	95-3695032	6799	355 South Grand Avenue Suite 3295 Los Angeles, CA 90071 (213) 613-3546
Westmark Real Estate Acquisition Partnership, L.P.	Delaware	95-4535866	6799	355 South Grand Avenue Suite 3295 Los Angeles, CA 90071 (213) 613-3546

</TABLE>

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, dated October 4, 2001

PROSPECTUS

$229,000,000

[LOGO] CB RICHARD ELLIS

CB Richard Ellis Services, Inc.

Offer to Exchange All Outstanding 11-1/4% Senior Subordinated Notes Due June 15, 2011 for 11-1/4% Senior Subordinated Notes Due June 15, 2011, which have been registered under the Securities Act of 1933

Unconditionally Guaranteed on a Senior Subordinated Basis by CBRE Holding, Inc. and Some of our Subsidiaries

<TABLE>
<CAPTION>
<S>
The Exchange Offer

. We will exchange all outstanding notes that are validly tendered and not validly withdrawn for an equal principal amount of exchange notes that are freely tradeable, except in limited circumstances described below.

. You may withdraw tenders of outstanding notes at any time prior to the expiration of the exchange offer.

. The exchange offer expires at 5:00 p.m., New York City time, on , 2001, unless extended. We do not currently intend to extend the expiration date.

. The exchange of outstanding notes for exchange notes in the exchange offer will not be a taxable event for U.S. federal income tax purposes.

. We will not receive any proceeds from the exchange offer.

<C>
The Exchange Notes

. The exchange notes are being offered in order to satisfy certain of our obligations under the registration rights agreements entered into in connection with the placement of the outstanding notes.

. The terms of the exchange notes to be issued in the exchange offer are substantially identical to the outstanding notes, except that the exchange notes will be freely tradeable, except in limited circumstances described below.

Resales of Exchange Notes

. The exchange notes may be sold in the over-the-counter market, in negotiated transactions or through a combination of such methods.
</TABLE>

If you are a broker-dealer and you receive exchange notes for your own account, you must acknowledge that you will deliver a prospectus in connection with any resale of the exchange notes. By making such acknowledgement, you will not be deemed to admit that you are an "underwriter" under the Securities Act of 1933. Broker-dealers may use this prospectus in connection with any resale of exchange notes received in exchange for outstanding notes where the outstanding notes were acquired by the broker-dealer as a result of market-making activities or trading activities. We will make this prospectus available to any broker-dealer for use in any such resale for a period of up to 180 days after the date of the prospectus. A broker-dealer may not participate in the exchange offer with respect to outstanding notes acquired other than as a result of market-making activities or trading activities. See "Plan of Distribution."

If you are an affiliate of CB Richard Ellis Services, Inc. or are engaged in, or intend to engage in, or have an agreement or understanding to participate in, a distribution of the exchange notes, you cannot rely on the applicable interpretations of the Securities and Exchange Commission and you must comply with the registration requirements of the Securities Act of 1933 in connection with any resale transaction.

You should consider carefully the risk factors beginning on page 19 of this prospectus before participating in the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2001.

TABLE OF CONTENTS

<TABLE>
<CAPTION>
<S>
<C>
Page

</TABLE>

PROSPECTUS SUMMARY

This summary may not contain all of the information that may be important to you. You should read this summary together with the entire prospectus, including the more detailed information in the financial statements and the accompanying notes appearing elsewhere in this prospectus.

Our Company

CB Richard Ellis Services and its subsidiaries comprise the largest global commercial real estate services firm in terms of revenue, offering a full range of services to commercial real estate occupiers, owners, lenders and investors. Through its 250 offices, CB Richard Ellis Services provides services under the CB Richard Ellis brand name and, in the United Kingdom, under the CB Hillier Parker brand name on a local, national and international basis across approximately 100 markets in 44 countries. During 2000, CB Richard Ellis Services advised on approximately 25,000 lease transactions involving aggregate rents, under the terms of leases facilitated, of approximately $26.0 billion and approximately 7,500 sales transactions with transaction values totaling approximately $26.0 billion. Also during 2000, CB Richard Ellis Services managed approximately 516 million square feet of property, provided investment management services for $10.0 billion of assets, originated nearly $7.2 billion in loans, serviced $16.7 billion in loans, engaged in approximately 32,000 valuation, appraisal and advisory assignments and serviced approximately 1,400 subscribers with proprietary research. As of June 30, 2001, CB Richard Ellis Services employed approximately 9,600 employees. CBRE Holding, Inc. is the parent company of CB Richard Ellis Services and conducts no business other than being the parent company of CB Richard Ellis Services and its subsidiaries.

CB Richard Ellis Services operates its business through three core business segments: (1) transaction management--commercial real estate brokerage services, investment properties and corporate services; (2) financial services--mortgage banking, investment management, valuation and appraisal

services and real estate market research; and (3) management services--property management/asset services and facilities management.

Transaction Management

CB Richard Ellis Services is one of the largest competitors in the commercial brokerage business. The transaction management segment of CB Richard Ellis Services includes its brokerage services, investment properties and corporate services divisions. This segment generated $950.3 million of revenue for the year ended December 31, 2000 and approximately $370.3 million of revenue for the six-month period ended June 30, 2001.

Brokerage Services. CB Richard Ellis Services represents buyers, sellers, owners and occupiers in connection with the sale and lease of office space, industrial buildings, retail property, multi-family residential property and unimproved land. CB Richard Ellis Services' brokerage services division generated approximately $606.6 million of revenue for the year ended December 31, 2000 and approximately $232.0 million of revenue for the six-month period ended June 30, 2001.

Investment Properties. Investment property sales are distinguished by the nature of the buyer (an investor rather than a user), the size of the transaction and the breadth of resources that CB Richard Ellis Services provides. On larger and more complex investment property sales assignments, its financial consulting professionals provide sophisticated financial and analytical services to the client, the marketing team and the investor. Its investment properties division generated approximately $189.4 million of revenue for the year ended December 31, 2000 and approximately $77.4 million of revenue for the six-month period ended June 30, 2001.

Corporate Services. CB Richard Ellis Services provides specialist advice to corporations developing and executing multi-market real estate strategies. Its objective is to develop long-term relationships with large corporations through the delivery of high-quality, multi-market management services and strategic consulting services. CB Richard Ellis Services seeks to relieve its clients of the burden of managing their own commercial real estate activities and aims to do so at a lower cost than they could achieve by managing the activities themselves. Its corporate services division generated $150.8 million of revenue for the year ended December 31, 2000 and approximately $60.3 million of revenue for the six-month period ended June 30, 2001.

Financial Services

Mortgage Banking. CB Richard Ellis Services is one of the largest originators of commercial real estate loans in the United States. The vast majority of its mortgage banking operation is provided through its wholly-owned subsidiary, L.J. Melody, which originates mortgages and takes no principal risk. Its mortgage banking division generated loan origination and servicing fees of $58.2 million for the year ended December 31, 2000 and $35.8 million for the six-month period ended June 30, 2001.

Investment Management. Through its wholly-owned subsidiary, CBRE Investors (CB Hillier Parker Investors in the United Kingdom), CB Richard Ellis Services sponsors and manages real estate investment funds and programs targeted primarily for institutional investors. It manages funds on behalf of CalPERS, CalSTRS and BP Pension Fund, among others, and offers multi-investor funds or separately managed accounts. As of December 31, 2000, CB Richard Ellis Services managed $10.0 billion in real estate investment funds, which represents a 49% increase since 1998. Its investment management division generated investment management fees of $40.4 million for the year ended December 31, 2000 and $25.3 million for the six-month period ended June 30, 2001.

Valuation and Appraisal Services. CB Richard Ellis Services' valuation and appraisal services business delivers sophisticated commercial real estate valuations through a variety of products, including market value appraisals, portfolio valuation, discounted cash flow analyses, litigation support, feasibility land use studies and fairness opinions. It operates the business internationally through offices around the globe, and its clients are generally corporate and institutional portfolio owners and lenders. Its valuation and appraisal services division generated appraisal fees of $72.9 million for the year ended December 31, 2000 and $40.3 million for the six-month period ended June 30, 2001.

Real Estate Market Research. CB Richard Ellis Services provides real estate market research services worldwide through Torto Wheaton Research and CB Richard Ellis/National Real Estate Index. These research services include data collection and interpretation, econometric forecasting and portfolio risk analysis. CB Richard Ellis Services' publications and products provide real estate data for more than 70 of the largest metropolitan statistical areas in the United States and are sold on a subscription basis to many of the largest portfolio managers, insurance companies and pension funds in the United States. The National Real Estate Index also compiles proprietary market research for

over 50 major urban areas within the United States, reports benchmark market price and rental data for office, light industrial, retail and apartment properties, and tracks the property portfolios of approximately 150 of the largest real estate investment trusts.

Management Services

Property Management/Asset Services. CB Richard Ellis Services provides management services, including maintenance, marketing and leasing services, and construction management relating to tenant improvements for income producing properties owned primarily by institutional investors. Management services are provided for office, industrial, retail and multi-family residential properties. CB Richard Ellis Services' property management/asset services division generated property management fees of $83.2 million for the year ended December 31, 2000 and $61.3 million for the six-month period ended June 30, 2001.

Facilities Management. CB Richard Ellis Services administers, manages and maintains properties that are occupied by large corporations and institutions, such as corporate headquarters, regional offices and manufacturing and distribution facilities. While most of the properties for which CB Richard Ellis Services provides facilities management services are located within the United States, it also provides such services in Argentina, Australia, China, India, Singapore and the United Kingdom. Its facilities management division generated fees of $23.1 million for the year ended December 31, 2000 and $12.4 million for the six-month period ended June 30, 2001.

Competitive Strengths

We believe our competitive strengths include the following:

- Global brand name.
- Geographic reach.
- Full-service provider.
- High-end commercial brokerage focus.
- Recurring revenue from prior transactions.
- Strong relationships with established customers.
- Experienced senior management with significant equity stake.

Strategy

The strategy of CB Richard Ellis Services is to be the world's leading real estate services firm offering breadth and quality of services across the globe. To implement its strategy, CB Richard Ellis Services intends to:

- Increase international revenues.
- Capitalize on increased corporate outsourcing to increase market share.
- Promote further cross-selling and cross-utilization of its services across the globe.
- Build local market share.
- Grow its investment management business.
- Expand its use of internet-based technology.

Summary of the Merger and Related Transactions

The outstanding notes were issued in connection with the merger of CBRE Holding, Inc.'s wholly-owned subsidiary, BLUM CB Corp., with and into CB Richard Ellis Services, which occurred on July 20, 2001. Pursuant to an amended and restated merger agreement, CB Richard Ellis Services' stockholders at the time of the merger, other than the buying group described below who received shares of CBRE Holding Class B common stock instead, received $16.00 in cash for each share of CB Richard Ellis Services common stock that they owned. As a result of the merger, all of the outstanding common and preferred stock of CB Richard Ellis Services is now owned by CBRE Holding, and the common stock of CB Richard Ellis Services has been delisted from the New York Stock Exchange. The merger and the other transactions described below, including the contributions of shares of CB Richard Ellis Services common stock and cash to CBRE Holding,

the incurrence of debt by CBRE Holding, BLUM CB Corp. and CB Richard Ellis Services and the offering by CBRE Holding of its Class A common stock and options to acquire its Class A common stock to employees and independent contractors of CB Richard Ellis Services are referred to in this prospectus as the "the merger and related transactions."

The following persons are referred to collectively in this prospectus as the "buying group":

- RCBA Strategic Partners, L.P. and Blum Strategic Partners II, L.P., which are affiliates of BLUM Capital Partners, L.P. and Richard Blum and Claus Moller, each of whom became a director of both CBRE Holding and CB Richard Ellis Services in connection with the merger;

- FS Equity Partners III, L.P. and FS Equity Partners International, L.P., which are affiliates of Freeman Spogli & Co. Incorporated and Bradford Freeman, who became a director of both CBRE Holding and CB Richard Ellis Services in connection with the merger;

- Raymond Wirta, who became a director and Chief Executive Officer of both CBRE Holding and CB Richard Ellis Services in connection with the merger;

- Brett White, who became a director and President of both CBRE Holding and CB Richard Ellis Services in connection with the merger;

- The Koll Holding Company, which is controlled by Donald Koll, who was a director of CB Richard Ellis Services prior to the merger; and

- Frederic Malek, who became a director of both CBRE Holding and CB Richard Ellis Services in connection with the merger.

Immediately prior to the merger, pursuant to an amended and restated contribution and voting agreement, each member of the buying group contributed to CBRE Holding all of the shares of CB Richard Ellis Services common stock that he or it directly owned. CBRE Holding issued one share of its Class B common stock in exchange for each share of CB Richard Ellis Services common stock contributed to it. This resulted in the issuance to the buying group of an aggregate of 7,967,774 shares of CBRE Holding Class B common stock. Also pursuant to the contribution and voting agreement, immediately prior to the merger, RCBA Strategic Partners, L.P. and Blum Strategic Partners, II, L.P. purchased with cash an aggregate of 4,435,154 shares of CBRE Holding Class B common stock, Raymond Wirta purchased by delivery of a promissory note 5,000 shares of CBRE Holding Class B common stock and California Public Employees' Retirement System, or CalPERS purchased with cash 625,000 shares of CBRE Holding Class A common stock, in each case for a price of $16.00 per share.

Also in connection with the merger, CBRE Holding sold an aggregate of 1,768,791 shares of its Class A common stock and shares underlying stock fund units in CB Richard Ellis Services' deferred compensation plan to CB Richard Ellis Services' employees and independent contractors at a price of $16.00 per share. CBRE

Holding also granted to designated managers of CB Richard Ellis Services an aggregate of 1,508,057 options to acquire shares of its Class A common stock. Holders of CBRE Holding Class A common stock are generally entitled to one vote per share on all matters submitted to CBRE Holding's stockholders, while holders of CBRE Holding Class B common stock are generally entitled to ten votes per share on all matters submitted to stockholders. The shares of the Class A and Class B common stock otherwise have substantially the same rights.

Immediately following consummation of the merger and related transactions, RCBA Strategic Partners, L.P. and Blum Strategic Partners II, L.P. held approximately 8,100,925, FS Equity Partners III, L.P. and FS Equity Partners International, L.P. held approximately 3,402,463, management and employees collectively held approximately 693,121 and other investors collectively held approximately 2,195,772, of the outstanding CBRE Holding Class A and Class B common stock.

In connection with the closing of the merger, the members of the buying group, together with CBRE Holding, CB Richard Ellis Services, CalPERS, DLJ Investment Funding, Inc. and Credit Suisse First Boston Corporation entered into a securityholders' agreement that, among other things, governs the voting of all shares of CBRE Holding Class B common stock and some shares of CBRE Holding Class A common stock. As a result of the securityholders' agreement, RCBA Strategic Partners, L.P. generally has the right to designate a majority of the directors of each of CBRE Holding and CB Richard Ellis Services and also is able to control the outcome of most matters decided by CBRE Holding's stockholders.

Also in connection with the merger, CB Richard Ellis Services entered into a new senior secured credit agreement with Credit Suisse First Boston and other

lenders, under which CB Richard Ellis Services borrowed $235.0 million in term loans. The credit agreement also included a $90.0 million revolving credit facility, which is intended to finance CB Richard Ellis Services' working capital requirements, $10.0 million of which was drawn upon as of September 10, 2001. The credit agreement is guaranteed by CBRE Holding and many of the subsidiaries of CB Richard Ellis Services and secured by a pledge of stock of CB Richard Ellis Services and these subsidiary guarantors, as well as a pledge of substantially all of the other assets of CB Richard Ellis Services and these subsidiary guarantors. Also in connection with the merger, CB Richard Ellis Services assumed, and CBRE Holding and many of CB Richard Ellis Services' subsidiaries guaranteed, the outstanding notes, which were originally issued and sold by BLUM CB Corp. for approximately $225.6 million on June 7, 2001. In addition, CBRE Holding issued and sold to DLJ Investment Funding, Inc. and other purchasers 65,000 units, which consisted in the aggregate of $65.0 million in aggregate principal amount of its 16% senior notes due 2011 and 339,820 shares of its Class A common stock, for an aggregate price of $65.0 million.

Recent Developments

Beginning in the latter part of the first quarter of 2001, CB Richard Ellis Services has been adversely affected by a slowdown in the U.S. economy in general and certain local and regional U.S. economies in particular which have led to deteriorating commercial real estate market conditions. CB Richard Ellis Services' operating performance has continued to be effected by the economic slowdown into the third quarter of 2001. Results of operations through August 31, 2001 indicate that its revenue has declined by approximately 7% from the levels achieved during the eight months ended August 31, 2000. While this decline in revenue has been partially offset by a reduction in commission and operating expenses, CB Richard Ellis Services has experienced a measurable decline in operating income, cash flow and profitability during the first eight months of 2001, relative to the same period of 2000.

In addition, on September 11, 2001, a terrorist attack resulted in the destruction of the World Trade Center Towers in New York City and significant damage to surrounding buildings and property in lower Manhattan.

Due to this attack and a separate attack on the Pentagon in northern Virginia, as well as the possible related outbreak of hostilities, we expect a further deterioration of the U.S. economy and commercial real estate market conditions, which could further adversely affect our transaction management segment and our other business segments.

We are a Delaware corporation, our principal executive offices are currently located at 355 South Grand Avenue, Suite 3295, Los Angeles, California 90071 and our telephone number is (213) 613-3546.

Summary of Terms of the Exchange Offer

On June 7, 2001, we completed the private offering of the outstanding notes. References to the "notes" in this prospectus are references to both the outstanding notes and the exchange notes. This prospectus is part of a registration statement covering the exchange of the outstanding notes for the exchange notes.

We and the guarantors entered into a registration rights agreement with the initial purchasers in the private offering in which we and the guarantors agreed to deliver to you this prospectus as part of the exchange offer and we agreed to complete the exchange offer within 220 days after the date of the merger. You are entitled to exchange in the exchange offer your outstanding notes for exchange notes, which are identical in all material respects to the outstanding notes except:

- the exchange notes have been registered under the Securities Act;
- the exchange notes are not entitled to certain registration rights which are applicable to the outstanding notes under the registration rights agreement; and
- certain contingent interest rate provisions are no longer applicable.

The Exchange Offer.....	We are offering to exchange up to $229,000,000 aggregate principal amount of outstanding notes for up to $229,000,000 aggregate principal amount of exchange notes. Outstanding notes may be exchanged only in integral multiples of $1,000.

Resale.....	Based on an interpretation by the staff of the Securities and Exchange Commission, or the SEC, set forth in no-action letters issued to third parties, we believe that the exchange notes issued pursuant to the exchange offer in exchange for outstanding notes may be offered for resale, resold and otherwise transferred by you, unless you are an "affiliate" of CB Richard Ellis Services, Inc. within the meaning of Rule 405 under the Securities Act, without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that you are acquiring the exchange notes in the ordinary course of your business and that you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in, a distribution of the exchange notes. Each participating broker-dealer that receives exchange notes for its own account pursuant to the exchange offer in exchange for outstanding notes that were acquired as a result of market-making or other trading activity must acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. See "Plan of Distribution." Any holder of outstanding notes who: . is an affiliate of CB Richard Ellis Services, Inc.; . does not acquire exchange notes in the ordinary course of its business; or . tenders in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of exchange notes.

	Cannot rely on the position of the staff of the SEC enunciated in Exxon Capital Holdings Corporation, Morgan Stanley & Co. Incorporated or similar no-action letters and, in the absence of an exemption therefrom, must comply with the registration and prospectus delivery requirements of the Securities Act in connection with the resale of the exchange notes.
Expiration Date; Withdrawal of Tender.....	The exchange offer will expire at 5:00 p.m., New York City time, on , 2001, or such later date and time to which we extend it, which date we refer to as the "expiration date." We do not currently intend to extend the expiration date. A tender of outstanding notes pursuant to the exchange offer may be withdrawn at any time prior to the expiration date. Any outstanding notes not accepted for exchange for any reason will be returned without expense to the tendering holder promptly after the expiration or termination of the exchange offer.
Certain Conditions to the Exchange Offer.....	The exchange offer is subject to customary conditions, which we may waive. Please read the section of this prospectus captioned "The Exchange Offer--Certain Conditions to the Exchange Offer" for more information regarding the conditions to the exchange offer.
Procedures for Tendering Outstanding Notes.....	If you wish to participate in the exchange offer, you must complete, sign and date the accompanying letter of transmittal, or a facsimile of the letter of transmittal according to the instructions contained in this prospectus and the letter of transmittal. You must also mail or

	otherwise deliver the letter of transmittal, or a facsimile of the letter of transmittal, together with the outstanding notes and any other required documents, to the exchange agent at the address set forth on the cover page of the letter of transmittal. If you hold outstanding notes through The Depository Trust Company, or DTC, and wish to participate in the exchange offer, you must comply with the Automated Tender Offer Program procedures of DTC, by which you will agree to be bound by the letter of transmittal. By signing, or agreeing to be bound by the letter of transmittal, you will represent to us that, among other things: . any exchange notes that you receive will be acquired in the ordinary course of your business; . you have no arrangement or understanding with any person or entity to participate in a distribution of the exchange notes; . if you are a broker-dealer that will receive exchange notes for your own account in exchange for outstanding notes that were acquired as a result of market-making activities, that you will deliver a prospectus, as required by law, in connection with any resale of such exchange notes; and

	. you are not an "affiliate," as defined in Rule 405 of the Securities Act, of CB Richard Ellis Services, Inc. or, if you are an affiliate, you will comply with any applicable registration and prospectus delivery requirements of the Securities Act.
Special Procedures for Beneficial Owners.....	If you are a beneficial owner of outstanding notes that are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and you wish to tender such outstanding notes in the exchange offer, you should contact such registered holder promptly and instruct such registered holder to tender on your behalf. If you wish to tender on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your outstanding notes, either make appropriate arrangements to register ownership of the outstanding notes in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time and may not be able to be completed prior to the expiration date.
Guaranteed Delivery Procedures.....	If you wish to tender your outstanding notes and your outstanding notes are not immediately available or you cannot deliver your outstanding notes, the letter of transmittal or any other documents required by the letter of transmittal or comply with the applicable procedures under DTC's Automated Tender Offer Program prior to the expiration date, you must tender your outstanding notes according to the guaranteed delivery procedures set forth in this prospectus under "The Exchange Offer--Guaranteed Delivery Procedures."
Effect on Holders of Outstanding Notes.....	As a result of the making of, and upon acceptance for exchange of all validly tendered outstanding notes pursuant to the terms of the exchange offer, we will have fulfilled a covenant contained in the registration rights agreement and, accordingly, there will be no increase in the interest rate on the outstanding notes under the circumstances described in the registration

rights agreement. If you are a holder of outstanding notes and you do not tender your outstanding notes in the exchange offer, you will continue to hold such outstanding notes and you will be entitled to all the rights and limitations applicable to the outstanding notes in the indenture, except for any rights under the registration rights agreement that by their terms terminate upon the consummation of the exchange offer.

To the extent that outstanding notes are tendered and accepted in the exchange offer, the trading market for outstanding notes could be adversely affected.

Consequences of Failure to Exchange..... All untendered outstanding notes will continue to be subject to the restrictions on transfer provided for in the outstanding notes and in the indenture. In general, the outstanding notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act

and applicable state securities laws. Other than in connection with the exchange offer, we do not currently anticipate that we will register the outstanding notes under the Securities Act.

Certain Income Tax Considerations..... The exchange of outstanding notes for exchange notes in the exchange offer will not be a taxable event for United States federal income tax purposes. See "Certain U.S. Federal Income Tax Considerations."

Use of Proceeds..... We will not receive any cash proceeds from the issuance of exchange notes pursuant to the exchange offer.

Exchange Agent..... Street Bank and Trust Company of California, N.A. is the exchange agent for the exchange offer. The address and telephone number of the exchange agent are set forth in the section of this prospectus captioned "The Exchange Offer--Exchange Agent."

Summary of Terms of the Exchange Notes

Issuer..... CB Richard Ellis Services, Inc.

Notes Offered..... $229,000,000 aggregate principal amount of 11-1/4% senior subordinated notes due June 15, 2011.

Maturity Date..... June 15, 2011.

Interest Payment Dates.... June 15 and December 15 of each year, beginning December 15, 2001.

Optional Redemption..... We cannot redeem the notes prior to June 15, 2006, except as discussed below. Until June 15, 2004, we can choose to redeem the notes in an amount together with any additional notes issued under the indenture with money we or CBRE Holding raise in certain equity offerings, as long as:

- we pay the holders of the notes a redemption price of 111 1/4% of the principal amount of the notes, plus accrued but unpaid interest to the date of redemption;
- at least 65% of the aggregate principal amount of the notes, including any additional notes, remains outstanding after each such redemption;
- if the money is raised in an equity offering by CBRE Holding, then CBRE Holding contributes to us an amount

sufficient to redeem the notes; and

- we redeem the notes within 90 days after the completion of the related equity offering.

On or after June 15, 2006, we can redeem some or all of the notes at the redemption prices listed under the heading "Description of the Notes--Optional Redemption," plus accrued but unpaid interest to the date of redemption.

Change of Control.....	If a change of control occurs, we must give holders of the notes an opportunity to sell their notes to us at a purchase price equal to 101% of the principal amount of the notes, plus accrued and unpaid interest, subject to certain conditions. See "Description of the Notes--Change of Control."
Ranking.....	The notes are our unsecured senior subordinated obligations, and will rank equally in right of payment with any of our future senior subordinated unsecured indebtedness and the notes will be effectively subordinated to indebtedness and other liabilities of our subsidiaries that are not guarantors of the notes. As of June 30, 2001, on a pro forma basis after giving effect to the merger and related transactions, we, excluding our subsidiaries, would have had approximately $276.5 million of senior indebtedness, consisting of $275.0 million of secured indebtedness under the new credit agreement and $1.5 million of other indebtedness; CBRE Holding, our parent company, would have had approximately $340.0 million of senior indebtedness, consisting of 16% senior notes issued by CBRE Holding and CBRE Holding's guarantee of our obligations under the new credit agreement; our guarantor subsidiaries would have had approximately $293.1 million of senior indebtedness, consisting of various notes issued in connection with acquisitions, capital lease obligations and their guarantees of our indebtedness under the new credit agreement; and our non-guarantor subsidiaries would have had $11.6 million of senior indebtedness.
Guarantees.....	Our obligations under the notes are fully and unconditionally guaranteed on a senior subordinated basis by CBRE Holding and each of our restricted subsidiaries that guaranteed the new credit agreement, on terms provided in the indenture governing the notes. The guarantees by the guarantors of the notes are subordinated to all existing and future senior indebtedness, including guarantees of the new credit agreement, of such guarantors. You do not have any claims against our subsidiaries that have not guaranteed the notes. The revenues of our non-guarantor subsidiaries constituted approximately 22.4% and 23.2% of our consolidated revenues for the year ended December 31, 2000 and the six months ended June 30, 2001, respectively. The operating income of our non-guarantor subsidiaries was approximately $6.4 million for the year ended December 31, 2000, and the operating loss of our non-guarantor subsidiaries was approximately $7.4 million for the six months ended June 30, 2001. The assets of our non-guarantor subsidiaries constituted approximately 40% and 38% of our consolidated total assets as of December 31, 2000 and June 30, 2001, respectively. The liabilities of our non-guarantor subsidiaries were $199.4 million and $179.9 million of our consolidated liabilities as of December 31, 2000 and June 30, 2001, respectively.

Restrictive Covenants.....	The indenture governing the notes contains covenants that limit our ability and the ability of certain of our subsidiaries to: . incur or guarantee additional indebtedness; . pay dividends or distributions on capital stock or redeem or repurchase capital stock; . make investments; . create restrictions on the payment of dividends or other amounts to us; . sell stock of our subsidiaries; . transfer or sell assets; . incur liens securing indebtedness of CBRE Holding; . engage in transactions with affiliates; and . consolidate or merge. At such time as the ratings assigned to the notes are investment grade ratings by both Moody's Investors Services and Standard and Poor's Rating Group, the covenants above will cease to be in effect with the exception of the covenants that contain limitations on, among other things, the designation of restricted and unrestricted subsidiaries and certain consolidations, mergers and transfers of assets. All of these restrictions and prohibitions are subject to a number of important qualifications and exceptions. See "Description of the Notes--Certain Covenants."
Absence of a Public Market for the Exchange Notes....	The exchange notes generally will be freely transferable but will also be new securities for which there will not initially be a market. Accordingly, we cannot assure you whether a market for the exchange notes will develop or as to the liquidity of any market. We do not intend to apply for a listing of the exchange notes on any securities exchange or automated dealer quotation system. The initial purchasers in the private offering of the outstanding notes have advised us that they currently intend to make a market in the exchange notes. However, they are not obligated to do so, and any market making with respect to the exchange notes may be discontinued without notice.

Risk Factors

You should carefully consider the risk factors set forth under the caption of this "Risk Factors" and the other information included in this prospectus before tendering your outstanding notes in the exchange offer.

Summary Consolidated Financial Data

CB Richard Ellis Services

The following table is a summary of the historical consolidated financial data of CB Richard Ellis Services as of and for the periods presented, as well as pro forma combined financial data giving effect to the merger and related transactions as of and for the periods presented. You should read this data along with the sections of this prospectus titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Unaudited Pro Forma Combined Financial Data" and the consolidated financial statements and related notes included elsewhere in this prospectus. The unaudited pro forma combined statement of operations data do not purport to represent what the results of operations of CB Richard Ellis Services would have been if the merger and related transactions had occurred as of the date indicated or what

its results will be for future periods. The results include the activities of the following acquired businesses since their respective dates of acquisition: L.J. Melody and Company from July 1, 1996; Koll Real Estate Services from August 28, 1997; REI, Ltd. from April 17, 1998; and Hillier Parker May and Rowden from July 7, 1998.

<TABLE>
<CAPTION>

	Year Ended December 31,					Six Months Ended June 30,		Pro Forma for the Year Ended December 31,
	1996	1997	1998	1999	2000	2000	2001	2000
	(in thousands, except ratios and percentages)							
Statement of Operations Data:								
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenue	$583,068	$730,224	$1,034,503	$1,213,039	$1,323,604	$578,803	$557,347	$1,323,604
Commissions, fees and other incentives	292,266	364,403	458,463	559,289	634,639	267,815	259,203	634,639
Operating, administrative and other	228,799	275,749	448,794	536,381	538,481	257,904	263,614	540,920
Depreciation and amortization	13,574	18,060	32,185	40,470	43,199	21,300	23,142	47,065
Merger-related and other nonrecurring charges	--	12,924	16,585	--	--	--	5,608	--
Operating income	$ 48,429	$ 59,088	$ 78,476	$ 76,899	$ 107,285	$ 31,784	$ 5,780	$ 100,980
<CAPTION>								
Other Financial Data:								
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
EBITDA, excluding merger-related and other nonrecurring charges (a)	$ 62,003	$ 90,072	$ 127,246	$ 117,369	$ 150,484	$ 53,084	$ 34,530	$ 148,045
EBITDA margin	10.6%	12.3%	12.3%	9.7%	11.4%	9.2%	6.2%	11.2%
Capital expenditures	$ 3,002	$ 9,927	$ 29,715	$ 35,130	$ 26,921	$ 11,451	$ 14,628	$ 26,921
Acquisition of business including net assets acquired, intangibles and goodwill	8,625	(3,216)	189,895	8,931	3,442	669	1,123	3,442
Pro forma cash interest expense (b)								56,655
Ratio of earnings to fixed charges (c)	1.75	2.33	2.17	1.79	2.15	1.44	0.61	1.19
Ratio of pro forma EBITDA to pro forma cash interest expense (b)								2.61
Ratio of pro forma total debt to EBITDA								
Ratio of pro forma net debt to EBITDA								

</TABLE>

<TABLE>
<CAPTION>

	Pro Forma for the Six Months Ended June 30, 2001
Statement of	

Operations Data:	
Revenue	$557,347
Commissions, fees and other incentives	259,203
Operating, administrative and other	263,634
Depreciation and amortization	23,637
Merger-related and other nonrecurring charges	5,608
Operating income	$ 5,265

Other Financial Data:	
EBITDA, excluding merger-related and other nonrecurring charges (a)	$ 34,510
EBITDA margin	6.2%
Capital expenditures	$ 14,628
Acquisition of business including net assets acquired, intangibles and goodwill	1,123
Pro forma cash interest expense (b)	26,140
Ratio of earnings to fixed charges (c)	0.34
Ratio of pro forma EBITDA to pro forma cash interest expense (b)	1.32
Ratio of pro forma total debt to EBITDA	15.41
Ratio of pro forma net debt to EBITDA	14.50

(footnotes on following page)

	As of December 31,					Pro Forma As of June 30,	As of June 30,
	1996	1997	1998	1999	2000	2001	2001
	(in thousands)						
Balance Sheet Data:							
Cash and cash equivalents	$ 49,328	$ 47,181	$ 19,551	$ 27,844	$ 20,854	$ 18,548	$ 31,278
Receivables, less allowance for doubtful accounts	40,927	77,358	131,512	168,276	176,908	149,811	149,811
Goodwill, net of accumulated amortization	65,362	196,358	445,124	445,010	423,975	412,379	586,583
Other intangible assets, net of accumulated amortization	10,521	43,026	63,913	57,524	46,432	42,526	34,907
Total assets	278,944	500,100	856,892	929,483	963,105	946,799	1,137,889
Total long-term debt (including current portion)	166,353	152,607	388,896	364,637	314,164	429,618	531,802
Total stockholders'equity (deficit)	(1,515)	157,771	190,842	209,737	235,339	227,631	297,750

(a) EBITDA, excluding merger-related and other nonrecurring charges, represents earnings before interest expense, income taxes, depreciation and amortization and also excludes merger-related and other nonrecurring charges. Our management believes that the presentation of EBITDA, excluding merger-related and other nonrecurring charges will enhance a reader's understanding of our operating performance and ability to service debt as it provides a measure of cash generated, subject to the payment of interest and income taxes, that can be used by us to service our debt and for other

required or discretionary purposes. EBITDA, excluding merger-related and other nonrecurring charges should not be considered as an alternative to (a) operating income determined in accordance with GAAP or (b) operating cash flow determined in accordance with GAAP. This calculation of EBITDA, excluding merger-related and other nonrecurring charges, may not be comparable to similarly titled measures reported by other companies.

EBITDA, excluding merger related and other nonrecurring charges, is calculated as follows:

<TABLE>
<CAPTION>

	Year Ended December 31,					Six Months Ended June 30,		Pro Forma for the Year Ended December 31,	Pro Forma for the Six Months Ended June 30,
	1996	1997	1998	1999	2000	2000	2001	2000	2001
					(in thousands)				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Operating Income.....	$48,429	$59,088	$ 78,476	$ 76,899	$107,285	$31,784	$ 5,780	$100,980	$ 5,265
Add:									
Depreciation and amortization.....	13,574	18,060	32,185	40,470	43,199	21,300	23,142	47,065	23,637
Merger-related and other nonrecurring charges....	--	12,924	16,585	--	--	--	5,608	--	5,608
EBITDA, excluding merger-related and other nonrecurring charges.....	$62,003	$90,072	$127,246	$117,369	$150,484	$53,084	$34,530	$148,045	$34,510

</TABLE>

(b) Pro forma cash interest expense would have been approximately $48.3 million for the year ended December 31, 2000 and $24.1 million for the six months ended June 30, 2001 using the 3-month LIBOR of 3.11% as of September 17, 2001. Also, using the same LIBOR of 3.11%, the ratio of pro forma EBITDA, excluding merger related and other non-recurring changes, to pro forma cash interest expense would have been 3.06x for the year ended December 31, 2000 and 1.43x for the six months ended June 30, 2001.

(c) Represents a deficiency of $11.1 million for the six months ended June 30, 2001 and a deficiency of $33.8 million for the pro forma six months ended June 30, 2001.

CBRE Holding

The following table is a summary of the historical consolidated financial data of CBRE Holding as of and for the periods presented, as well as pro forma combined financial data giving effect to the merger and related transactions as of and for the periods presented. You should read this data along with the sections of this prospectus titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Unaudited Pro Forma Combined Financial Data" and the consolidated financial statements and related notes included elsewhere in this prospectus. The unaudited pro forma combined statement of operations data do not purport to represent what CBRE Holding's results of operations would have been if the merger and related transactions had occurred as of the date indicated or what its results will be for future periods.

<TABLE>
<CAPTION>

	Period from February 20, 2001 (inception) to June 30, 2001	Pro Forma for the Year Ended December 31, 2000	Pro Forma for the Six Months Ended June 30, 2001
	(in thousands, except ratios and percentages)		
<S>	<C>	<C>	<C>
Statement of Operations Data:			
Revenue.....	--	$1,323,604	$557,347
Commissions, fees and other incentives.....	--	634,639	259,203
Operating, administrative and other.....	--	540,920	263,634
Depreciation and amortization.....	--	47,065	23,637
Merger-related and other nonrecurring charges.....	--	--	5,608
Operating income.....	--	$ 100,980	$ 5,265
Other Financial Data:			

</TABLE>

EBITDA, excluding merger-related and other nonrecurring charges (a)	--	$ 148,045	$ 34,510
EBITDA margin	--	11.2%	6.2%
Capital expenditures	--	$ 26,921	$ 14,628
Acquisition of business including net assets acquired, intangibles and goodwill	--	3,442	1,123
Pro forma cash interest expense (b)		67,055	31,340
Ratio of earnings to fixed charges (c)	0.33	1.39	0.39
Ratio of pro forma EBITDA to pro forma cash interest expense (b)		2.21	1.10
Ratio of pro forma total debt to EBITDA			17.05
Ratio of pro forma net debt to EBITDA			16.15

(footnotes on following page)

	As of June 30, 2001	Pro Forma As of June 30, 2001
	(in thousands)	
Balance Sheet Data:		
Cash and cash equivalents	$229,499	$ 31,278
Receivables, less allowance for doubtful accounts	--	149,811
Goodwill, net of accumulated amortization	--	585,853
Other intangible assets, net of accumulated amortization	--	34,907
Total assets	238,268	1,139,434
Total long-term debt (including current portion)	225,642	588,452
Total stockholders'equity	3,140	242,645

(a) EBITDA, excluding merger-related and other nonrecurring charges, represents earnings before interest expense, income taxes, depreciation and amortization and also excludes merger-related and other nonrecurring charges. Our management believes that the presentation of EBITDA, excluding merger-related and other nonrecurring charges will enhance a reader's understanding of our operating performance and ability to service debt as it provides a measure of cash generated, subject to the payment of interest and income taxes, that can be used by us to service our debt and for other required or discretionary purposes. EBITDA, excluding merger-related and other nonrecurring charges should not be considered as an alternative to (a) operating income determined in accordance with GAAP or (b) operating cash flow determined in accordance with GAAP. This calculation of EBITDA, excluding merger-related and other nonrecurring charges, may not be comparable to similarly titled measures reported by other companies.

EBITDA, excluding merger related and other nonrecurring charges, is calculated as follows:

	Period from February 20, 2001 (inception) to June 30, 2001	Pro Forma for the Year Ended December 31, 2001	Pro Forma for the Six Months Ended June 30, 2001
		(in thousands)	
Operating Income	--	$100,980	$ 5,265
Add:			
Depreciation and amortization	--	47,065	23,637
Merger-related and other nonrecurring charges	--	--	5,608
EBITDA, excluding merger-related and other nonrecurring charges	--	$148,045	$34,510

(b) Pro forma cash interest expense would have been approximately $58.7 million for the year ended December 31, 2000 and $29.3 million for the period six months ended June 30, 2001 using the 3-month LIBOR of 3.11% as of September 17, 2001. Also, using the same LIBOR of 3.11%, the ratio of pro forma EBITDA, excluding merger related and other non-recurring changes, to pro forma cash interest expense would have been 2.52x for the year ended December 31, 2000 and 1.18x for the six months ended June 30, 2001.

(c) Represents a deficiency of $1.2 million for the period from February 20, 2001 (inception) to June 30, 2001 and a deficiency of $26.3 million for the pro forma six months ended June 30, 2001.

RISK FACTORS

You should carefully consider the risks described below and the other information in this prospectus before you decide to participate in the exchange offer. If any of the following risks or uncertainties actually occurs, our business, financial condition and operating results would likely suffer.

Risks relating to the exchange offer

If you choose not to exchange your outstanding notes, the present transfer restrictions will remain in force and the market price of your outstanding notes could decline.

If you do not exchange your outstanding notes for exchange notes under the exchange offer, then you will continue to be subject to the transfer restrictions on the outstanding notes as set forth in the offering circular distributed in connection with the private offering of the outstanding notes. In general, the outstanding notes may not be offered or sold unless they are registered or exempt from registration under the Securities Act and applicable state securities laws. Except as required by the exchange and registration rights agreement, we do not intend to register resales of the outstanding notes under the Securities Act. You should refer to "Prospectus Summary--Summary of Terms of the Exchange Offer" and "The Exchange Offer" for information about how to tender your outstanding notes.

The tender of outstanding notes under the exchange offer will reduce the principal amount of the outstanding notes outstanding, which may have an adverse effect upon, and increase the volatility of, the market price of the outstanding notes due to a reduction in liquidity.

Risks relating to our business

The success of our business is significantly related to general economic conditions, and, accordingly, our business could be harmed by an economic slowdown or recession.

In the latter part of the first quarter of 2001, CB Richard Ellis Services' business was adversely affected by a slowdown in the U.S. economy in general, and certain local and regional U.S. economies in particular, which have led to deteriorating commercial real estate market conditions. Its first quarter results reflected a slowdown in its U.S. sales activities beginning in February and a slowdown in U.S. lease activities beginning in March, as well as lower than expected revenues in Europe and Asia Pacific. This weakness in sales and lease activities continued into the second quarter. Revenue from the second quarter of 2001 was approximately $284.8 million as compared to approximately $317.9 million during the second quarter of 2000. In addition, our results during the second quarter of 2001 were adversely affected by approximately $5.6 million of expenses, consisting of:

- severance expenses related to the implementation or our cost savings strategy;
- merger-related costs; and
- the write-off of our investment in Eziaz.

As a result of the slowdown in revenue and these expenses, we recorded pre-tax loss of approximately $5.2 million for the second quarter of 2001 as compared to a pre-tax gain of approximately $11.7 million for the second quarter of 2000.

CB Richard Ellis Services' operating performance has continued to be effected by the economic slowdown into the third quarter of 2001. Results of operations through August 31, 2001 indicate that its revenue has declined by 7% from the levels achieved during the eight months ended August 31, 2000. While this decline in revenue has been partially offset by a reduction in commission and operating expenses, CB Richard Ellis Services has experienced a measurable decline in operating income, cash flow and profitability during the first eight months of 2001, relative to the same period of 2000.

In addition, on September 11, 2001, a terrorist attack resulted in the destruction of the World Trade Center Towers in New York City and significant damage to surrounding buildings and property in lower Manhattan. Due to this attack and a separate attack on the Pentagon in northern Virginia, as well as the possible related outbreak of hostilities, we expect a further deterioration

of the U.S. economy and commercial real estate market conditions, which could further adversely affect our transaction management segment and other business segments.

Periods of economic slowdown or recession in the United States and in other countries, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur, can harm many segments of our business. These economic conditions could result in a general decline in rents, which in turn would reduce revenues from property management fees and brokerage commissions derived from property sales and leases. In addition, these conditions could lead to a decline in sale prices as well as a decline in demand for funds invested in commercial real estate and related assets. An economic downturn or a significant increase in interest rates also may reduce the amount of loan originations and related servicing by our commercial mortgage banking business. If our brokerage and mortgage banking businesses are negatively impacted, it is likely that other segments of our business will also suffer, due to the relationship among its various business segments. Further, as a result of our debt level and the terms of the debt instruments we entered into in connection with the merger and related transactions, our vulnerability to adverse general economic conditions has become heightened.

The sharp downturn in the commercial real estate market beginning in the late 1980s in the United States caused, and downturns in the future may again cause, some property owners to dispose of or lose their properties through foreclosures and has caused many real estate firms to undergo restructuring or changes in control. Changes in the ownership of properties may be accompanied by a change in property and investment management firms and could cause us to lose management agreements or make the agreements we retain less profitable.

We may not be able to implement our cost savings strategy; and even if we are able to implement this strategy, it may not reduce our operating expenses by as much as we anticipate and could even compromise the development of our business.

In light of the recent slowdown in the U.S. economy and the decline in CB Richard Ellis Services' operating performance, CB Richard Ellis Services announced a major cost cutting program in May 2001. As part of this plan, we intend to reduce our work force, reduce the bonuses we pay to managers and reduce other operating and back office expenses. While we expect to realize between approximately $35 and $40 million in cost savings during the remainder of 2001 after the announcement, excluding one-time severance costs, we cannot assure you that we will be able to implement the plan during 2001 or at all. Even if we are able to implement the plan, the plan may yield substantially less than the expected savings. In fact, the implementation of the plan could adversely affect our revenue, as it could create inefficiencies in our business operations, result in labor disruptions and limit our ability to expand and grow our business. For the six months ended June 30, 2001, after giving effect to the merger and related transactions, on a pro forma basis, CBRE Holding's interest expense would have been approximately $33.0 million and CB Richard Ellis Services interest expense would have been approximately $27.5 million.

Our substantial leverage and debt service obligations could harm our ability to operate our business and make payments on the notes.

CBRE Holding and CB Richard Ellis Services are highly leveraged and have significant debt service obligations. As of June 30, 2001, after giving effect to the merger and related transactions on a pro forma basis, CBRE Holding would have had total debt of approximately $588.5 million, net of $11.7 million of unamortized discounts, excluding unused commitments under CB Richard Ellis Services' new revolving credit facility, which is guaranteed by CBRE Holding, and total stockholders' equity of approximately $242.6 million, and CB Richard Ellis Services would have had total debt of approximately $531.8 million, net of $3.4 million of unamortized

discounts, and total stockholders' equity of approximately $297.8 million. For the year ended December 31, 2000, after giving effect to the merger and related transactions, on a pro forma basis, CBRE Holding's interest expense would have been $70.4 million, and CB Richard Ellis Services' interest expense would have been $59.4 million. For the six months ended June 30, 2001, after giving effect to the merger and related transactions, on a pro forma basis, CBRE Holding's interest expenses would have been approximately $33.0 million and CB Richard Ellis Services' interest expense would have been approximately $27.5 million. The substantial level of indebtedness of CBRE Holding and CB Richard Ellis Services increases the possibility that CBRE Holding and CB Richard Ellis Services may be unable to generate cash sufficient to pay when due the principal of, interest on or other amounts due in respect to their indebtedness. In addition, CBRE Holding and CB Richard Ellis Services may incur additional debt from time to time to finance strategic acquisitions, investments, joint ventures or for other purposes, subject to the restrictions contained in the documents governing their indebtedness.

The substantial debt of CBRE Holding and CB Richard Ellis Services could

have other important consequences to you, including the following:

- CBRE Holding and CB Richard Ellis Services are required to use a substantial portion, if not all, of their free cash flow from operations to pay principal and interest on their debt, and their level of debt may restrict them from raising additional financing on satisfactory terms to fund working capital, strategic acquisitions, investments, joint ventures and other general corporate requirements;

- The interest expense of CBRE Holding and CB Richard Ellis Services could increase if interest rates in general increase, because all of CB Richard Ellis Services' debt under its new credit agreement, which is guaranteed by CBRE Holding, including $235 million in term loans and a revolving credit facility of up to $90 million, will bear interest at floating rates, generally between LIBOR plus 3.25% and LIBOR plus 3.75% or between ABR plus 2.25% and ABR plus 2.75%;

- The substantial leverage of CBRE Holding and CB Richard Ellis Services will increase their vulnerability to general economic downturns and adverse competitive and industry conditions and could place them at a competitive disadvantage compared to those of their competitors that are less leveraged;

- The debt service obligations of CBRE Holding and CB Richard Ellis Services could limit their flexibility in planning for, or reacting to, changes in their business and in the real estate services industry generally; and

- CBRE Holding's and CB Richard Ellis Services' failure to comply with the financial and other restrictive covenants in the documents governing their indebtedness, which require them to maintain specified financial ratios and limit their ability to incur debt and sell assets, could result in an event of default that, if not cured or waived, could harm their business or prospects and could result in their bankruptcy.

CBRE Holding and CB Richard Ellis Services cannot be certain that their earnings will be sufficient to allow them to pay principal and interest on their debt, including the outstanding notes and the exchange notes, and meet their other obligations. If CBRE Holding and CB Richard Ellis Services do not have sufficient earnings, they may be required to refinance all or part of their existing debt, sell assets, borrow more money or sell more securities. CBRE Holding and CB Richard Ellis Services cannot guarantee that they will be able to refinance their debt, sell assets, borrow money or sell more securities on terms acceptable to them or at all.

We will be able to incur more indebtedness, which may intensify the risks associated with our substantial leverage, including our ability to service our indebtedness.

The indenture relating to the outstanding notes and the exchange notes, the new credit agreement and the indenture relating to the 16% senior notes due 2011 issued by CBRE Holding permit CBRE Holding and CB Richard Ellis Services, subject to specified conditions, to incur a significant amount of additional

indebtedness. In addition, CB Richard Ellis Services may incur additional indebtedness under its new $90 million revolving credit facility, which is guaranteed by CBRE Holding. If CBRE Holding or CB Richard Ellis Services incurs additional debt, the risks associated with their substantial leverage would increase.

If the properties that we manage fail to perform, then our financial condition and results of operations could be harmed.

The revenue we generate from our property management/asset services division, and to some extent from our facilities management division, is generally a percentage of aggregate rent collections from properties, with many management agreements providing for a specified minimum management fee. Accordingly, our success will be dependent in part upon the performance of the properties we manage, and the performance of these properties will depend upon the following factors, among others, many of which are partially or completely outside of our control:

- our ability to attract and retain creditworthy tenants;

- the magnitude of defaults by tenants under their respective leases;

- our ability to control operating expenses;

- governmental regulations, local rent control or stabilization ordinances which are or may be put into effect;

- financial conditions prevailing generally and in the areas in which

these properties are located;

- the nature and extent of competitive properties; and

- the real estate market generally.

We are controlled by RCBA Strategic Partners, L.P., whose interests may be different from yours.

CB Richard Ellis Services is a wholly owned subsidiary of CBRE Holding and RCBA Strategic Partners and its affiliates, together own approximately 56.3% of CBRE Holding's outstanding Class A and Class B common stock, taken together. In addition, RCBA Strategic Partners and Blum Strategic Partners II, L.P. entered into a securityholders' agreement with the other holders of Class B common stock and some of the holders of Class A common stock. The Class B and Class A common stock subject to the voting provisions of the securityholders' agreement represented as of the date of the merger approximately 76.3% of the voting power of CBRE Holding's outstanding Class A and Class B common stock, taken together. As a result of the percentage of CBRE Holding's voting power owned by RCBA Strategic Partners and Blum Strategic Partners II and the other parties to the securityholders' agreement and the rights granted to RCBA Strategic Partners and its affiliates pursuant to the securityholders' agreement, CBRE Holding is controlled by RCBA Strategic Partners which control has, among other things, the effects indicated below.

- General Voting: Subject to exceptions in the securityholders' agreement, RCBA Strategic Partners controls the outcome of all votes of holders of CBRE Holding's Class A and Class B common stock, taken together.

- Board: RCBA Strategic Partners has the right to designate a majority of the members of CBRE Holding's board of directors.

- Change of Control: RCBA Strategic Partners generally is able to prevent any transaction that would result in a change of control of CBRE Holding. Subject to exceptions in the securityholders' agreement, RCBA Strategic Partners is also able to cause a change of control.

We cannot assure you that the interests of RCBA Strategic Partners will not conflict with yours. In particular, RCBA Strategic Partners may cause a change of control at a time when we do not have sufficient funds to repurchase the notes as described under "Description of the Notes--Change of Control."

CB Richard Ellis Services has grown significantly during the past five years, which has placed significant demands on its resources, and it may not be able to effectively manage this growth or future growth.

CB Richard Ellis Services has grown significantly in recent years from total consolidated revenues of approximately $583 million in 1996 to approximately $1.3 billion in 2000. This historical growth and any future growth will continue to place demands on its resources. Accordingly, our future success and profitability will depend, in part, on our ability to enhance our management and operating systems, respond and adapt to rapid changes in technology, obtain financing for strategic acquisitions and investments, retain employees due to policy and procedural changes and retain customers due to our ability to manage change. We may not be able to successfully manage any significant expansion or obtain adequate financing on favorable terms to manage its growth.

CB Richard Ellis Services' growth has depended significantly upon acquisitions, and it has experienced difficulties integrating these acquired businesses with its business.

A significant component of CB Richard Ellis Services' growth from 1996 to 1998 was, and part of its principal strategy for continued growth is, through acquisitions. CB Richard Ellis Services' strategic acquisitions since 1995 have included Hillier Parker May and Rowden, REI, Ltd., Koll Real Estate Services, L.J. Melody & Company and Westmark Realty Advisors. Its recent tactical acquisitions have included Cauble and Company, North Coast Mortgage and Shoptaw-James. We expect to continue our acquisition program. Any future growth through acquisitions will be partially dependent upon the continued availability of suitable acquisition candidates at favorable prices and upon advantageous terms and conditions. However, future acquisitions may not be available at advantageous prices or upon favorable terms and conditions. In addition, acquisitions involve risks that the businesses acquired will not perform in accordance with expectations and that business judgments concerning the value, strengths and weaknesses of businesses acquired or the consequences of any acquisition will prove incorrect.

CB Richard Ellis Services has had, and may experience in the future, significant difficulties in integrating operations acquired from other companies, including the diversion of its management's attention from other business concerns and the potential loss of its key employees or those of the acquired operations. For example, in the Westmark acquisition, serious

differences in corporate culture resulted in the loss of several key employees. In the L.J. Melody acquisition, it took over a year to blend its loan servicing operations with those of L.J. Melody. The integration of Koll and CB Richard Ellis Services' property, facilities and corporate accounting systems took almost nine months to complete. We believe that most acquisitions will have an adverse impact on operating income and net income during the first six months following the acquisition. In addition, during this time period, there are generally significant one-time costs relating to integrating information technology, accounting and management services and rationalizing personnel levels.

CB Richard Ellis Services has had particular difficulty integrating the accounting systems of all the businesses that it has acquired. CB Richard Ellis Services has numerous different accounting systems, each of which reports results in a different currency. If we are unable to fully integrate the accounting and other systems of the businesses we own, we may not be able to effectively manage our acquired businesses. Moreover, the integration process itself may be disruptive to CB Richard Ellis Services' business as it requires CB Richard Ellis Services to coordinate geographically diverse organizations and implement new accounting and information technology systems.

We are parties to several lawsuits, including lawsuits related to the merger and related transactions, which if determined adversely to us, could result in the imposition of damages against us and could harm our business and financial condition.

We have been subject to putative class action lawsuits in Delaware and California in connection with the announcement of the merger and related transactions. These actions all alleged that the offering price for

shares of CB Richard Ellis Services' common stock was unfair and inadequate and sought injunctive relief or rescission of the merger and related transactions and, in the alternative, money damages. Although parties involved entered into a settlement agreement with respect to the actions that have been filed in Delaware that may lead to a settlement, the Delaware court has not yet approved the settlement agreement. Furthermore, the parties involved in the California lawsuit have not agreed to a settlement. In addition, we may be subject to other lawsuits in connection with the merger and related transactions that have not yet been filed. In the event that the current lawsuits with respect to the merger and related transactions are not settled or we become subject to additional suits, these lawsuits could result in the imposition of damages against us and our business and financial condition could be harmed.

In addition, we are the defendant in numerous lawsuits filed in the ordinary course of business. Although we are defending these claims, we cannot be certain that these cases will be resolved in our favor, and our insurance policies may not cover any such losses. Any losses not covered by insurance could adversely impact our business.

We have numerous significant competitors, many of which may have greater financial resources than us.

We compete across a variety of business disciplines within the commercial real estate industry, including investment management, tenant representation, corporate services, construction and development management, property asset management, agency leasing, valuation and mortgage banking. In general, with respect to each of our business disciplines, we cannot assure you that we will be able to continue to compete effectively, maintain our current fee arrangements or margin levels or not encounter increased competition. Each of the business disciplines in which we compete is highly competitive on an international, national, regional or local level. Although we are one of the largest real estate services firms in the world, our relative competitive position varies significantly across product and service categories and geographic areas. Depending on the product or service, we face competition from other real estate service providers, institutional lenders, insurance companies, investment banking firms, investment managers and accounting firms. Many of our competitors are local or regional firms, which are substantially smaller than us. However, those competitors may be substantially larger on a local or regional basis. We are also subject to competition from other large national and multinational firms.

In addition to our historical competitors, the advent of the Internet has introduced new ways of providing real estate services, as well as new entrants and competitors in our industry. We cannot currently predict who these competitors will be, nor can it predict what its response to them will be. Our response to competitive pressures could require significant capital resources, changes in our organization or technological changes. If we are not successful in developing a strategy to address the risks and to capture the related opportunities presented by technological changes and the emergence of e-business, our business, financial condition or results of operations could be harmed.

Our international operations subject us to social, political and economic risks of doing business in foreign countries.

We conduct a substantial portion of our business, and a substantial number of our employees are located, outside of the United States. In the six-month period ended June 30, 2001, CB Richard Ellis Services generated approximately 23% of its revenue from operations outside the United States. The international scope of our operations may lead to volatile financial results and difficulties in managing our businesses. Circumstances and developments related to international operations that could negatively affect our business, financial condition or results of operations include the following factors:

- difficulties and costs of staffing and managing international operations;
- currency restrictions, such as those in Brazil, India and Malaysia, which may prevent us from transferring capital and profits to the United States;
- changes in regulatory requirements;

- potentially adverse tax consequences;
- the burden of complying with multiple and potentially conflicting laws;
- the impact of regional or country-specific business cycles and economic instability;
- the geographic, time zone, language and cultural differences between personnel in different areas of the world;
- greater difficulty in collecting accounts receivable in some geographic regions such as Asia Pacific and Europe;
- political instability; and
- foreign ownership restrictions with respect to operations in countries such as Indonesia, India and China.

We have committed additional resources to expand our worldwide sales and marketing activities, to globalize our service offerings and products in selected markets and to develop local sales and support channels. If we are unable to successfully implement these plans, to maintain adequate long-term strategies that successfully manage the risks associated with our global business or to adequately manage operational fluctuations, our business, financial condition or results of operations could be harmed.

Our revenues and earnings may be adversely affected by foreign currency fluctuations.

Our revenues from non-U.S. operations have been primarily denominated in the local currency where the associated revenues were earned. During the six-month period ended June 30, 2001, approximately 23% of CB Richard Ellis Services' business was transacted in currencies of foreign countries, primarily the British Pound Sterling, the Canadian Dollar, the Euro, the Hong Kong Dollar and the Australian Dollar. We may experience significant negative fluctuations in revenues and earnings because of corresponding fluctuations in foreign currency exchange rates. For example, as a result of exchange rate adjustments, CB Richard Ellis Services' total net income was reduced by approximately $1.1 million during 2000.

CB Richard Ellis Services has made significant acquisitions of non-U.S. companies since the beginning of 1998, including Hillier Parker May and Rowden, REI, Ltd. and CB Commercial Real Estate of Canada, Inc. We may acquire additional foreign companies in the future as well. As we increase our foreign operations, fluctuations in the value of the U.S. dollar relative to the other currencies in which we may generate earnings could have a material adverse effect on our business, operating results and financial condition. In addition, fluctuations in currencies relative to the U.S. dollar may make it more difficult to perform period-to-period comparisons of our reported results of operations. Due to the constantly changing currency exposures to which we will be subject and the volatility of currency exchange rates, we cannot assure you that we will not experience currency losses in the future, nor can we predict the effect of exchange rate fluctuations upon future operating results.

Our management may decide to use currency hedging instruments, including foreign currency forward contracts, purchased currency options, where applicable, and borrowings in foreign currency. Economic risks associated with these hedging instruments include fluctuations in inflation rates impacting cash flow relative to paying down debt and changes in the underlying net asset position. These hedging activities may not be effective.

A significant portion of our operations are concentrated in California, and our business could be harmed if an economic downturn occurs in the California real estate market.

During the six-month period ended June 30, 2001, approximately $107.5 million, or 30%, of CB Richard Ellis Services' $362.7 million in total sales and lease revenue, including revenue from investment property sales, was generated from transactions that originated in the State of California. As a result of the geographic concentration in California of our transaction management business, as well as some of our other businesses, a

material downturn in the California commercial real estate market or in the local economies in San Diego, Los Angeles or Orange County could harm our results of operations.

Our results of operations vary significantly among quarters, which makes comparison of our quarterly results difficult.

CB Richard Ellis Services' operating income and earnings have historically been substantially lower during the first three calendar quarters than in the fourth quarter. The reasons for the concentration of income and earnings in the fourth quarter include a general, industry-wide focus on completing transactions by calendar year end, as well as the constant nature of CB Richard Ellis Services' non-variable expenses throughout the year versus the seasonality of its revenue and its policy of paying bonuses in the first quarter. This has historically resulted in a small operating loss in the first quarter, a small operating profit or loss in the second and third quarters and a larger profit in the fourth quarter, excluding the recognition of investment generated performance fees. As a result, quarter-to-quarter comparisons may be difficult to interpret.

Our co-investment activities subject us to real estate investment risks that could cause fluctuations in our earnings and cash flow.

An important part of the strategy of our investment management business involves investing our own capital in real estate investments with our clients. As of June 30, 2001, CB Richard Ellis Services had committed an additional $39.8 million to fund future co-investments. Our participation in real estate transactions through co-investment activity could increase fluctuations in its earnings and cash flow. Other risks associated with these activities include:

- loss of investments;
- difficulties associated with international co-investments described in the risk factors above under the headings "Our international operations subject it to social, political and economic risks of doing business in foreign countries" and "Our revenues and earnings may be adversely affected by foreign currency fluctuations"; and
- potential lack of control over the disposition of any co-investments and the timing of the recognition of gains, losses or potential incentive participation fees.

We have invested in a number of non-core, e-commerce businesses and other Internet-related real estate investments and may never realize a return on these investments.

We have invested approximately $25.6 million in a number of non-core e-commerce businesses and other Internet-related real estate investments. These investments are highly speculative and may never generate any income. In addition, we may lose all the money we have invested in these businesses. For example in the second quarter, CB Richard Ellis Services wrote off its $2.9 million investment in Eziaz, which has recently declared bankruptcy. CB Richard Ellis Services' write-off of Eziaz, and any other write-offs it may take in the future, will adversely affect our results of operations.

We may incur liabilities related to our subsidiaries being general partners of numerous general and limited partnerships.

We have subsidiaries that are general partners in numerous general and limited partnerships that invest in or manage real estate assets in connection with our co-investments. Any subsidiary that is a general partner is potentially liable to its partners and for the obligations of its partnership, including those obligations related to environmental contamination of properties owned or managed by the partnership. If our exposure as a general partner is not limited, or if our exposure as a general partner expands in the future, any resulting losses may harm our business, financial condition or results of operations. We own our general partnership interests through

special-purpose subsidiaries. We believe this structure will limit our exposure to the total amount we have invested in and the amount of notes from, or advances and commitments to, these special-purpose subsidiaries. However, this limited exposure may be expanded in the future based upon, among other things, changes in our operating practices, changes in applicable laws or the application of additional laws to our business.

Our joint venture activities involve unique risks that are often outside of our control and, if realized, could harm our business.

We have utilized joint ventures for large commercial investments, initiatives in Internet-related technology and local brokerage partnerships. In the future, we may acquire interests in additional limited and general partnerships and other joint ventures formed to own or develop real property or interests in real property. We have acquired and may acquire minority interests in joint ventures, and we may also acquire interests as a passive investor without rights to actively participate in the management of the joint ventures. Investments in joint ventures involve additional risks, including the following:

- the other participants may become bankrupt or have economic or other business interests or goals which are inconsistent with our interests or goals; and

- we may not have the right or power to direct the management and policies of the joint ventures, and other participants may take action contrary to our instructions or requests and against our policies and objectives.

If a joint venture participant acts contrary to our interest, it could harm our business, results of operations and financial condition.

Our success depends upon the retention of our senior management, as well as our ability to attract and retain qualified and experienced employees.

Our success is highly dependent upon the efforts of our executive officers and key employees. The only members of our senior management who are parties to employment agreements with us are Raymond Wirta, our Chief Executive Officer, and Brett White, our President. If either of Messrs. Wirta or White leaves or his services otherwise become unavailable to us, our business and results of operations may suffer.

In addition, as a decentralized, global commercial real estate services firm, we rely to a considerable extent on the quality of local management and the reputation of our employees in the various countries in which we operate. If we fail to attract and retain key personnel in the foreign countries in which we operate, particularly in those foreign countries where we have a limited operating history and brand recognition, our growth may be limited, and our business and operating results could suffer.

If we fail to comply with laws and regulations applicable to real estate brokerage and mortgage transactions and other segments of our business, we may incur significant financial penalties.

Due to the broad geographic scope of our operations and the numerous forms of real estate services we perform, we are subject to numerous federal, state and local laws and regulations specific to the services we perform. For example, our brokerage of real estate sales and leasing transactions requires us to maintain brokerage licenses in each state in which we operate. If we fail to maintain our license or conduct brokerage activities without a license, we may be required to pay fines, return commissions received or have our license suspended. In addition, because the size and scope of real estate sale transactions have increased significantly during the past several years, both the difficulty of ensuring compliance with the numerous state licensing regimes and the possible loss resulting from non-compliance have increased. In the future, the laws and regulations applicable to our business, both in the United States and in foreign countries, also may change in ways that materially increase our costs of compliance.

We may have liabilities in connection with real estate brokerage and property management activities.

As a licensed real estate broker, we and our licensed employees are subject to statutory due diligence, disclosure and standard-of-care obligations in connection with brokerage transactions. Failure to fulfill these obligations could subject us or our employees to litigation from parties who purchased, sold or leased properties that we brokered or managed. We may become subject to claims by participants in real estate transactions claiming that we did not fulfill our statutory obligations as a broker.

In addition, in our property management business, we hire and supervise third party contractors to provide construction and engineering services for our properties. While our role generally is limited to that of a supervisor, we

may be subjected to claims for construction defects or other similar actions. Adverse outcomes of property management litigation could negatively impact our business, financial condition and results of operations.

Risks relating to the exchange notes

Servicing CBRE Holding's and CB Richard Ellis Services' indebtedness requires a significant amount of cash, and CBRE Holding's and CB Richard Ellis Services' ability to generate cash depends on many factors beyond their control.

CBRE Holding and CB Richard Ellis Services expect to obtain from the operations of CB Richard Ellis Services the cash necessary to make payments on the outstanding notes and the exchange notes, the senior secured credit facilities and the 16% senior notes due 2011 issued by CBRE Holding and to fund CB Richard Ellis Services' working capital, strategic acquisitions, investments, joint ventures and other general corporate requirements. Our ability to generate cash from our operations is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. As a result, we cannot assure you that our business will generate sufficient cash flow from operations, that we will realize currently anticipated cost savings, revenue growth and operating improvements on schedule or at all, or that future borrowings will be available to us under our revolving credit facility, in each case, in amounts sufficient to enable us to service CB Richard Ellis Services' and CBRE Holding's debt and to fund our other liquidity needs. If CBRE Holding and CB Richard Ellis Services cannot service their debt, they will have to take actions such as reducing or delaying strategic acquisitions, investments and joint ventures, selling assets, restructuring or refinancing their debt or seeking additional equity capital. We cannot assure you that any of these remedies could, if necessary, be effected on commercially reasonable terms, or at all. In addition, the terms of existing or future debt instruments, including CB Richard Ellis Services' new credit agreement, which is guaranteed by CBRE Holding, the indenture for the outstanding notes and the exchange notes and the indenture for the 16% senior notes due 2011 issued by CBRE Holding may restrict CBRE Holding and CB Richard Ellis Services from adopting any of these alternatives. Therefore, because of these and other factors beyond our control, we may be unable to pay the principal, premium, if any, interest or other amounts on the outstanding notes and the exchanges notes.

We conduct a substantial portion of our operations through our subsidiaries and may be limited in our ability to access funds from these subsidiaries to service our debt, including the outstanding notes and the exchange notes.

We conduct a substantial portion of our operations through our subsidiaries and depend to a large degree upon dividends and other intercompany transfers of funds from our subsidiaries to meet our debt service and other obligations, including the outstanding notes and the exchange notes. Our subsidiaries do not have any obligation to pay amounts due on the notes or to make funds available to us for these payments, unless they are guarantors of the outstanding notes or the exchange notes. In addition, the ability of our subsidiaries to pay dividends and make other payments to us may be restricted by, among other things, applicable corporate and other laws, transfer pricing regulations, limitations on imports, currency exchange control regulations, potentially adverse tax consequences and agreements of our subsidiaries. Although the indenture governing the outstanding notes and the exchange notes and the indenture governing the 16% senior notes due 2011 issued by CBRE

Holding limit the ability of our subsidiaries to enter into consensual restrictions on their ability to pay dividends and make other payments, the limitations are subject to a number of significant qualifications and exceptions. See "Description of the Notes--Certain Covenants--Limitation on Restrictions on Distributions from Restricted Subsidiaries."

If we fail to meet our payment or other obligations under the new credit agreement, the lenders under the credit agreement could foreclose on, and acquire control of, substantially all of our assets.

In connection with the incurrence of indebtedness under the new credit agreement, upon the closing of the merger and related transactions, the lenders under the new credit agreement received a pledge of all of the equity interests of CB Richard Ellis Services and its significant domestic subsidiaries, including CB Richard Ellis, Inc., CBRE Investors, L.L.C. and L.J. Melody & Company, and 65% of the voting stock of CB Richard Ellis Services' foreign subsidiaries that is held directly by it or its domestic subsidiaries. Additionally, these lenders generally have a lien on substantially all of CB Richard Ellis Services' accounts receivables, cash, general intangibles, investment property and future acquired material property. As a result of these pledges and liens, if CB Richard Ellis Services fails to meet its payment or other obligations under the new credit agreement, the lenders under the credit agreement would be entitled to foreclose on substantially all of its assets and liquidate these assets. Under those circumstances, we may not have sufficient funds to pay principal, premium, if any, and interest on the outstanding notes

and the exchange notes. As a result, the holders of the outstanding notes and the exchange notes may lose a portion of, or the entire value of, their investment.

The indenture governing the notes, the new credit agreement and the indenture governing the 16% senior notes due 2011 issued by CBRE Holding impose significant operating and financial restrictions on us, and in the event of a default, all of these borrowings would become immediately due and payable.

The indenture governing the outstanding notes and the exchange notes and the indenture for the 16% senior notes due 2011 issued by CBRE Holding impose, and the terms of any future debt may impose, operating and other restrictions on CBRE Holding and CB Richard Ellis Services and many of their subsidiaries. These restrictions will affect, and in many respects will limit or prohibit their and their restricted subsidiaries' ability to:

- incur or guarantee additional debt;
- pay dividends or distributions on capital stock;
- repurchase equity interests;
- make investments;
- create restrictions on the payment of dividends or other amounts to us;
- sell or otherwise dispose of assets, including capital stock of subsidiaries;
- create liens;
- enter into transactions with affiliates; and
- enter into mergers or consolidations.

In addition, the new credit agreement includes other and more restrictive covenants and prohibits CB Richard Ellis Services from prepaying most of its other debt while debt under the credit agreement is outstanding. The new credit agreement also requires CB Richard Ellis Services to maintain compliance with specified financial ratios. CB Richard Ellis Services' ability to comply with these ratios may be affected by events beyond its control.

The restrictions contained in the indentures and the credit agreement could:

- limit CBRE Holdings' and CB Richard Ellis Services' ability to plan for or react to market conditions or meet capital needs or otherwise restrict their activities or business plans; and

- adversely affect CBRE Holdings' and CB Richard Ellis Services' ability to finance their operations, strategic acquisitions, investments or alliances or other capital needs or to engage in other business activities that would be in their interest.

A breach of any of these restrictive covenants or the inability to comply with the required financial ratios could result in a default under the indenture governing the outstanding notes and the exchange notes, the new credit agreement and the indenture governing the 16% senior notes due 2011 of CBRE Holding. If any such default occurs, the lenders under the credit agreement and the holders of the outstanding notes and the exchange notes and CBRE Holding's 16% senior notes due 2011, pursuant to the respective indentures, may elect to declare all outstanding borrowings, together with accrued interest and other fees, to be immediately due and payable. The lenders under the credit agreement also have the right in these circumstances to terminate any commitments they have to provide further borrowings. If CB Richard Ellis Services is unable to repay outstanding borrowings when due, the lenders under the credit agreement will have the right to proceed against the collateral granted to them to secure the debt, which includes CB Richard Ellis Services' available cash. If the debt under the credit agreement, the outstanding notes and the exchange notes and the 16% senior notes due 2011 of CBRE Holding were to be accelerated, we cannot assure you that our assets would be sufficient to repay in full the outstanding notes and the exchange notes and our other debt.

The outstanding notes and the exchange notes are contractually junior in right of payment to our senior debt and the guarantees will be contractually junior to all senior indebtedness of the guarantors.

The notes are contractually junior in right of payment to all of our senior indebtedness and the guarantees of the notes are contractually junior in right of payment to all senior indebtedness of the guarantors. As of June 30, 2001, on a pro forma basis after giving effect to the merger and related

transactions, CB Richard Ellis Services, excluding its subsidiaries, would have had approximately $276.5 million of senior indebtedness, consisting of $275.0 million of indebtedness under the new senior credit facilities and $1.5 million of other indebtedness; CBRE Holding would have had approximately $340 million of senior indebtedness, consisting of $65.0 million of CBRE Holding's 16% senior notes due 2011 and $275.0 million of CBRE Holding's guarantee of the new credit facilities; and the subsidiary guarantors would have had approximately $293.1 million of senior indebtedness, consisting of $18.1 million in various notes issued in connection with acquisitions and capital lease obligations and $275.0 million of their guarantees of our indebtedness under the new credit facilities.

CB Richard Ellis Services may not pay principal, premium, if any, interest or other amounts on the outstanding notes and the exchange notes in the event of a payment default in respect of certain senior indebtedness, including debt under the new credit agreement, unless the indebtedness has been paid in full in cash or the default has been cured or waived. In addition, if certain other defaults regarding CB Richard Ellis Services' senior indebtedness occur, CB Richard Ellis Services may not be permitted to pay any amount on the outstanding notes and the exchange notes and its subsidiary guarantors may not be permitted to pay any amount on the subsidiary guarantees for a designated period of time. If CB Richard Ellis Services is, or any of the subsidiary guarantors is, declared bankrupt or insolvent, or if there is a payment default under, or an acceleration of, any senior indebtedness, CB Richard Ellis Services is required to pay the lenders under the new credit agreement and any other creditors who are holders of senior indebtedness in full before CB Richard Ellis Services applies any of its assets to pay you. Accordingly, CB Richard Ellis Services may not have enough assets remaining after payments to holders of its senior indebtedness to pay you.

We may not have the ability to raise the funds necessary to finance a change of control offer.

Upon the occurrence of certain specific kinds of change of control events described in the section of this prospectus captioned "Description of the Notes--Change of Control," we are required to offer to purchase the outstanding notes and the exchange notes plus accrued and unpaid interest, if any, to the date of purchase. If a change of control were to occur, we cannot assure you that we would have sufficient funds to pay the purchase price of the outstanding notes and the exchange notes, and we expect that we would require third party financing

to do so. We cannot assure you that we would be able to obtain this financing on favorable terms, if at all. In the event of a specified kind of change of control, due to specified restrictions in the new credit agreement, we may have to offer to repay all borrowings under the new credit agreement or obtain the consent of our lenders under the new credit agreement to purchase the notes. If we do not obtain such consent or repay such borrowings, we may be prohibited from purchasing outstanding notes and exchange notes. In such case, our failure to purchase tendered notes would constitute a default under the indenture governing the notes, which, in turn, would constitute a default under the new credit agreement. Accordingly, we cannot assure you that we will have the financial ability to purchase outstanding notes and the exchange notes upon the occurrence of a change of control event.

In the event of the bankruptcy or insolvency of any of the subsidiary guarantors, the subsidiary guarantees of the outstanding notes and exchange notes could be voided under fraudulent conveyance statutes.

In the event of the bankruptcy or insolvency of any of the subsidiary guarantors, the subsidiary guarantee of that guarantor would be subject to review under relevant fraudulent conveyance and similar statutes in a bankruptcy or reorganization case or a lawsuit by or on behalf of creditors of that guarantor. Under those statutes, if a court were to find that the subsidiary guarantee was incurred with the intent of hindering, delaying or defrauding creditors or that the subsidiary guarantor received less than a reasonably equivalent value or fair consideration for the guarantee and, at the time of its incurrence, the subsidiary guarantor either:

- was insolvent or rendered insolvent by reason of the guarantee;
- was engaged in a business or transaction for which its remaining unencumbered assets constituted unreasonably small capital; or
- intended to, or believed that it would, incur debts beyond its ability to pay as they matured or became due,

then the court could void those obligations.

The measure of insolvency for purposes of a fraudulent conveyance claim will vary depending upon the law of the jurisdiction being applied. Generally, however, a company will be considered insolvent at a particular time if the sum

of its debts at that time is greater than the then fair value of its assets or if the fair salable value of its assets at the time is less than the amount that would be required to pay its probable liability on its existing debts as they become absolute and mature. We believe that, after giving effect to the offering of the outstanding notes and the incurrence of the subsidiary guarantees in connection with the consummation of the merger and related transactions, each of the subsidiary guarantors was:

- neither insolvent nor rendered insolvent by the incurrence of its guarantee of the outstanding notes and the exchange notes;
- in possession of sufficient capital to run its business effectively; and
- incurring debts within its ability to pay as the same mature or become due.

The assumptions and methodologies used by us in reaching our conclusions about our solvency and the solvency of the subsidiary guarantors may not be adopted by a court, however, and a court may not concur with these conclusions. In the event the subsidiary guarantee of the outstanding notes and the exchange notes by a subsidiary guarantor is voided as a fraudulent conveyance, holders of the outstanding notes and the exchange notes would effectively be subordinated to all indebtedness and other liabilities of that guarantor.

The outstanding notes have not been, and the exchange notes will not be, guaranteed by all of our subsidiaries.

The outstanding notes have not been, and the exchange notes will not be, guaranteed by a number of our subsidiaries. As a result, if we default on our obligation under the notes, you will not have any claims against

any of our subsidiaries that do not provide guarantees of the outstanding notes and the exchange notes. For the year ended December 31, 2000, revenues of our non-guarantor subsidiaries constituted approximately 22.4% of our consolidated revenues, operating income of such subsidiaries was $6.4 million and EBITDA of such subsidiaries was $23.0 million. As of December 31, 2000, the total assets of such subsidiaries constituted approximately 40.0% of our consolidated total assets, and the liabilities of such subsidiaries were $199.4 million. For the six months ended June 30, 2001, revenues of our non-guarantor subsidiaries constituted approximately 23.2% of our consolidated revenues, operating loss of such subsidiaries was $7.4 million and EBITDA of such subsidiaries was $0.3 million. As of June 30, 2001, the total assets of such subsidiaries constituted approximately 38% of our consolidated total assets, and the liabilities of such subsidiaries were $179.9 million.

We cannot assure you that an active trading market will develop for the exchange notes.

We do not intend to apply for a listing of the exchange notes on a securities exchange. There is currently no established market for the exchange notes and we cannot assure you as to:

- the liquidity of any market that may develop for the exchange notes;
- the ability of holders of exchange notes to sell their exchange notes; and
- the price at which holders of exchange notes will be able to sell their exchange notes.

Although the initial purchasers of the outstanding notes have advised us that they intend to make a market for the exchange notes, the initial purchasers are not obligated to do so, and may discontinue their market making at any time without notice to the holders of the exchange notes. In addition, market making activity may be limited during the pendency of the exchange offer or the effectiveness of a shelf registration statement. Accordingly, we cannot assure you as to the development or liquidity of any market for the exchange notes. If a market for the exchange notes does develop, prevailing interest rates, the markets for similar securities and other factors could cause the exchange notes to trade at prices lower than their initial market values or reduce the liquidity of the exchange notes.

FORWARD-LOOKING STATEMENTS

This prospectus includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933. The words "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "will" and similar terms and phrases are used in this prospectus to identify forward-looking statements. Forward-looking statements included in this

prospectus include, but are not limited to, statements under the headings "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business" regarding our future financial conditions, prospects, developments and business strategies. These forward-looking statements relate to analyses and other information that are based on forecasts of future results and estimates of amounts not yet determinable and also relate to their future prospects, developments and business strategies. For the forward-looking statements included in this prospectus, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

These forward-looking statements are made based on management's expectations and beliefs concerning future events affecting us and are subject to uncertainties and factors relating to their operations and business environment, all of which are difficult to predict and many of which are beyond their control, that could cause their actual results to differ materially from those expressed in or implied by these forward-looking statements.

The following factors are among those that may cause our actual results to differ materially from the forward-looking statements:

- changes in general economic and business conditions, including those directly and indirectly related to the terrorist attacks in New York City and at the Pentagon on September 11, 2001;
- the failure of properties managed by us to perform as anticipated;
- competition;
- changes in social, political and economic conditions in the countries in which we operate;
- foreign currency fluctuations;
- our ability to manage our growth and integrate our decentralized businesses;
- our ability to reduce operating expenses;
- an economic downturn in real estate markets across the world, particularly in California;
- acquisitions;
- our co-investment activities;
- our joint venture activities;
- our investments in e-commerce initiatives;
- our ability to retain senior management and other qualified and experienced employees in the many countries in which they operate;
- our ability to comply with the laws and regulations applicable to real estate brokerage and mortgage transactions; and
- significant litigation.

All of the forward-looking statements should be considered in light of these factors. We do not undertake any obligation to update the forward-looking statements or risk factors contained in this prospectus to reflect new information, future events or otherwise, except as required by law.

USE OF PROCEEDS

CB Richard Ellis Services, CBRE Holding and the other guarantors of the outstanding notes will not receive any cash proceeds from the issuance of the exchange notes. In consideration for issuing the exchange notes as contemplated in this prospectus, CB Richard Ellis Services will receive in exchange a like principal amount of outstanding notes, the terms of which are identical in all material respects to the exchange notes. The outstanding notes surrendered in exchange for the exchange notes will be retired and canceled and cannot be reissued. Accordingly, issuance of the exchange notes will not result in any change in our capitalization.

BLUM CB Corp. received net proceeds of approximately $218.6 million from the sale of the outstanding notes, after deducting discounts, commissions and other expenses of the offering of the outstanding notes. The net proceeds from the outstanding notes, which were received by CB Richard Ellis Services in connection with the merger, together with cash, borrowings under our new credit agreement, the proceeds from the 16% senior notes due 2011 issued by CBRE Holding and the proceeds from the sale of CBRE Holding common equity were used:

- to pay the holders of CB Richard Ellis Services' common stock immediately prior to the merger, other than the members of the buying group, consideration of $16.00 per share in the merger;

- to refinance substantially all of CB Richard Ellis Services' outstanding indebtedness prior to the merger;

- to pay fees and expenses associated with the merger and related transactions; and

- for working capital and other general corporate purposes.

CAPITALIZATION

The following table sets forth the cash and cash equivalents and capitalization of CB Richard Ellis Services and CBRE Holding as of June 30, 2001:

- on an actual basis; and

- on a pro forma as adjusted basis to reflect the completion of the merger and related transactions.

<TABLE>
<CAPTION>

	As of June 30, 2001			
	Actual		Pro Forma As Adjusted	
	CB Richard Ellis Services	CBRE Holding	CB Richard Ellis Services	CBRE Holding
	(in thousands, except share data)			
<S>	<C>	<C>	<C>	<C>
Cash and cash equivalents	$ 18,548	$229,499	$ 31,278	$ 31,278
Current maturities of long-term debt and short-term borrowings	13,146	--	62,496	62,496
Long-term debt, excluding current portion	416,472	225,642	469,306	525,956
Stockholders' equity:				
Preferred stock, $0.01 par value; 8,000,000 shares authorized; no shares issued or outstanding, actual; 6,250,000 shares issued and outstanding, pro forma as adjusted	--	--	63	--
Class A common stock; $0.01 par value; 75,000,000 shares authorized; no shares issued or outstanding, actual; 1,742,477 shares issued and outstanding, pro forma as adjusted	--	--	--	17
Class B common stock; $0.01 par value; 25,000,000 authorized; 241,885 shares issued and outstanding, actual; 12,649,813 shares issued and outstanding, pro forma as adjusted	--	2	--	127
Common stock, $0.01 par value; 100,000,000 shares authorized; 20,636,051 shares issued and outstanding, actual; 11,540,755 shares issued and outstanding, pro forma as adjusted	218	--	115	--
Additional paid-in capital	367,685	3,868	297,572	243,231
Notes receivable from sale of stock	(11,636)	--	--	--
Accumulated deficit	(93,464)	(730)	--	(730)
Accumulated other comprehensive loss	(19,328)	--	--	--
Treasury stock, at cost	(15,844)	--	--	--
Total stockholders' equity	227,631	3,140	297,750	242,645
Total capitalization	$657,249	$228,782	$829,552	$831,097

</TABLE>

THE MERGER AND RELATED TRANSACTIONS

The Merger

The outstanding notes were offered in connection with the proposed merger of CBRE Holding's wholly-owned subsidiary, BLUM CB Corp., with and into CB Richard Ellis Services, which occurred on July 20, 2001. Pursuant to an amended and restated merger agreement, CB Richard Ellis Services' stockholders at the time of the merger, other than the buying group described below who received shares

of CBRE Holding Class B common stock instead, received $16.00 in cash for each share of CB Richard Ellis Services common stock that they owned. As a result of the merger, all of CB Richard Ellis Services' outstanding common and preferred stock is owned by CBRE Holding, and CB Richard Ellis Services' common stock was delisted from the New York Stock Exchange.

Equity Financings

Immediately prior to the merger, pursuant to an amended and restated contribution and voting agreement, each of the following persons, which we refer to together as the "buying group," contributed to CBRE Holding all of the shares of CB Richard Ellis common stock that he or it directly owned:

- RCBA Strategic Partners, L.P. and Blum Strategic Partners II, L.P., which are affiliates of BLUM Capital Partners, L.P. and Richard Blum and Claus Moller, each of whom became a director of both CBRE Holding and CB Richard Ellis Services in connection with the merger;

- FS Equity Partners III, L.P. and FS Equity Partners International, L.P., which are affiliates of Freeman Spogli & Co. Incorporated and Bradford Freeman, who became a director of both CBRE Holding and CB Richard Ellis Services in connection with the merger;

- Raymond Wirta, who became a director and Chief Executive Officer of both CBRE Holding and CB Richard Ellis Services in connection with the merger;

- Brett White, who became a director and President of both CBRE Holding and CB Richard Ellis Services in connection with the merger;

- The Koll Holding Company, which is controlled by Donald Koll, who was a director of CB Richard Ellis Services prior to the merger; and

- Frederic Malek, who became a director of both CBRE Holding and CB Richard Ellis Services in connection with the merger.

Each of these shares was cancelled as a result of the merger. CBRE Holding issued one share of its Class B common stock in exchange for each share of CB Richard Ellis Services common stock contributed to it. This resulted in the issuance to the buying group of an aggregate of 7,967,774 shares of CBRE Holding Class B common stock in exchange for the contributions. Also pursuant to the contribution and voting agreement, immediately prior to the merger, RCBA Strategic Partners, L.P. and Blum Strategic Partners, II, L.P. purchased with cash in the aggregate 4,435,154 shares of CBRE Holding Class B common stock, Raymond Wirta purchased by delivery of a promissory note 5,000 shares of CBRE Holding Class B common stock and California Public Employees' Retirement System, or CalPERS, purchased with cash 625,000 shares of CBRE Holding Class A common stock, in each case for a price of $16.00 per share.

In connection with the merger, CBRE Holding sold an aggregate of 1,768,791 shares of its Class A common stock and shares underlying stock fund units in CB Richard Ellis Services' deferred compensation plan to CB Richard Ellis Services' employees and independent contractors at a price of $16.00 per share. Also in connection with the merger, CBRE Holding granted 1,508,057 options to acquire shares of its Class A common stock to designated managers of CB Richard Ellis Services. The offering of the shares of Class A common stock and the options to acquire shares of Class A common stock was made pursuant to an effective registration

statement under the Securities Act of 1933. Each of the employees who purchased shares of CBRE Holding Class A common stock entered into a subscription agreement that contains restrictions on the transfer of the shares, co-sale and required sale rights applicable in connection with transactions involving the shares and participation rights regarding future equity issuances. Holders of the Class A common stock are generally entitled to one vote per share on all matters submitted to stockholders of CBRE Holding, while holders of the Class B common stock of CBRE Holding generally are entitled to ten votes per share on all matters submitted to stockholders of CBRE Holding. The rights of the Class A and Class B common stock are substantially the same in all other respects.

Debt Financings

In connection with the merger, CB Richard Ellis Services entered into a new senior secured credit agreement with Credit Suisse First Boston and other lenders to borrow $235.0 million in term loans. This credit agreement also included a $90.0 million revolving credit facility to finance CB Richard Ellis Services' working capital requirements, $10.0 million of which was drawn upon as of September 10, 2001. Also in connection with the merger, CB Richard Ellis Services assumed the $229.0 million in aggregate principal amount of the outstanding notes, which were issued and sold by BLUM CB Corp. for approximately $225.6 million on June 7, 2001. In addition, CBRE Holding issued and sold to DLJ Investment Funding, Inc. and other purchasers 65,000 units,

which consisted in the aggregate of $65.0 million in aggregate principal amount of its 16% senior notes due 2011 and 339,820 shares of its Class A common stock, for an aggregate price of $65.0 million. For additional information regarding the indebtedness CBRE Holding and CB Richard Ellis Services incurred and assumed in connection with the merger, you should read the sections of this prospectus titled "Description of the Notes" and "Description of Other Indebtedness."

The proceeds from the offering by BLUM CB Corp. of the outstanding notes, the offering by CBRE Holding of its 16% senior notes due 2011 and related shares of CBRE Holding Class A common stock, the offerings to CB Richard Ellis Services' employees and independent contractors of CBRE Holding Class A common stock and the purchase of CBRE Holding Class B and Class A common stock by RCBA Strategic Partners, L.P., Blum Strategic Partners II, L.P., Raymond Wirta and CalPERS, together with CB Richard Ellis Services' borrowings under the new credit agreement, were used (1) to pay the holders of CB Richard Ellis Services common stock immediately prior to the merger, other than the members of the buying group, consideration of $16.00 per share in the merger, (2) to refinance substantially all of CB Richard Ellis Services' former indebtedness, (3) to pay fees and expenses associated with the merger and related transactions and (4) for working capital and other general corporate purposes. For additional information regarding the use of proceeds received in the offering of the outstanding notes, you should read the section of this prospectus titled "Use of Proceeds."

UNAUDITED PRO FORMA COMBINED FINANCIAL DATA

CB Richard Ellis Services

The following unaudited pro forma combined balance sheet and the unaudited pro forma combined statements of operations are based on the historical consolidated financial statements of CB Richard Ellis Services and BLUM CB Corp., a wholly owned subsidiary of CBRE Holding, included elsewhere in this prospectus, as adjusted to give effect to the merger and related transactions as if they had occurred as of June 30, 2001 in the unaudited pro forma combined balance sheet and as of January 1, 2000 in the unaudited pro forma combined statements of operations for the year ended December 31, 2000 and the six months ended June 30, 2001.

The pro forma adjustments are based upon currently available information and upon assumptions that our management believes are reasonable. Prior to the merger and related transactions, RCBA Strategic Partners, L.P. directly owned 2,345,900 shares of outstanding common stock of CB Richard Ellis Services, which represented approximately 11.5% of CB Richard Ellis Services' outstanding common stock prior to the merger and related transactions. A group of investment partnerships and funds, which are related to the general partner of RCBA Strategic Partners, directly owned 1,077,986 shares of outstanding common stock of CB Richard Ellis Services, which represented approximately 5.3% of CB Richard Ellis Services' outstanding common stock prior to the merger and related transactions. Neither RCBA Strategic Partners nor its general partner controls these related investment partnerships and funds. Additionally, other members of the buying group directly owned 4,543,888 shares of outstanding common stock of CB Richard Ellis Services, which represented approximately 22.3% of CB Richard Ellis Services' outstanding common stock prior to the merger and related transactions. Therefore, the total combined ownership of RCBA Strategic Partners, the investment partnerships and funds related to the general partner of RCBA Strategic Partners and the other members of the buying group was 7,967,774 shares of outstanding common stock of CB Richard Ellis Services, or approximately 39.1% of the outstanding common stock prior to the merger and related transactions. Accordingly, neither RCBA Strategic Partners, any of the investment partnerships of funds related to the general partner of RCBA Strategic Partners, any member of the buying group nor any combination of them controlled CB Richard Ellis Services prior to the merger and related transactions.

Prior to the merger and related transactions, RCBA Strategic Partners controlled CBRE Holding through its ownership of 100% of all issued and outstanding common stock of CBRE Holding. In connection with the merger, Blum Strategic Partners II, L.P. acquired shares of the outstanding common stock of CBRE Holding. Blum Strategic Partners II, L.P. is related to the general partner of RCBA Strategic Partners. Neither RCBA Strategic Partners nor its general partner controls Blum Strategic Partners II. RCBA Strategic Partners controls CBRE Holding after completion of the merger and related transactions. Subsequent to the merger and related transactions, RCBA Strategic Partners has the right to:

- appoint a majority of the board of directors of CBRE Holding; and
- directly and indirectly control approximately 76.3% of the voting power of CBRE Holding through the securityholders' agreement entered into with the other members of the buying group and other stockholders of CBRE Holding; the other members of the buying group, except for Blum

Strategic Partners II, generally are required to vote their shares of CBRE Holding common stock in a manner consistent with how RCBA Strategic Partners votes on matters that are subject to a vote by the stockholders of CBRE Holding.

Although the other members of the buying group have rights defined in the securityholders' agreement, management believes that these rights are consistent with the protective rights defined in EITF 96-16 and do not overcome the presumption of RCBA Strategic Partners' control over CBRE Holding.

After the merger and related transactions, CB Richard Ellis Services became a wholly owned subsidiary of CBRE Holding. The purchase accounting adjustments of CBRE Holding have been recorded in the

accompanying unaudited pro forma financial statements of CB Richard Ellis Services through push down accounting. However, the $65 million in aggregate principal amount of 16% senior notes issued by CBRE Holding has not been pushed down to the accompanying unaudited pro forma financial statements as this debt is an obligation of CBRE Holding and is not guaranteed by CB Richard Ellis Services. The net proceeds from the senior notes were contributed to CB Richard Ellis Services and are included in the accompanying unaudited pro forma financial statements as equity. The 2,345,900 shares of outstanding common stock of CB Richard Ellis Services owned by RCBA Strategic Partners prior to the merger that were contributed to CBRE Holding have been carried over at RCBA Strategic Partners' book value. The basis of accounting for the shares of CB Richard Ellis Services common stock acquired by CBRE Holding that were not directly owned by RCBA Strategic Partners prior to the merger and related transactions have been accounted for as a purchase transaction by CBRE Holding at a fair value of $16.00 per share. As such, the merger has been accounted for as a step acquisition in accordance with Accounting Principles Bulletin 16--"Accounting for Business Combinations." The acquisition of unvested stock fund units in the CB Richard Ellis Services deferred compensation plan has been accounted for in accordance with FASB Interpretation Number 44, as discussed in note (n) to the accompanying unaudited pro forma combined balance sheet. Management believes the fair value of the acquired common stock and stock fund units is consistent with the merger consideration of $16.00 per share. The adjustments included in the unaudited pro forma financial statements represent the effects of CB Richard Ellis Services' preliminary determination and allocation of the purchase price to the fair value of the assets and liabilities acquired, based upon currently available information. We cannot assure you that the actual effects will not differ significantly from the pro forma adjustments reflected in these unaudited pro forma financial statements.

The unaudited pro forma financial statements are not necessarily indicative of either future results of operations or results that might have been achieved if the merger and related transactions had been consummated as of the dates indicated. The unaudited pro forma financial statements should be read in conjunction with the historical consolidated financial statements and related notes of CBRE Holding and CB Richard Ellis Services, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus.

CB Richard Ellis Services, Inc. and Subsidiaries
Unaudited Pro Forma Combined Balance Sheet as of June 30, 2001
(in thousands, except share data)

<TABLE>
<CAPTION>

	As of June 30, 2001			
	CB Richard Ellis Services	BLUM CB Corp.	Pro Forma Adjustments	Pro Forma Combined
<S>	(Unaudited) <C>	(Unaudited) <C>	(Unaudited) <C>	(Unaudited) <C>
ASSETS				
Current Assets:				
Cash and cash equivalents	$ 18,548	$229,499	$ 153,600 (a) (2,707)(b) (198,305)(c) 235,000 (d) 40,000 (e) (400,000)(f) (13,850)(g) (13,806)(h) (16,701)(i)	$ 31,278
Receivables, less allowance for doubtful accounts of $11,993	149,811			149,811
Prepaid expenses	9,693			9,693

</TABLE>

Deferred taxes, net	13,023				13,023
Other current assets(n)	9,132	1,045	1,841	(a)	12,018
Total current assets	200,207	230,544	(214,928)		215,823
Property and equipment, net	77,590		(7,622)	(j)	69,968
Goodwill, net(n)	412,379		132,526	(a)	
			205,068	(c)	
			1,542	(f)	
			13,850	(g)	
			16,701	(i)	
			62,102	(j)	
			(227,631)	(k)	
			(33,449)	(l)	
			3,495	(m)	586,583
Other intangible assets, net	42,526		(7,619)	(j)	34,907
Cash surrender value of insurance policies, deferred compensation plan	69,508		(2,344)	(a)	
			6,950	(c)	74,114
Investment in and advances to unconsolidated subsidiaries	43,064		(6,972)	(j)	36,092
Deferred taxes, net	35,305		24,442	(l)	59,747
Prepaid pension costs	24,089		(10,401)	(j)	13,688
Other assets(n)	42,131	7,724	2,041	(a)	
			4,602	(a)	
			2,707	(b)	
			(4,101)	(c)	
			13,806	(h)	
			(21,943)	(j)	46,967
Total assets	$946,799	$238,268	$ (47,178)		$1,137,889

</TABLE>

CB Richard Ellis Services, Inc. and Subsidiaries
Unaudited Pro Forma Combined Balance Sheet as of June 30, 2001
(in thousands, except share data)

<TABLE>
<CAPTION>

	As of June 30, 2001			
	CB Richard Ellis Services	BLUM CB Corp.	Pro Forma Adjustments	Pro Forma Combined
LIABILITIES AND STOCKHOLDERS' EQUITY	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<S>	<C>	<C>	<C>	<C>
Current liabilities:				
Accounts payable and accrued expenses	$ 68,929	$ 9,486	$ 3,495 (m)	$ 81,910
Compensation and employee benefits	64,291			64,291
Accrued bonus and profit sharing	31,049			31,049
Income taxes payable	6,377		(9,007)(l)	(2,630)
Short-term borrowings (p)	12,017		40,000 (e)	52,017
Current maturities of long-term debt (p)	1,129		9,350 (d)	10,479
Total current liabilities	183,792	9,486	43,838	237,116
Long-term debt:				
8 7/8% senior subordinated notes, net of unamortized discount of $1,542 as of June 30, 2001	173,458		(173,458)(f)	--
Revolving credit facility	225,000		(225,000)(f)	--
11 1/4% senior subordinated notes, net of unamortized discount of $3,358 as of June 30, 2001		225,642	(225,642)(o)	
			225,642 (o)	225,642
Senior secured term loans			225,650 (d)	225,650
Other long-term debt	18,014			18,014
Total long-term debt (p)	416,472	225,642	(172,808)	469,306
Deferred compensation liability	87,680		(2,344)(a)	
			9,612 (c)	94,948
Other liabilities	28,407		7,545 (j)	35,952
Total liabilities	716,351	235,128	(114,157)	837,322
Minority interest	2,817			2,817
Stockholders' equity:				

Preferred stock, $0.01 par value; 8,000,000 shares authorized; no shares issued or outstanding at June 30, 2001; 6,250,000 shares issued and outstanding at June 30, 2001 pro forma.....	--		63 (a)	63
Common stock, $0.01 par value; 100,000,000 shares authorized; 20,636,051 shares issued and outstanding at June 30, 2001; 11,540,755 shares issued and outstanding at June 30, 2001 pro forma.....	218		(218)(k) 115 (a)	-- 115
Common stock, $0.01 par value; 25,000,000 shares authorized; 241,885 shares issued and outstanding at June 30, 2001; no shares issued or outstanding pro forma.....	--	2	(2)(a)	--
Additional paid-in capital.....	367,685	3,868	293,704 (a) (367,685)(k)	297,572
Notes receivable from sale of stock.....	(11,636)		11,636 (k)	--
Accumulated deficit.....	(93,464)	(730)	94,194 (a)(k)	--
Accumulated other comprehensive loss.....	(19,328)		19,328 (k)	--
Treasury stock at cost, 1,072,155 shares at June 30, 2001.....	(15,844)		15,844 (k)	--
Total stockholders' equity.....	227,631	3,140	66,979	297,750
Total liabilities and stockholders' equity.....	$946,799	$238,268	$ (47,178)	$1,137,889

</TABLE>

Notes to Unaudited Pro Forma Combined Balance Sheet as of June 30, 2001

(a) An amount equal to $293.9 million represents equity contributions received from CBRE Holding in exchange for 6,250,000 shares of preferred stock at $16.00 per share and 11,298,870 shares of common stock at $16.00 per share. This contribution included the net proceeds from CBRE Holding's issuance of $65.0 million in aggregate principal amount of 16% senior notes due June 15, 2001, which solely CBRE Holding is obligated to repay. We have neither guaranteed nor pledged any of our assets as collateral for the senior notes, and we are not obligated to provide cash flow to CBRE Holding for repayment of these notes. However, CBRE Holding has no substantive assets or operations other than its investment in us to service this debt. As such, CBRE Holding will rely on dividends on our preferred stock in order to be able to meet any required principal and interest payments on the senior notes. The $100 million in preferred stock carries a 16% cumulative dividend per year.

Of the $293.9 million, $153.6 million was contributed in cash, $132.5 million was a non-cash contribution representing the value of CB Richard Ellis Services common stock previously owned by members of the buying group and the value of vested stock fund units in the CB Richard Ellis Services deferred compensation plan, $2.0 million was contributed in exchange for recourse notes from employees and $6.4 million was recorded as a deferred compensation asset. The deferred compensation asset represents deferred compensation plan value related to unvested stock fund units held in the CB Richard Ellis Services deferred compensation plan that remained unvested after the merger. See note (n) for further details. Approximately $2.3 million of cash contributions were received from designated managers who elected to purchase new stock fund units in the deferred compensation plan with their vested participant account funds invested in the insurance investment options in the deferred compensation plan prior to the merger. This resulted in a decrease to cash surrender value of insurance policies, deferred compensation plan, with a corresponding decrease in the deferred compensation plan liability.

(b) Represents loans to The Koll Holding Company, which is an affiliate of Donald Koll, and to Raymond Wirta in connection with the merger and related transactions. These loans, which are secured by a pledge of shares of CBRE Holding Class B common stock, replaced existing margin loans with a third party that were secured by shares of CB Richard Ellis Services common stock prior to the merger. The new loans are full-recourse, accrue interest at a rate of LIBOR plus 1.4%, compounds annually, are payable quarterly and have a stated maturity of five years. The new loans will be replaced by a margin loan with a third party when, if ever, CBRE Holding common stock becomes freely tradable on a national securities exchange or an over-the-counter market.

(c) The following reflects the purchase of CB Richard Ellis Services by CBRE Holding which is comprised of the following:

- 20,393,450 shares of outstanding common stock of CB Richard Ellis Services at $16.00 per share (net of treasury stock), less the 7,967,774 shares of common stock owned by members of the buying group that were contributed to CBRE Holding in exchange for Class B common stock of CBRE Holding.

- 1,693,424 stock fund units, each consisting of one underlying share of common stock of CB Richard Ellis Services, in the deferred compensation plan at $16.00 per unit, less 812,743 unvested stock fund units that were automatically converted so that the underlying shares became shares of CBRE Holding Class A common stock and 221,516 vested stock fund units that employees elected to convert into stock fund units with underlying CBRE Holding Class A common stock.

- 2,613,663 options to acquire common stock of CB Richard Ellis Services.

The entries to record the cash portion of the purchase price is calculated as follows:

<TABLE>
<CAPTION>

	Decrease in Cash	Increase in Goodwill	Increase in Cash Surrender Value of Insurance Policies, DCP	Decrease in Other Assets	Increase in Deferred Compensation Liability
			(in thousands, except share data)		
<S>	<C>	<C>	<C>	<C>	<C>
Purchase of 12,425,676 shares of CB Richard Ellis Services common stock at $16.00 per share, net of the repayment of $13.2 million in recourse and non-recourse employee loans secured by the common stock (1)	$(185,578)	$189,679	$ --	$(4,101)	$ --
Purchase of 666,726 vested stock fund units, each consisting of one underlying share of CB Richard Ellis Services common stock, at $16.00 per share	(8,006)	10,668	6,950	--	9,612
Purchase of 2,613,663 options to acquire common stock of CB Richard Ellis Services at the greater of intrinsic value or $1.00 per option	(4,721)	4,721	--	--	--
Total	$(198,305)	$205,068	$6,950	$(4,101)	$9,612

</TABLE>

(1) Some members of management and highly compensated employees have historically purchased shares of common stock of CB Richard Ellis Services under various compensation plans at fair market value on the date of grant. These purchases were made under the terms of the 1996 Equity Incentive Plan, the 1999 Equity Incentive Plan and the 1990 Stock Option Plan. Payment for a portion of the purchase price of these shares was made by the employee using either a non-recourse loan secured by the underlying CB Richard Ellis Services common stock issued or a recourse loan secured by the underlying CB Richard Ellis Services common stock issued and the personal assets of the participating employee. Non-recourse loans were recorded as a reduction to equity, while recourse loans were included as other assets in the historical balance sheet of CB Richard Ellis Services. In conjunction with the merger and related transactions, employees owning stock through these plans with such secured loans received $16.00 per share in merger consideration, less the per share equivalent of any unpaid principal, plus accrued but unpaid interest, under such loans as of the date of the merger.

(d) Represents the gross proceeds from CB Richard Ellis Services' borrowing of $235.0 million in senior secured term loans. Current maturities of long-term debt includes $9.4 million in principal payments due on the senior secured term loans. The $235.0 million in senior secured term loans is comprised of two separate facilities. The $50.0 million Tranche A facility bears interest at the 3-month LIBOR plus 3.25%, which was 6.36% as of September 17, 2001. The $50.0 million Tranche A facility will be fully amortized by July 20, 2007 through quarterly principal payments over 6 years. $7.5 million in total annual principal payments will be due quarterly during the first two years of the loan, and $8.75 million in total annual principal payments will be due quarterly during years 3 through 6 of the loan. The $185.0 million Tranche B facility bears interest at 3-month LIBOR plus 3.75%, which was 6.86% as of September 17, 2001. The $185.0 million Tranche B facility requires quarterly payments of principal of approximately $462,500, with the remaining outstanding principal balance

of $172.5 million due on July 20, 2008.

(e) Represents the gross proceeds from the draw down on the new $90.0 million revolving credit facility. The $90.0 million revolving credit facility bears interest at 3 month LIBOR plus 3.25%, which was 6.36% as of September 17, 2001 and matures on July 20, 2007. Under the terms of the credit agreement, no amounts can be outstanding under the revolving credit facility for a period of 45 consecutive days commencing on any day chosen by CB Richard Ellis Services in the month of December of each year.

(f) Represents the repayment of CB Richard Ellis Services' historical debt outstanding as of June 30, 2001, which was comprised of $225.0 million outstanding under CB Richard Ellis Services' former revolving credit facility and $175.0 million outstanding in aggregate principal amount of CB Richard Ellis Services' former 8 7/8% senior subordinated notes, net of unamortized debt discount. The payment of the $1.5 million in unamortized debt discount was recorded as an increase in goodwill.

(g) Represents the payment of $13.9 million of repayment premiums on CB Richard Ellis Services' former 8 7/8% senior subordinated notes, which was recorded as an increase in goodwill.

(h) Represents the payment of $13.8 million in fees and commissions in connection with the borrowing of the $235.0 million senior secured term loans by CB Richard Ellis Services, the $229.0 million in aggregate principal amount of 11 1/4% senior subordinated notes issued by BLUM CB Corp. and the $90.0 million revolving credit facility of CB Richard Ellis Services. Annual aggregate maturity of total long term debt, excluding the revolving credit facility, at June 30, 2001 on an unaudited pro forma basis is as follows: 2001 - $17.4 million; 2002 - $12.1 million; 2003 - $10.5 million; 2004 - $10.6 million; 2005 - $10.6 million; thereafter - $430.6 million.

(i) Represents estimated transaction fees and related costs incurred in connection with the acquisition of CB Richard Ellis Services by CBRE Holding, excluding $27.7 million in financing costs included in notes (g) and (h) above.

(j) Represents adjustments to reflect the identifiable assets and liabilities of CB Richard Ellis Services acquired at their estimated current fair value, which resulted in the following adjustments:

<TABLE>
<CAPTION>

	(in thousands)
<S>	<C>
Property and equipment, net	$ (7,622)
Goodwill, net	62,102
Other intangible assets, net	(7,619)
Investment in and advances to unconsolidated subsidiaries	(6,972)
Prepaid pension costs	(10,401)
Other assets	(21,943)
Other liabilities	(7,545)
	$ --

</TABLE>

The amount of equity interest carried over for RCBA Strategic Partners, L.P. was calculated as the original cost basis of 2,345,900 shares of CB Richard Ellis Services common stock purchased by RCBA Strategic Partners, or approximately $11.54 per share, adjusted for its share of diluted earnings per share of approximately $1.62 from the date RCBA Strategic Partners acquired such shares through the merger date.

Following are the calculations of (1) the purchase price of the acquisition of CB Richard Ellis Services, (2) the allocation of that purchase price to the assets and liabilities of CB Richard Ellis Services, and (3) the calculation of goodwill of CB Richard Ellis Services after consummation of the merger and related transactions.

Calculation of the purchase price of CB Richard Ellis Services:

<TABLE>
<CAPTION>

	Shares of CB Richard Ellis Services
	RCBA

Stockholder:	Strategic Partners	Other	Total
<S>	<C>	<C>	<C>
Total Shares and Stock Fund Units	2,345,900	19,740,974	22,086,874
Value Per Share	$ 13.16	$ 16.00	$ --
Fair Value	$30,878,298	$315,855,578	$346,733,876
Fair Value of 255,477.3 warrants to acquire common stock of CBRE Holding exchanged for warrants to acquire common stock of CB Richard Ellis Services common stock at $30 per share valued at $3.85 per warrant	--	983,588	983,588
Purchase of 2,613,669 options to acquire common stock of CB Richard Ellis Services	--	4,721,452	4,721,452
Total Purchase Price	$30,878,298	$321,560,618	$352,438,916

Allocation of the purchase price to the assets and liabilities of CB Richard Ellis Services:

	Fair Value (in thousands)
<S>	<C>
Assets:	
Property and Equipment	$ 69,968
Other Intangible Assets	34,907
Other Assets	20,188
Investments In and Advances to Unconsolidated Subsidiaries	36,092
Non Current Deferred Taxes, net	59,747
Prepaid Pension Costs	13,688
All Other Assets	268,985
Total Assets	503,575
Liabilities:	
Income Taxes Payable	(2,630)
Other Long Term Liabilities	35,952
All Other Liabilities	681,567
Total Liabilities	714,889
Minority Interest	2,817
Net Liabilities in Excess of Identifiable Assets	$(214,131)

Calculation of CB Richard Ellis Services Goodwill:

<S>	<C>
Total Purchase Price	$352,439
Plus:	
Fair Value of Liabilities in Excess of Assets	214,131
Repayment of Loans Included as a Reduction of CB Richard Ellis Services Equity	(9,132)
Extinguishment Costs related to CB Richard Ellis Services Existing Debt	15,392
Deal Costs	16,701
Severance and Facilities Closure Reserves	3,495
Less:	
Fair Value of Unvested Stock Fund Units Recorded as Deferred Compensation Asset	(6,443)
Total Goodwill	$586,583

(k) Represents the elimination of the historical equity of CB Richard Ellis Services, which resulted in the following adjustments:

	(in thousands)
<S>	<C>

Goodwill, net	$(227,631)
Common stock	218
Additional paid-in capital	367,685
Notes receivable from sale of stock	(11,636)
Accumulated deficit	(93,464)
Accumulated other comprehensive loss	(19,328)
Treasury stock at cost	(15,844)
	$ --

(l) Represents adjustments to reflect the tax effect of the pro forma adjustments included in notes (f), (g), (i) and (j), which resulted in the following adjustments:

	(in thousands)
Goodwill, net	$(33,449)
Deferred taxes, net	24,442
Income taxes payable	9,007
	$ --

(m) Represents an adjustment to accrue as a component of the purchase price estimated costs associated with severance for CB Richard Ellis Services employees designated for termination and CB Richard Ellis Services facilities designated for closure.

(n) Immediately prior to the merger and related transactions, participants held approximately 880,681 vested stock fund units and 812,743 unvested stock fund units in the CB Richard Ellis Services Deferred Compensation Plan. Each stock fund unit entitled the participant to receive one share of CB Richard Ellis Services common stock upon distribution from his or her deferred compensation plan participant account. In connection with the merger and related transactions, a change in control occurred in accordance with the terms of the deferred compensation plan for approximately 342,593 unvested stock fund units associated with the 1999 company matching contribution, and these stock fund units became fully vested upon completion of the merger.

In connection with the merger and related transactions, the deferred compensation plan was amended so that each stock fund unit thereafter represented the right to receive one share of the Class A common stock of CBRE Holding in accordance with the terms and conditions set forth in the deferred compensation plan. Each participant in the deferred compensation plan who was a U.S. employee or an independent contractor in specified states and had stock fund units that were vested and credited to his or her account as of the merger was required, prior to the merger, to make one of the following elections with respect to the vested stock fund units: (1) convert the value of his or her vested stock fund units, based upon the a value of $16.00 per stock unit, into any of the insurance mutual fund or interest index fund alternatives provided under the deferred compensation plan, or (2) continue to hold the vested stock fund units in his or her account under the deferred compensation plan. As a result of the amendment of the deferred compensation plan, any vested stock fund units held by other employees and independent contractors and all stock fund units that were unvested prior to the merger were automatically converted into the right to receive one share of Class A common stock of CBRE Holding. After the merger and related transactions, there were approximately 470,150 unvested stock fund units in the CB Richard Ellis Services deferred compensation plan. A portion of these unvested stock fund units have been accounted for as a deferred compensation asset included in other current assets and other assets in the accompanying unaudited pro forma combined balance sheet. The deferred compensation asset will be amortized as compensation expense over the remaining vesting period for such stock fund units.

Vested stock fund units, including those that vested due to the change in control, have been included in goodwill in the accompanying unaudited pro forma combined balance sheet. The above accounting treatment is in accordance with Financial Interpretation Number 44 "Accounting for Certain Transactions Involving Stock Compensation." In connection with the merger and related transactions, all stock fund units, whether vested or unvested, were valued at $16.00 per share.

(o) Represents the exchange of the exchange notes being offered pursuant to

this prospectus for the outstanding notes. The outstanding notes bear interest at a fixed rate of 11 1/4% and are due on June 15, 2001. The outstanding notes were issued at a $3.4 million discount, which is being amortized over the 10 year life of the notes to yield level amortization. The exchange notes being offered pursuant to this offering are identical in all material respects to the outstanding notes except:

- the exchange notes have been registered under the Securities Act;
- the exchange notes are not entitled to certain registration rights which are applicable to the outstanding notes under the registration rights agreement; and
- certain contingent interest rate provisions are no longer applicable.

(p) Net debt, defined as total debt outstanding less cash and cash equivalents, increased by $89.4 million to $500.5 million in the pro forma combined balance sheet as of June 30, 2001 from $411.1 million as actually reported by CB Richard Ellis Services as of June 30, 2001.

CB Richard Ellis Services, Inc. and Subsidiaries
Unaudited Pro Forma Combined Statement of Operations
for the Year Ended December 31, 2000
(in thousands, except share and per share data)

<TABLE>
<CAPTION>

	Year Ended December 31, 2000			
	CB Richard Ellis Services	BLUM CB Corp.	Pro Forma Adjustments	Pro Forma Combined
<S>	<C>	<C>	(Unaudited) <C>	(Unaudited) <C>
Revenue:				
Leases	$ 539,419	$ --	$ --	$ 539,419
Sales	389,745			389,745
Property and facilities management fees.	110,654			110,654
Consulting and referral fees	78,714			78,714
Appraisal fees	75,055			75,055
Loan origination and servicing fees	58,190			58,190
Investment management fees	42,475			42,475
Other	29,352			29,352
Total revenues	1,323,604			1,323,604
Costs and Expenses:				
Commissions, fees and other incentives..	634,639			634,639
Operating, administrative, and other	538,481		2,439 (a)	540,920
Depreciation and amortization	43,199		(23,992)(b)	
			28,020 (a)	
			(162)(c)	47,065
Operating income	107,285		(6,305)	100,980
Interest income	2,554			2,554
Interest expense	41,700		17,710 (d)	59,410
Income before provision for income tax	68,139		(24,015)	44,124
Provision for income taxes	34,751		(7,010)(e)	27,741
Net income	$ 33,388	$ --	$(17,005)	$ 16,383

</TABLE>

Notes to Unaudited Pro Forma Combined Statement of Operations for the Year Ended December 31, 2000

(a) Reflects amortization of the estimated fair value of CB Richard Ellis Services' goodwill over 30 years and of identifiable intangible and other assets over 3 to 10 years. The pro forma financial statements do not reflect the impact of SFAS No. 142, "Goodwill and Other Intangible Assets." Under SFAS 142, goodwill will no longer be subject to amortization over its estimated useful life.

(b) Represents the reversal of CB Richard Ellis Services' historical amortization related to goodwill and other intangible assets.

(c) Represents the net adjustment to CB Richard Ellis Services' depreciation expense resulting from fair value adjustments to property and equipment, which are non-cash charges resulting from purchase accounting entries.

(d) The increase in pro forma interest expense as a result of the merger and related transactions is summarized as follows:

	(in thousands)
Interest on Tranche A senior secured term loan at 9.81%..	$ 4,905
Interest on Tranche B senior secured term loan at 10.31%.	19,074
Interest on 11 1/4% senior subordinated notes.....	25,763
Interest on the revolving credit facility at 9.81%.....	579
Interest on existing other borrowings (including capital leases).....	6,334
Cash interest expense.....	56,655
Amortization of debt issuance costs:	
($4.8 million over a 6-year amortization period).....	753
($6.4 million over a 7-year amortization period).....	913
($12.3 million over a 10-year amortization period).....	1,089
	59,410
Less: historical cash interest expense.....	(39,404)
Less: historical amortization of debt issuance costs.....	(2,296)
Net increase.....	$ 17,710

The Tranche A senior secured term loan bears interest at an annual rate of 3-month LIBOR plus 3.25%, the Tranche B senior secured term loan bears interest at annual rate of 3-month LIBOR plus 3.75% and the revolving credit facility bears interest on amounts borrowed at an annual rate of 3-month LIBOR plus 3.25%. LIBOR is based on the average 3-month LIBOR for fiscal year 2000 of 6.56% for purposes of computing pro forma combined interest expense. As of September 17, 2001, the 3-month LIBOR was 3.11%. At a LIBOR of 3.11%, the cash component of pro forma combined interest expense would have been approximately $48.3 million for the year ended December 31, 2000, which would have represented a decrease of $8.3 million from pro forma interest expense included in the accompanying unaudited pro forma combined statement of operations. Each 1.0% change in the 3-month LIBOR would have increased or decreased pro forma combined interest expense by $2.4 million for the year ended December 31, 2000.

(e) Represents the tax effect of pro forma adjustments included in notes (a) through (d) above at a combined federal and state statutory tax rate of 38.5%, excluding certain items that are permanently non-deductible for tax purposes.

CB Richard Ellis Services, Inc. and Subsidiaries
Unaudited Pro Forma Combined Statement of Operations
for the Six Months Ended June 30, 2001
(in thousands, except share and per share data)

	Six Months Ended June 30, 2001			
	CB Richard Ellis Services	BLUM CB Corp.	Pro Forma Adjustments	Pro Forma Combined
			(Unaudited)	(Unaudited)
Revenue:				
Leases.....	$216,146	$ --	$ --	$216,146
Sales.....	146,536			146,536
Property and facilities management fees.....	56,373			56,373
Consulting and referral fees.....	34,337			34,337
Appraisal fees.....	38,545			38,545
Loan origination and servicing fees.....	30,936			30,936
Investment management fees.....	20,254			20,254
Other.....	14,220			14,220
Total revenues.....	557,347			557,347
Costs and Expenses:				
Commissions, fees and other incentives.....	259,203			259,203

Operating, administrative and other.....	263,614		20	(a)	263,634
Depreciation and amortization.....	23,142		(11,741)	(b)	
			13,917	(a)	
			(1,681)	(c)	23,637
Merger-related and other nonrecurring charges....	5,608				5,608
Operating income.....	5,780		(515)		5,265
Interest income.....	1,492	580	(580)	(d)	1,492
Interest expense.....	18,413	1,775	7,339	(e)	27,527
Loss before benefit for income tax.....	(11,141)	(1,195)	(8,434)		(20,770)
Benefit for income taxes.....	(6,774)	(465)	(1,664)	(f)	(8,903)
Net loss.....	$ (4,367)	$ (730)	$ (6,770)		$(11,867)

</TABLE>

Notes to Unaudited Pro Forma Combined Statement of Operations
for the Six Months Ended June 30, 2001

(a) Reflects amortization of the estimated fair value of CB Richard Ellis Services' goodwill over 30 years and of identifiable intangible and other assets over 3 to 10 years. The pro forma financial statements do not reflect the impact of SFAS No. 142, "Goodwill and Other Intangible Assets". Under SFAS 142, goodwill will no longer be subject to amortization over its estimated useful life.

(b) Represents the reversal of CB Richard Ellis Services' historical amortization related to goodwill and other intangible assets.

(c) Represents the net adjustment to CB Richard Ellis Services' depreciation expense resulting from fair value adjustments to property and equipment, which are non-cash charges resulting from purchase accounting entries.

(d) Represents the reversal of historical interest income earned by BLUM CB Corp. on the net proceeds from the 11 1/4% senior subordinated notes held in escrow from June 7, 2001 through July 20, 2001, which was the date of the merger. The net proceeds held in escrow were released to CB Richard Ellis Services upon consummation of the merger.

(e) The increase to pro forma interest expense as a result of the merger and related transactions is summarized as follows:

<TABLE>
<CAPTION>

	(in thousands)
<S>	<C>
Interest on Tranche A senior secured term loan at 7.95%....	$ 1,988
Interest on Tranche B senior secured term loan at 8.45%....	7,817
Interest on 11 1/4% senior subordinated notes issued by BLUM CB Corp.....	12,881
Interest on the revolving credit facility at 7.95%.....	914
Interest on other existing borrowings (including capital leases).....	2,540
Cash interest expense.....	26,140
Amortization of debt issuance costs:.....	
($4.8 million over a 6-year amortization period).....	377
($6.4 million over a 7-year amortization period).....	456
($12.3 million over a 10-year amortization period).....	554
	27,527
Less: historical cash interest expense.....	(17,251)
Less: historical interest expense of BLUM CB Corp.....	(1,775)
Less: historical amortization of debt issuance costs.....	(1,162)
Net increase.....	$ 7,339

</TABLE>

The Tranche A senior secured term loan bears interest at an annual rate of 3-month LIBOR plus margin of 3.25%, the Tranche B senior secured term loan bears interest at an annual rate of 3-month LIBOR plus margin of 3.75% and the revolving credit facility bears interest at an annual rate of 3-month LIBOR plus 3.25% on amounts borrowed. LIBOR is based on the average three month LIBOR for the six months ended June 30, 2001 of 4.70% for purposes of computing pro forma interest expense. As of September 17, 2001, the 3-month LIBOR was 3.11%. At a LIBOR of 3.11%, the cash component of pro forma combined interest expense would have been approximately $24.1 million for

the three months ended June 30, 2001, which would be a decrease of $2.1 million. Each 1.0% change in the 3-month LIBOR would have had the impact of increasing or decreasing pro forma combined interest expense by $1.3 million for the six months ended June 30, 2001.

(f) Represents the tax effect of pro forma adjustments included in notes (a) through (d) above at a combined federal and state statutory tax rate of 38.5%, excluding certain items that are permanently non-deductible for tax purposes.

CBRE Holding

The following unaudited pro forma combined balance sheet and the unaudited pro forma combined statements of operations are based on the historical consolidated financial statements of CBRE Holding and CB Richard Ellis Services, included elsewhere in this prospectus, as adjusted to give effect to the merger and related transactions as if they had occurred as of June 30, 2001 in the unaudited pro forma combined balance sheet and as of January 1, 2000 in the unaudited pro forma combined statements of operations for the year ended December 31, 2000 and the six months ended June 30, 2001.

The pro forma adjustments are based upon currently available information and upon assumptions that our management believes are reasonable. Prior to the merger and related transactions, RCBA Strategic Partners, L.P. directly owned 2,345,900 shares of outstanding common stock of CB Richard Ellis Services, which represented approximately 11.5% of CB Richard Ellis Services' outstanding common stock prior to the merger and related transactions. A group of investment partnerships and funds, which are related to the general partner of RCBA Strategic Partners, directly owned 1,077,986 shares of outstanding common stock of CB Richard Ellis Services, which represented approximately 5.3% of CB Richard Ellis Services' outstanding common stock prior to the merger and related transactions. Neither RCBA Strategic Partners nor its general partner controls these related investment partnerships and funds. Additionally, other members of the buying group directly owned 4,543,888 shares of outstanding common stock of CB Richard Ellis Services, which represented approximately 22.3% of CB Richard Ellis Services' outstanding common stock prior to the merger and related transactions. Therefore the total combined ownership of RCBA Strategic Partners, the investment partnerships and funds related to the general partner of RCBA Strategic Partners and the other members of the buying group was 7,967,774 shares of outstanding common stock of CB Richard Ellis Services, or approximately 39.1% of the outstanding common stock prior to the merger and related transactions. Accordingly, neither RCBA Strategic Partners, any of the investment partnerships or funds related to the general partner of RCBA Strategic Partners, any member of the buying group nor any combination of them controlled CB Richard Ellis Services prior to the merger and related transactions.

Prior to the merger and related transactions, RCBA Strategic Partners controlled CBRE Holding through its ownership of 100% of all issued and outstanding common stock of CBRE Holding. In connection with the merger, Blum Strategic Partners II, L.P. acquired shares of the outstanding common stock of CBRE Holding. Blum Strategic Partners II, L.P. is related to the general partner of RCBA Strategic Partners. Neither RCBA Strategic Partners nor its general partner controls Blum Strategic Partners II. RCBA Strategic Partners controls CBRE Holding after completion of the merger and related transactions. Subsequent to the merger and related transactions, RCBA Strategic Partners has the right to:

- appoint a majority of the board of directors of CBRE Holding; and
- directly and indirectly control approximately 76.3% of the voting power of CBRE Holding through the securityholders' agreement entered into with the other members of the buying group and other stockholders of CBRE Holding; the other members of the buying group, except for Blum Strategic Partners II, generally are required to vote their shares of CBRE Holding common stock in a manner consistent with how RCBA Strategic Partners votes on matters that are subject to a vote by the stockholders of CBRE Holding.

Although the other members of the buying group have rights defined in the securityholders' agreement, management believes that these rights are consistent with the protective rights defined in EITF 96-16 and do not overcome the presumption of RCBA Strategic Partners' control over CBRE Holding.

After the merger and related transactions, CB Richard Ellis Services became a wholly owned subsidiary of CBRE Holding. The 2,345,900 shares of outstanding common stock of CB Richard Ellis Services owned by RCBA Strategic Partners prior to the merger that were contributed to CBRE Holding have been carried over at RCBA Strategic Partners' book value. The basis of accounting for the shares of CB Richard Ellis Services

common stock acquired by CBRE Holding that were not directly owned by RCBA Strategic Partners prior to the merger and related transactions have been accounted for as a purchase transaction by CBRE Holding at a fair value of $16.00 per share. As such, the merger has been accounted for as a step acquisition in accordance with Accounting Principles Bulletin 16--"Accounting for Business Combinations." The acquisition of unvested stock fund units in the CB Richard Ellis Services deferred compensation plan has been accounted for in accordance with FASB Interpretation Number 44 as discussed in note (n) to the accompanying unaudited pro forma combined balance sheet. Management believes the fair value of the acquired common stock and stock fund units is consistent with the merger consideration of $16.00 per share. The adjustments included in the unaudited pro forma financial statements represent the effects of CB Richard Ellis Services' preliminary determination and allocation of the purchase price to the fair value of the assets and liabilities acquired, based upon currently available information. We cannot assure you that the actual effects will not differ significantly from the pro forma adjustments reflected in these unaudited pro forma financial statements.

The unaudited pro forma financial statements are not necessarily indicative of either future results of operations or results that might have been achieved if the merger and related transactions had been consummated as of the dates indicated. The unaudited pro forma financial statements should be read in conjunction with the historical consolidated financial statements and related notes of CBRE Holding and CB Richard Ellis Services, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus.

CBRE Holding, Inc. and Subsidiaries
Unaudited Pro Forma Combined Balance Sheet
as of June 30, 2001
(in thousands, except share data)

<TABLE>
<CAPTION>

	As of June 30, 2001			
	CB Richard Ellis Services	CBRE Holding, Inc.	Pro Forma Adjustments	Pro Forma Combined
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<S>	<C>	<C>	<C>	<C>
ASSETS				
Current Assets:				
Cash and cash equivalents	$ 18,548	$229,499	$ 90,875 (a) (2,707)(b) (198,305)(c) 235,000 (d) 40,000 (e) 65,000 (f) (400,000)(g) (13,850)(h) (16,081)(i) (16,701)(j)	$ 31,278
Receivables, less allowance for doubtful accounts of $11,993	149,811			149,811
Prepaid expenses	9,693			9,693
Deferred taxes, net	13,023			13,023
Other current assets	9,132	1,045	1,841 (a)(k)	12,018
Total current assets	200,207	230,544	(214,928)	215,823
Property and equipment, net	77,590		(7,622)(l)	69,968
Goodwill, net	412,379		131,796 (a)(k) 205,068 (c) 1,542 (g) 13,850 (h) 16,701 (j) 62,102 (j) (227,631)(m) (33,449)(n) 3,495 (o)	585,853
Other intangible assets, net	42,526		(7,619)(l)	34,907
Cash surrender value of insurance policies, deferred compensation plan	69,508		(2,344)(a) 6,950 (c)	74,114
Investment in and advances to unconsolidated subsidiaries	43,064		(6,972)(l)	36,092
Deferred taxes, net	35,305		24,442 (n)	59,747
Prepaid pension costs	24,089		(10,401)(l)	13,688

Other assets	42,131	7,724	2,041 (a) 4,602 (a)(k) 2,707 (b) (4,101)(c) 16,081 (i) (21,943)(l)	49,242
Total assets	$946,799	$238,268	$ (45,633)	$1,139,434

</TABLE>

CBRE Holding, Inc. and Subsidiaries
Unaudited Pro Forma Combined Balance Sheet
as of June 30, 2001
(in thousands, except share data)

<TABLE>
<CAPTION>

	As of June 30, 2001			
	CB Richard Ellis Services (Unaudited)	CBRE Holding, Inc. (Unaudited)	Pro Forma Adjustments (Unaudited)	Pro Forma Combined (Unaudited)
<S>	<C>	<C>	<C>	<C>
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable and accrued expenses	$ 68,929	$ 9,486	$ 3,495 (o)	$ 81,910
Compensation and employee benefits	64,291			64,291
Accrued bonus and profit sharing	31,049			31,049
Income taxes payable	6,377		(9,007)(n)	(2,630)
Short-term borrowings (t)	12,017		40,000 (e)	52,017
Current maturities of long-term debt (t)	1,129		9,350 (d)	10,479
Total current liabilities	183,792	9,486	43,838	237,116
Long-term debt:				
8 7/8% senior subordinated notes, net of unamortized discount of $1,542 as of June 30, 2001	173,458		(173,458)(g)	--
Revolving credit facility	225,000		(225,000)(g)	--
11-1/4% senior subordinated notes, net of unamortized discount of $3,358 million as of June 30, 2001		225,642	(225,642)(p) 225,642 (p)	225,642
Senior secured term loans			225,650 (d)	225,650
16% Senior Notes, net of unamortized discount of $8,350 million as of June 30, 2001 pro forma	--	--	65,000 (f) (8,350)(q) (65,000)(r) 65,000 (r)	56,650
Other long-term debt	18,014			18,014
Total long-term debt (t)	416,472	225,642	(116,158)	525,956
Deferred compensation liability	87,680		(2,344)(a) 9,612 (c)	94,948
Other liabilities	28,407		7,545 (l)	35,952
Total liabilities	716,351	235,128	(57,507)	893,972

Minority interest	2,817			2,817
Stockholders' equity:				
Class A common stock; $0.01 par value; 75,000,000 shares authorized; no shares issued or outstanding at June 30, 2001; 1,742,477 shares issued and outstanding at June 30, 2001 pro forma	--	--	5 (q) 12 (a)	17
Class B common stock; $0.01 par value; 25,000,000 authorized; 241,885 shares issued and outstanding at June 30, 2001; 12,649,813 shares issued and outstanding at June 30, 2001 pro forma	--	2	125 (a)	127
Common stock, $0.01 par value; 100,000,000 shares authorized; 20,636,051 shares issued and outstanding at June 30, 2001	218		(218)(m)	--
Additional paid-in capital	367,685	3,868	231,018 (a) 8,345 (q) (367,685)(m)	243,231
Notes receivable from sale of stock	(11,636)		11,636 (m)	--
Accumulated deficit	(93,464)	(730)	93,464 (m)	(730)
Accumulated other comprehensive loss	(19,328)		19,328 (m)	--
Treasury stock at cost, 1,072,155 shares at June 30, 2001	(15,844)		15,844 (m)	--
Total stockholders' equity (s)	227,631	3,140	11,874	242,645
Total liabilities and stockholders' equity	$946,799	$238,268	$ (45,633)	$1,139,434

</TABLE>

Notes to Unaudited Pro Forma
Combined Balance Sheet as of June 30, 2001

(a) Consists of cash proceeds from the issuance of an aggregate of 5,679,685 shares of CBRE Holding common stock and stock fund units to RCBA Strategic, Blum Strategic Partners II, CalPERS and employees and independent contractors of CR Richard Ellis Services at $16.00 per share. See note (s) for further detail.

Of the $231.2 million, $90.9 million was contributed in cash, $131.8 million was a non-cash contribution representing the value of 7,967,774 shares of CB Richard Ellis Services common stock previously owned by members of the buying group and the value of vested stock fund units in the CB Richard Ellis Services deferred compensation plan, $2.0 million was contributed in exchange for recourse notes from employees and $6.9 million was recorded as a deferred compensation asset. The deferred compensation asset represents deferred compensation plan value related to unvested stock fund units held in the CB Richard Ellis Services deferred compensation plan that remained unvested after the merger. See note (k) for further details. Approximately $2.3 million of cash contributions were received from designated managers who elected to purchase new stock fund units in the deferred compensation plan with their vested participant account funds invested in the insurance investment options in the deferred compensation plan prior to the merger. This resulted in a decrease to cash surrender value of insurance policies, deferred compensation plan, with a corresponding decrease in the deferred compensation plan liability.

(b) Represents loans to The Koll Holding Company, which is an affiliate of Donald Koll, and to Raymond Wirta in connection with the merger and related transactions. These loans, which are secured by a pledge of shares of CBRE Holding Class B common stock, replaced existing margin loans with a third party that were secured by shares of CB Richard Ellis Services common stock prior to the merger. The new loans are full-recourse, accrue interest at a rate of LIBOR plus 1.4%, compound annually, are payable quarterly and have a stated maturity of five years. The new loans will be replaced by a margin loan with a third party when, if ever, CBRE Holding common stock becomes freely tradable on a national securities exchange or an over-the-counter

market.

(c) The following reflects the purchase of CB Richard Ellis Services by CBRE Holding which is comprised of the following:

- 20,393,450 shares of outstanding common stock of CB Richard Ellis Services at $16.00 per share (net of treasury stock), less the 7,967,774 shares of common stock owned by members of the buying group that were contributed to CBRE Holding in exchange for Class B common stock of CBRE Holding.

- 1,693,924 stock fund units, each consisting of one underlying share of common stock of CB Richard Ellis Services, in the deferred compensation plan at $16.00 per unit, less 812,743 unvested stock fund units that were automatically converted so that the underlying shares became shares of CBRE Holding Class A common stock and 221,516 vested stock fund units that employees elected to convert into stock fund units with underlying CBRE Holding Class A common stock.

- 2,613,663 options to acquire common stock of CB Richard Ellis Services.

The entries to record the cash portion of the purchase price is calculated as follows:

<TABLE>
<CAPTION>

	Decrease in Cash	Increase in Goodwill	Increase in Cash Surrender Value of Insurance Policies, DCP	Decrease in Other Assets	Increase in Deferred Compensation Liability
<S>	<C>	<C>	(in thousands, except per share data) <C>	<C>	<C>
Purchase of 12,425,676 share of CB Richard Ellis Services common stock at $16.00 per share, net of the repayment of $13.2 million in recourse and non-recourse employee loans secured by the common stock (1)	$(185,578)	$189,679	$ --	$(4,101)	$ --
Purchase of 666,726 vested stock fund units, each consisting of one underlying share of CB Richard Ellis Services common stock, at $16.00 per share	(8,006)	10,668	6,950	--	9,612
Purchase of 2,613,663 options to acquire common stock of CB Richard Ellis Services at the greater of intrinsic value or $1.00 per option	(4,721)	4,721	--	--	--
Total	$(198,305)	$205,068	$6,950	$(4,101)	$9,612

</TABLE>

(1) Some members of management and highly compensated employees have historically purchased shares of common stock of CB Richard Ellis Services under various compensation plans at fair market value on the date of grant. These purchases were made under the terms of the 1996 Equity Incentive Plan, the 1999 Equity Incentive Plan and the 1990 Stock Option Plan. Payment for a portion of the purchase price of these shares was made by the employee using either a non-recourse loan secured by the underlying CB Richard Ellis Services common stock issued or a recourse loan secured by the underlying CB Richard Ellis Services common stock issued and the personal assets of the participating employee. Non-recourse loans were recorded as a reduction to equity, while recourse loans were included as other assets in the historical balance sheet of CB Richard Ellis Services. In conjunction with the merger and related transactions, employees owning stock through these plans with such secured loans received $16.00 per share in merger consideration, less the per share equivalent of any unpaid principal, plus accrued but unpaid interest, under such loans as of the date of the merger.

(d) Represents the gross proceeds from CB Richard Ellis Services' borrowing of $235.0 million in senior secured term loans. Current maturities of long-term debt includes $9.4 million in principal payments due on the senior secured term loans. The $235.0 million in senior secured term loans is comprised of two separate facilities. The $50.0 million Tranche A facility bears interest at the 3 month LIBOR plus 3.25%, which was 6.36% as of September 17, 2001. The $50.0 million Tranche A facility will be fully

amortized by July 20, 2007 through quarterly principal payments over 6 years. $7.5 million in total annual principal payments will be due quarterly during the first two years of the loan, and $8.75 million in total annual principal payments will be due quarterly during years 3 through 6 of the loan. The $185.0 million Tranche B facility bears interest at 3 month LIBOR plus 3.75%, which was 6.86% as of September 17, 2001. The $185.0 million Tranche B facility requires quarterly payments of principal of approximately $462,500, with the remaining outstanding principal balance of $172.5 million due on July 20, 2008.

(e) Represents the gross proceeds from the draw down on the new $90.0 million revolving credit facility. The $90.0 million revolving credit facility bears interest at 3-month LIBOR plus 3.25%, which was 6.36% as of September 17, 2001 and matures on July 20, 2007. Under the terms of the credit agreement, no amounts can be outstanding under the revolving credit facility for a period of 45 consecutive days commencing on any day chosen by CB Richard Ellis Services in the month of December of each year.

(f) Represents the gross proceeds from our issuance of $65.0 million in 16% senior notes and related Class A common stock. The $65 million in senior notes will be due on July 20, 2011 and bear interest at a fixed rate of 16%.

(g) Represents the repayment of CB Richard Ellis Services' historical debt outstanding as of June 30, 2001, which was comprised of $225.0 million outstanding under CB Richard Ellis Services' former revolving credit facility and $175.0 million outstanding in aggregate principal amount of CB Richard Ellis Services' former 8 7/8% senior subordinated notes, net of unamortized debt discount. The payment of the $1.5 million in unamortized debt discount was recorded as an increase in goodwill.

(h) Represents the payment of $13.9 million of repayment premiums on CB Richard Ellis Services' former 8 7/8% senior subordinated notes, which was recorded as an increase in goodwill.

(i) Represents the payment of $16.1 million in fees and commissions in connection with the $65 million in aggregate principal amount of 16% senior notes issued by CBRE Holdings, the borrowing of the $235.0 million senior secured term loans by CB Richard Ellis Services, the $229.0 million in aggregate principal amount of 11 1/4% senior subordinated notes issued by BLUM CB Corp. and the $90.0 million revolving credit facility of CB Richard Ellis Services. Annual aggregate maturity of total long term debt, excluding the revolving credit facility, at June 30, 2001 on an unaudited pro forma basis is as follows: 2001 - $17.4 million; 2002 - $12.1 million; 2003 - $10.5 million; 2004 - $10.6 million; 2005 - $10.6 million; thereafter - $487.2 million.

(j) Represents estimated transaction fees and related costs incurred in connection with the acquisition of CB Richard Ellis Services by CBRE Holding, excluding $29.9 million in financing costs included in notes (h) and (i) above.

(k) Immediately prior to the merger, participants held approximately 880,681 vested stock fund units and 812,743 unvested stock fund units in the CB Richard Ellis Services Deferred Compensation Plan. Each stock fund unit entitled the participant to receive one share of CB Richard Ellis Services common stock upon distribution from his or her deferred compensation plan participant account. In connection with the merger and related transactions, a change in control occurred in accordance with the terms of the deferred compensation plan for approximately 342,593 unvested stock fund units associated with the 1999 company matching contribution, and these stock fund units became fully vested upon completion of the merger.

In connection with the merger, the deferred compensation plan was amended so that each stock fund unit thereafter represented the right to receive one share of the Class A common stock of CBRE Holding in accordance with the terms and conditions set forth in the deferred compensation plan. Each participant in the deferred compensation plan who was a U.S. employee or an independent contractor in specified states and had stock fund units that were vested and credited to his or her account as of the merger was required, prior to the merger, to make one of the following elections with respect to the vested stock fund units: (1) convert the value of his or her vested stock fund units, based upon the a value of $16.00 per stock unit, into any of the insurance mutual fund or interest index fund alternatives provided under the deferred compensation plan, or (2) continue to hold the vested stock fund units in his or her account under the deferred compensation plan. As a result of the amendment of the deferred compensation plan, any vested stock fund units held by other employees and independent contractors and all stock fund units that were unvested prior to the merger were automatically converted into the right to receive one share of Class A common stock of CBRE Holding. Of the 880,681 vested stock

fund units outstanding prior to the merger, employees elected to receive the value of $16.00 per unit for 666,726 stock fund units, which they invested in the insurance index funds and the Interest Index Fund II options under the deferred compensation plan, and elected to hold 221,516 vested stock fund units in the deferred compensation plan. All stock fund units

that were unvested prior to the merger remained as stock fund units in the deferred compensation plan. After the merger, there were approximately 470,150 unvested stock fund units in the CB Richard Ellis Services deferred compensation plan. A portion of these unvested stock fund units have been accounted for as a deferred compensation asset included in other current assets and other assets in the accompanying unaudited pro forma combined balance sheet. The deferred compensation asset will be amortized as compensation expense over the remaining vesting period for such stock fund units. Vested stock fund units, including those that vested due to the change in control, have been included in goodwill in the accompanying unaudited pro forma combined balance sheet. The above accounting treatment is in accordance with Financial Interpretation Number 44 "Accounting for Certain Transactions Involving Stock Compensation." In connection with the merger and related transactions, all stock fund units, whether vested or unvested, were valued at $16.00 per share.

(l) Represents adjustments to reflect the identifiable assets and liabilities of CB Richard Ellis Services acquired at their estimated current fair value, which resulted in the following adjustments:

<TABLE>
<CAPTION>

	(in thousands)
<S>	<C>
Property and equipment, net	$ (7,622)
Goodwill, net	62,102
Other intangible assets, net	(7,619)
Investment in and advances to unconsolidated subsidiaries	(6,972)
Prepaid pension costs	(10,401)
Other assets	(21,943)
Other liabilities	(7,545)
	$ --

</TABLE>

The amount of interest carried over for RCBA Strategic Partners, L.P. was calculated as the original cost basis of 2,345,900 shares of CB Richard Ellis Services common stock purchased by RCBA Strategic Partners, or approximately $11.54 per share, adjusted for its share of diluted earnings per share of approximately $1.62 from the date RCBA Strategic Partners acquired such shares through the merger date.

Following are the calculations of (1) the purchase price of the acquisition of CB Richard Ellis Services, (2) the allocation of that purchase price to the assets and liabilities of CB Richard Ellis Services, and (3) the calculation of goodwill of CB Richard Ellis Services after consummation of the merger.

Calculation of the purchase price of CB Richard Ellis Services:

<TABLE>
<CAPTION>

	Shares of CB Richard Ellis Services		
Stockholder:	RCBA Strategic Partners	Other	Total
<S>	<C>	<C>	<C>
Total Shares and Stock Fund Units	2,345,900	19,740,974	22,086,874
Value Per Share	$ 13.16	$ 16.00	$ --
Fair Value	$30,878,298	$315,855,578	$346,733,876
Fair Value of 255,477.3 warrants to acquire common stock of CBRE Holding exchanged for warrants to acquire CB Richard Ellis Services common stock at $30 per share valued at $3.85 per warrant	--	983,588	983,588
Purchase of 2,613,669 options to acquire common stock of CB Richard Ellis Services	--	4,721,452	4,721,452
Total Purchase Price	$30,878,298	$321,560,618	$352,438,916

</TABLE>

Allocation of the purchase price to the assets and liabilities of CB Richard Ellis Services:

<TABLE>
<CAPTION>

	Fair Value (in thousands)
<S>	<C>
Assets:	
Property and Equipment	$ 69,968
Other Intangible Assets	34,907
Other Assets	20,188
Investments In and Advances to Unconsolidated Subsidiaries	36,092
Non Current Deferred Taxes, net	59,747
Prepaid Pension Costs	13,688
All Other Assets	269,715
Total Assets	504,305
Liabilities:	
Income Taxes Payable	(2,630)
Other Long Term Liabilities	35,952
All Other Liabilities	681,567
Total Liabilities	714,889
Minority Interest	2,817
Net Liabilities in Excess of Identifiable Assets	$(213,401)

</TABLE>

Calculation of CB Richard Ellis Services Goodwill:

<TABLE>

<S>	<C>
Total Purchase Price	$352,439
Plus:	
Fair Value of Liabilities in Excess of Assets	213,401
Repayment of Loans Included as a Reduction of CB Richard Ellis Services Equity	(9,132)
Extinguishment Costs related to CB Richard Ellis Services Existing Debt	15,392
Deal Costs	16,701
Severance and Facilities Closure Reserves	3,495
Less:	
Fair Value of Unvested Stock Fund Units Recorded as Deferred Compensation Asset	(6,443)
Total Goodwill	$585,853

</TABLE>

(m) Represents the elimination of the historical equity of CB Richard Ellis Services, which resulted in the following adjustments:

<TABLE>
<CAPTION>

	Amount (in thousands)
<S>	<C>
Goodwill, net	$(227,631)
Common stock	218
Additional paid-in capital	367,685
Notes receivable from sale of stock	(11,636)
Accumulated deficit	(93,464)
Accumulated other comprehensive loss	(19,328)
Treasury stock at cost	(15,844)
	$ --

</TABLE>

(n) Represents adjustments to reflect the tax effect of the pro forma adjustments included in notes (f), (g), (i) and (j), which resulted in the following adjustments:

<TABLE>
<CAPTION>

	Amount
	(in thousands)
<S>	<C>
Goodwill, net	$(33,449)
Deferred taxes, net	24,442
Income taxes payable	9,007
	--

</TABLE>

(o) Represents an adjustment to accrue as a component of the purchase price estimated costs associated with severance for CB Richard Ellis Services employees designated for termination and CB Richard Ellis Services facilities designated for closure.

(p) Represents the exchange of 11 1/4% senior subordinated notes being offered by CB Richard Ellis Services pursuant to a separate prospectus for the existing 11 1/4% senior subordinated notes initially issued by BLUM CB Corp, a wholly owned subsidiary of CBRE Holding, which were assumed by CB Richard Ellis in connection with the merger. The existing senior subordinated notes bear interest at a fixed rate of 11 1/4% and are due on June 15, 2001. The existing senior subordinated notes were issued at a $3.4 million discount, which is being amortized over the 10 year life of the notes to yield level amortization. The exchange notes being offered pursuant to a separate offering are identical in all material respects to the existing senior subordinated notes except:

- the exchange notes have been registered under the Securities Act;
- the exchange notes are not entitled to certain registration rights which are applicable to the existing senior subordinated notes under a registration rights agreement; and
- certain contingent interest rate provisions are no longer applicable.

(q) Represents the issuance of 521,847 shares of CBRE Holding Class A common stock at $0.01 per share, with a fair value of $16.00 per share, in conjunction with the issuance of the $65.0 million in aggregate principal amount of our 16% senior notes.

(r) Represents the exchange of the exchange notes being offered pursuant to this prospectus for the outstanding notes. The exchange notes being offered pursuant to this offering are identical in all material respects to the outstanding notes except:

- the exchange notes have been registered under the Securities Act;
- the exchange notes are not entitled to certain registration rights which are applicable to the outstanding notes under the registration rights agreement; and certain contingent interest rate provisions are no longer applicable.

(s) The following table reflects the actual results from the merger and related transactions. The pro forma combined equity of CBRE Holding is calculated as follows:

<TABLE>
<CAPTION>

Description of Shareholder	Class of Common Stock	Basis Per Share	Number of Shares/ Warrants	Pro Forma Combined Equity
<S>	<C>	<C>	<C>	<C>
Stock Issued in Conjunction with the Voting and Contribution Agreement:				
Stock issued in exchange for contribution of common stock of CB Richard Ellis Services owned directly by RCBA Strategic Partners, L.P.(1)	B	$13.16	2,345,900	$ 30,878,298
Stock issued in exchange for contribution of common stock of CB Richard Ellis Services acquired by RCBA Strategic Partners at $16.00 per share from entities related to the general partner of RCBA Strategic Partners	B	16.00	1,077,986	17,247,776
Stock issued in exchange for contribution of common				

stock of CB Richard Ellis Services owned by other members of the buying group	B	16.00	4,543,888	72,702,208
Stock issued to RCBA Strategic Partners and Blum Strategic Partners II, L.P. in exchange for cash	B	16.00	4,677,039	74,832,624
Stock issued to CalPERS in exchange for cash	A	16.00	625,000	10,000,000
Issuance of 255,477.3 warrants to FS Equity Partners III, L.P. and FS Equity Partners International, L.P. in exchange for formerly outstanding warrants to acquire common stock of CB Richard Ellis Services	B	3.85	--	983,588
Subtotal--buying group and CalPERS			13,269,813	206,644,494
Other Stock and Stock Fund Units Issued in Connection with the Merger and Related Transactions:				
Stock underlying existing stock fund units in the CB Richard Ellis Services deferred compensation plan	A	16.00	1,026,698	16,427,168
Stock underlying stock fund units in the deferred compensation plan in exchange for amounts transferred from the insurance index fund	A	16.00	146,472	2,343,552
Stock issued to CB Richard Ellis Services' employees and independent contractors for direct ownership in exchange for cash, assignment of net merger proceeds and recourse notes	A	16.00	425,240	6,803,840
Stock issued for cash proceeds from the merger and held in the CB Richard Ellis 401(k) plan for direct ownership	A	16.00	175,390	2,806,240
Subtotal--CB Richard Ellis Services' employees and independent contractors			1,773,800	28,380,800
Stock issued to DLJ Investment Funding, Inc. and the other purchasers of CBRE Holding units consisting of CBRE Holding's 16% senior notes and Class A common stock	A	16.00	521,847	8,349,552
Subtotal--stockholders other than buying group and CalPERS			2,295,647	36,730,352
Total stockholders equity			15,565,460	$243,374,846

</TABLE>

---

(1) Basis per share for RCBA Strategic Partners is comprised of its average per share purchase price of CB Richard Ellis Services common stock of $11.54, plus an average of $1.33 per share in earnings from the date the shares were acquired through the merger date.

(t) Net debt, defined as total debt outstanding less cash and cash equivalents, increased by $150.0 million to $557.1 million in the pro forma combined balance sheet as of June 30, 2001 from $411.1 million as actually reported by CB Richard Ellis Services and CBRE Holding. as of June 30, 2001.

CBRE Holding, Inc. and Subsidiaries
Unaudited Pro Forma Combined Statement Of Operations
For The Year Ended December 31, 2000
(in thousands, except share and per share data)

<TABLE>
<CAPTION>

	Year Ended December 31, 2000			
	CB Richard Ellis Services	CBRE Holding, Inc.	Pro Forma Adjustments	Pro Forma Combined
			(Unaudited)	(Unaudited)
<S>	<C>	<C>	<C>	<C>
Revenue:				
Leases	$ 539,419	$ --	$ --	$ 539,419
Sales	389,745			389,745
Property and facilities management fees	110,654			110,654
Consulting and referral fees	78,714			78,714
Appraisal fees	75,055			75,055
Loan origination and servicing fees	58,190			58,190
Investment management fees	42,475			42,475
Other	29,352			29,352
Total revenue	1,323,604			1,323,604
Costs and Expenses:				
Commissions, fees and other incentives	634,639			634,639
Operating, administrative, and other	538,481		2,439 (a)	540,920
Depreciation and amortization	43,199		(23,992)(b)	

			28,020 (a)	
			(162)(c)	47,065
Operating income	107,285		(6,305)	100,980
Interest income	2,554			2,554
Interest expense	41,700		28,694 (d)	70,394
Income before provision for income tax	68,139		(34,999)	33,140
Provision for income taxes	34,751		(9,980)(e)	24,771
Net income	$ 33,388	$ --	$(25,019)	$ 8,369
Net income applicable to common stockholders	$ 33,388			$ 8,369
Basic earnings per share	$ 1.60			$ 0.55
Weighted average shares outstanding for basic earnings per share	20,931,111			15,277,829(f)
Diluted earnings per share	$ 1.58			$ 0.55
Weighted average shares outstanding for diluted earnings per share	21,097,240			15,277,829(f)

</TABLE>

Notes to Unaudited Pro Forma Combined Statement of Operations
for the Year Ended December 31, 2000

(a) Reflects amortization of the estimated fair value of CB Richard Ellis Services' goodwill over 30 years and of identifiable intangible and other assets over 3 to 10 years. The pro forma financial statements do not reflect the impact of SFAS No. 142, "Goodwill and Other Intangible Assets". Under SFAS 142, goodwill will no longer be subject to amortization over its estimated useful life.

(b) Represents the reversal of CB Richard Ellis Services' historical amortization related to goodwill and other intangible assets.

(c) Represents the net adjustment to CB Richard Ellis Services' depreciation expense resulting from fair value adjustments to property and equipment, which are non-cash charges resulting from purchase accounting entries.

(d) The increase in pro forma interest expense as a result of the merger and related transactions is summarized as follows:

<TABLE>
<CAPTION>

	(in thousands)
<S>	<C>
Interest on Tranche A senior secured term loan at 9.81%	$ 4,905
Interest on Tranche B senior secured term loan at 10.31%	19,074
Interest on 11 1/4% senior subordinated notes	25,763
Interest on the revolving credit facility at 9.81%	579
Interest on existing other borrowings (including capital leases)	6,334
Interest on 16% senior notes	10,400
Cash interest expense	67,055
Amortization of debt issuance costs:	
($4.8 million over a 6-year amortization period)	753
($6.4 million over a 7-year amortization period)	913
($23.0 million over a 10-year amortization period)	1,673
	70,394
Less: historical cash interest expense	(39,404)
Less: historical amortization of debt issuance costs	(2,296)
Net increase	$ 28,694

</TABLE>

The Tranche A senior secured term loan bears interest at an annual rate of 3-month LIBOR plus 3.25%, the Tranche B senior secured term loan bears interest at annual rate of 3-month LIBOR plus 3.75% and the revolving credit facility bears interest on amounts borrowed at an annual rate of 3-month LIBOR plus 3.25%. LIBOR is based on the average 3-month LIBOR for fiscal year 2000 of 6.56% for purposes of computing pro forma combined interest expense. As of September 17, 2001, the 3-month LIBOR was 3.11%. At a rate of 3.11%, the cash component of pro forma combined interest expense would have been approximately $58.7 million for the year ended December 31,

2000, which would have represented a decrease of $8.3 million from pro forma interest expense included in the accompanying unaudited pro forma combined statement of operations. Each 1.0% change in the 3-month LIBOR would have increased or decreased pro forma combined interest expense by $2.4 million for the year ended December 31, 2000.

(e) Represents the tax effect of pro forma adjustments included in notes (a) through (d) above at a combined federal and state statutory tax rate of 38.5%, excluding certain items that are permanently non-deductible for tax purposes.

(f) Reflects the pro forma number of weighted average shares giving effect to the CBRE Holding common stock and stock fund units issued in connection with CBRE Holding's purchase of CB Richard Ellis Services and the offerings by CBRE Holding to employees and independent contractors of CB Richard Ellis Services for purposes of computing basic earnings per share.

The warrants issued to FS Equity Partners III, L.P. and FS Equity Partners International, L.P. in connection with the contribution and voting agreement and the options granted to designated managers and non-management employees in connection with the offerings are anti-dilutive and have been excluded from the calculation of dilutive earnings per share. The weighted average number of shares outstanding is calculated as follows:

<TABLE>
<S>

	<C>
Weighted average shares (including vested stock fund units) outstanding for basic earnings per share:	
Expected shares to be issued	15,277,829
Weighted average shares (including vested stock fund units) outstanding for dilutive earnings per share:	
Expected shares to be issued	15,277,829
Dilutive effect of unvested shares underlying stock fund units in the deferred compensation plan..	---
Weighted average shares outstanding for diluted earnings per share	15,277,829

</TABLE>

CBRE Holding, Inc. and Subsidiaries
Unaudited Pro Forma Combined Statement of Operations
for the Six Months Ended June 30, 2001
(in thousands, except share and per share data)

<TABLE>
<CAPTION>

	Six Months Ended June 30, 2001			
	CB Richard Ellis Services	CBRE Holding, Inc.	Pro Forma Adjustments	Pro Forma Combined
			(Unaudited)	(Unaudited)
<S>	<C>	<C>	<C>	<C>
Revenue:				
Leases	$ 216,146	$ --	$ --	$ 216,146
Sales	146,536			146,536
Property and facilities management fees	56,373			56,373
Consulting and referral fees	34,337			34,337
Appraisal fees	38,545			38,545
Loan origination and servicing fees	30,936			30,936
Investment management fees	20,254			20,254
Other	14,220			14,220
Total revenues	$ 557,347			$ 557,347
Costs and Expenses:				
Commissions, fees and other incentives	259,203			259,203
Operating, administrative and other	263,614		20 (a)	263,634
Depreciation and amortization	23,142		(11,741)(b)	
			13,917 (a)	
			(1,681)(c)	23,637
Merger-related and other nonrecurring charges	5,608			5,608
Operating income	5,780		(515)	5,265
Interest income	1,492	580	(580)(d)	1,492
Interest expense	18,413	1,775	12,854 (e)	33,042
Loss before benefit for income tax	(11,141)	(1,195)	(13,949)	(26,285)
Benefit for income taxes	(6,774)	(465)	(3,156)(f)	(10,395)

Net loss	$ (4,367)	$ (730)	$(10,793)	$ (15,890)
Net loss applicable to common stockholders	$ (4,367)	$ (730)		$ (15,890)
Basic loss per share	$ (0.20)	(16.48)		$ (1.04)
Weighted average shares outstanding for basic loss per share	21,318,949	44,323		15,335,355(g)
Diluted loss per share	$ (0.20)	$(16.48)		$ (1.04)
Weighted average shares outstanding for diluted loss per share	21,318,949	44,323		15,335,355(g)

</TABLE>

NOTES TO UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2001

(a) Reflects amortization of the estimated fair value of CB Richard Ellis Services' goodwill over 30 years and of identifiable intangible and other assets over 3 to 10 years. The pro forma financial statements do not reflect the impact of SFAS No. 142, "Goodwill and Other Intangible Assets". Under SFAS 142, goodwill will no longer be subject to amortization over its estimated useful life.

(b) Represents the reversal of CB Richard Ellis Services' historical amortization related to goodwill and other intangible assets.

(c) Represents the net adjustment to CB Richard Ellis Services' depreciation expense resulting from fair value adjustments to property and equipment, which are non-cash charges resulting from purchase accounting entries.

(d) Represents the reversal of historical interest income earned by CBRE Holding on the net proceeds from the 11 1/4% senior subordinated notes held in escrow from June 7, 2001 through July 20, 2001, which was the date of the merger. The net proceeds held in escrow were released to CB Richard Ellis Services upon consummation of the merger.

(e) The increase to pro forma interest expense as a result of the merger and related transactions is summarized as follows:

<TABLE>
<CAPTION>

	(in thousands)
<S>	<C>
Interest on Tranche A senior secured term loan at 7.95%	$ 1,988
Interest on Tranche B senior secured term loan at 8.45%	7,817
Interest on 11 1/4% senior subordinated notes issued by BLUM CB Corp	12,881
Interest on the revolving credit facility at 7.95%	914
Interest on 16% senior notes	5,200
Interest on other existing borrowings (including capital leases)	2,540
Cash interest expense	31,340
Amortization of debt issuance costs:	
($4.8 million over a 6-year amortization period)	377
($6.4 million over a 7-year amortization period)	456
($23.0 million over a 10-year amortization period)	869
	33,042
Less: historical cash interest expense	(17,251)
Less: holding interest expense	(1,775)
Less: historical amortization of debt issuance costs	(1,162)
Net increase	$ 12,854

</TABLE>

The Tranche A senior secured term loan bears interest at an annual rate of 3-month LIBOR plus margin of 3.25%, the Tranche B senior secured term loan bears interest at an annual rate of 3-month LIBOR plus margin of 3.75% and the revolving credit facility bears interest at an annual rate of 3-month LIBOR plus 3.25% on amounts borrowed. LIBOR is based on the average 3-month LIBOR rate for the six months ended June 30, 2001 of 4.70% for purposes of computing pro forma interest expense. As of September 17, 2001, the 3-month LIBOR was 3.11%. At a rate of 3.11%, the cash component of pro forma combined interest expense would have been approximately $29.3 million for the three months ended June 30, 2001, which would be a decrease of $2.1 million. Each 1.0% change in the 3-month LIBOR would have had the impact of

increasing or decreasing pro forma combined interest expense by $1.3 million for the three months ended June 30, 2001.

(f) Represents the tax effect of pro forma adjustments included in notes (a) through (d) above at a combined federal and state statutory tax rate of 38.5%, excluding certain items that are permanently non-deductible for tax purposes.

(g) Reflects the pro forma number of weighted average shares giving effect to the CBRE Holding common stock and stock fund units issued in connection with CBRE Holding's purchase of CB Richard Ellis Services and the offerings by CBRE Holding to employees and independent contractors of CB Richard Ellis Services for purposes of computing basic earnings per share. The warrants issued to FS Equity Partners III, L.P. and FS Equity Partners International, L.P. in connection with the contribution and voting agreement and the options granted to designated managers and non-management employees in connection with the offerings are anti-dilutive and have been excluded from the calculation of dilutive earnings per share. The weighted average number of shares outstanding is calculated as follows:

<TABLE>
<S> <C>

Weighted average shares (including vested stock fund units) outstanding for basic earnings per share:	
Expected shares to be issued	15,335,355
Weighted average shares (including vested stock fund units) outstanding for dilutive earnings per share:	
Expected shares to be issued	15,335,355
Dilutive effect of unvested shares underlying stock fund units in the deferred compensation plan	--
Weighted average shares outstanding for diluted earnings per share	15,335,355

</TABLE>

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table sets forth selected historical consolidated financial information of CB Richard Ellis Services for each of the five years in the period ended December 31, 2000 and for the six-month periods ended June 30, 2000 and June 30, 2001 and of CBRE Holding, Inc. for the period from February 20, 2001 (inception) to June 30, 2001. The statement of operations data of CB Richard Ellis Services for the six-month periods ended June 30, 2000 and June 30, 2001 and the balance sheet data of CB Richard Ellis Services as of June 30, 2001 were derived from the unaudited consolidated financial statements of CB Richard Ellis Services included elsewhere in this prospectus. The statement of operations data of CB Richard Ellis Services for each of the three years in the period ended December 31, 2000 and the balance sheet data of CB Richard Ellis Services as of December 31, 1999 and 2000 were derived from the audited consolidated financial statements of CB Richard Ellis Services included elsewhere in this prospectus. The statement of operations data of CB Richard Ellis Services for the two years ended December 31, 1996 and 1997 and the balance sheet data of CB Richard Ellis Services as of December 31, 1996, 1997 and 1998 were derived from audited consolidated financial statements of CB Richard Ellis Services that are not included in this prospectus. The statement of operations data of CBRE Holding for the period from February 20, 2001 (inception) to June 30, 2001 and the balance sheet data of CBRE Holding as of June 30, 2001 were derived from the unaudited consolidated financial statements of CBRE Holding included elsewhere in this prospectus. This table should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and related notes included elsewhere in this prospectus. CB Richard Ellis Services' and CBRE Holding's historical results are not necessarily indicative of our future results.

<TABLE>
<CAPTION>

	CB Richard Ellis Services				CBRE Holding
	Year Ended December 31,			Six Months Ended June 30,	February 20, 2001
	1996	1997	1998	1999	2000	2000	2001	2001

	1996	1997	1998	1999	2000	2000	2001	(inception) to June 30, 2001
				(in thousands)				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Statement of Operations Data(a)								
Revenue:								
Leases	$227,623	$274,816	$ 371,300	$ 448,091	$ 539,419	$240,204	$ 216,146	$ --
Sales	233,444	281,332	357,718	394,718	389,745	159,954	146,536	--
Property and facilities management fees	20,579	39,208	86,379	110,111	110,654	50,925	56,373	--
Consulting and referral fees	28,882	45,776	72,586	73,569	78,714	35,829	34,337	--
Appraisal fees	16,733	22,460	48,082	71,050	75,055	35,366	38,545	--
Loan origination and servicing fees	17,368	27,120	39,402	45,940	58,190	23,040	30,936	--
Investment management fees	30,540	27,566	33,145	28,929	42,475	17,155	20,254	--
Other	7,899	11,946	25,891	40,631	29,352	16,330	14,220	--
Total revenue	583,068	730,224	1,034,503	1,213,039	1,323,604	578,803	557,347	--
Commissions, fees and other incentives	292,266	364,403	458,463	559,289	634,639	267,815	259,203	--
Operating, administrative and other	228,799	275,749	448,794	536,381	538,481	257,904	263,614	--
Depreciation and amortization	13,574	18,060	32,185	40,470	43,199	21,300	23,142	--
Merger-related and other nonrecurring charges	--	12,924	16,585	--	--	--	5,608	--
Operating income	48,429	59,088	78,476	76,899	107,285	31,784	5,780	--
Interest income	1,503	2,598	3,054	1,930	2,554	581	1,492	580
Interest expense	24,123	15,780	31,047	39,368	41,700	20,670	18,413	1,775
Income (loss) before provision (benefit) for income tax	25,809	45,906	50,483	39,461	68,139	11,695	(11,141)	(1,195)
Provision (benefit) for income tax	(44,740)	20,558	25,926	16,179	34,751	6,198	(6,774)	(465)
Extraordinary items, net	--	951	--	--	--	--	--	-
Net income (loss)	$ 70,549	$ 24,397	$ 24,557	$ 23,282	$ 33,388	$ 5,497	$ (4,367)	$ (730)

</TABLE>

(footnotes on following pages)

<TABLE>
<CAPTION>

	CBRE Holding	CB Richard Ellis Services						
	Year Ended December 31,					Six Months Ended June 30,		February 20, 2001 (inception) to June 30, 2001
	1996	1997	1998	1999	2000	2000	2001	
				(in thousands, except ratios and percentages)				
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Other Financial Data								
Cash flow from operating activities	$ 65,694	$ 80,835	$ 76,614	$ 74,011	$ 84,112	$(51,017)	$(107,254)	$ --
Cash flow from investing activities	(10,906)	(18,018)	(223,520)	(26,767)	(35,722)	(12,117)	(10,568)	--
Cash flow from financing activities	(28,505)	(64,964)	119,438	(37,721)	(53,523)	55,338	116,917	229,499
EBITDA, excluding merger-related and other nonrecurring charges(b)	62,003	90,072	127,246	117,369	150,484	53,084	34,530	--
EBITDA, excluding merger-related and								

other nonrecurring charges, margin..	10.6%	12.3%	12.3%	9.7%	11.4%	9.2%	6.2%
Capital expenditures.....	3,002	9,927	29,715	35,130	26,921	11,451	14,628
Acquisition of business including net assets acquired, intangibles and goodwill.....	8,625	(3,216)	189,895	8,931	3,442	669	1,123
Ratio of earnings to fixed charges(c)	1.75	2.33	2.17	1.79	2.15	1.44	0.61

<TABLE>
<CAPTION>

CBRE Holding	CB Richard Ellis Services						
	As of December 31,					As of June 30,	As of June 30,
	1996	1997	1998	1999	2000	2001	2001
	(in thousands)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance Sheet Data:							
Cash and cash equivalents.....	$ 49,328	$ 47,181	$ 19,551	$ 27,844	$ 20,854	$ 18,548	$229,499
Receivables, less allowance for doubtful accounts.....	40,927	77,358	131,512	168,276	176,908	149,811	--
Goodwill, net of accumulated amortization.....	65,362	196,358	445,124	445,010	423,975	412,379	--
Other intangible assets, net of accumulated amortization	10,521	43,026	63,913	57,524	46,432	42,526	--
Total assets.....	278,944	500,100	856,892	929,483	963,105	946,799	238,268
Total long-term debt (including current portion).....	166,353	152,607	388,896	364,637	314,164	429,618	225,642
Total stockholders' equity (deficit).....	(1,515)	157,771	190,842	209,737	235,339	227,631	3,140

</TABLE>

(a) The CB Richard Ellis Services results include the activities of the following acquired businesses since their respective dates of acquisition: L.J. Melody and Company--July 1, 1996, Koll Real Estate Services--August 28, 1997, REI Ltd.--April 17, 1998, and CB Hillier Parker Limited--July 7, 1998. For the year ended December 31, 1996, net income includes a tax benefit of $55.9 million due to a reduction in CB Richard Ellis Services' deferred tax asset valuation allowance.

(b) EBITDA, excluding merger-related and other nonrecurring charges, represents earnings before interest expense, income taxes, depreciation and amortization and nonrecurring charges. Nonrecurring charges consisted of $12.9 million in 1997 relating to CB Richard Ellis Services' acquisition of Koll Real Estate Services, $16.6 million in 1998 relating to its acquisitions of REI, Ltd. and Hillier Parker May and Rowden and $5.9 million for the six months ended June 30, 2001 consisting of the write-down of an investment, severance payments, and expenses incurred in connection with CBRE Holding's acquisition of CB Richard Ellis Services. Our management believes that the presentation of EBITDA, excluding merger-related and other nonrecurring charges, will enhance a reader's understanding of our operating performance and ability to service debt as it provides a measure of cash generated, subject to the payment of interest and income taxes, that we can use to service debt and for other required or discretionary purposes. EBITDA, excluding merger-related and other nonrecurring charges, should not be considered as an alternative to (1) operating income determined in accordance with GAAP or (2) operating cash flow determined in accordance with GAAP. This calculation of EBITDA, excluding merger-related and other nonrecurring charges, may not be comparable to similarly titled measures reported by other companies.

EBITDA, excluding merger-related and other nonrecurring charges, is calculated as follows:

<TABLE>
<CAPTION>

	CB Richard Ellis Services	CBRE Holding

	Year Ended December 31,					Six Months Ended June 30,		February 20, 2001 (inception) to July 20, 2001
	1996	1997	1998	1999	2000	2000	2001	
	(in thousands)							
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Operating Income	$48,429	$59,088	$ 78,476	$ 76,899	$107,285	$31,784	$ 5,780	$ --
Add:								
Depreciation and amortization	13,574	18,060	32,185	40,470	43,199	21,300	23,142	--
Merger-related and other nonrecurring charges	--	12,924	16,585	--	--	--	5,608	--
EBITDA, excluding merger-related and other nonrecurring charges	$62,003	$90,072	$127,246	$117,369	$150,484	$53,084	$34,530	$ --

(c) Represents a deficiency of $11.1 million for CB Richard Ellis Services for the six months ended June 30, 2001 and a deficiency of $1.2 million for CBRE Holding for the period from February 20, 2001 (inception) to June 30, 2001.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in forward-looking statements for many reasons, including the risks described in "Risk Factors" and elsewhere in this prospectus. You should read the following discussion with the sections of the prospectus titled "Unaudited Pro Forma Combined Financial Data," "Selected Historical Consolidated Financial Data" and our financial statements and related notes included elsewhere in this prospectus.

Basis of Presentation

CBRE Holding itself does not conduct any business or have any operations and was formed to be the parent holding company of CB Richard Ellis Services. Accordingly, the business and operations of CBRE Holding and its subsidiaries is the same as that conducted by CB Richard Ellis Services and its subsidiaries.

Results of Operations

CBRE Holding

The following unaudited table sets forth items derived from CBRE Holding's consolidated financial statements for the period from February 20, 2001 (inception) to June 30, 2001:

	Period from February 20, 2001 (inception) to June 30, 2001
<S>	<C>
Interest income	$ 579,845
Interest expense	1,775,175
Loss before benefit for income tax	(1,195,330)
Benefit for income tax	(464,983)
Net loss	(730,347)
Basic loss per share	(16.48)
Weighted average shares outstanding for basic loss per share	44,323
Diluted loss per share	$ (16.48)
Weighted average shares outstanding for diluted loss per share	44,323

CBRE Holding reported a consolidated net loss of $0.7 million, or $16.48 diluted loss per share for the period from February 20, 2001 (inception) to June 30, 2001 primarily due to interest expense on the $229 million in aggregate principal 11 1/4% senior subordinated notes due 2011 issued by BLUM

CB Corp. Consolidated interest income of $0.6 million represents primarily interest earned on the $229.5 million in net proceeds from the issuance of the $229 million in aggregate principal 11 1/4% senior subordinated notes and $3.9 million in common stock held in escrow from June 7, 2001 to June 30, 2001. Consolidated interest expense of $1.8 million consists of interest on the $229 million in aggregate principal 11 1/4% senior subordinated notes from June 7, 2001 to June 30, 2001.

The income tax benefit on a consolidated basis was $0.5 million for the period from February 20, 2001 to June 30, 2001. The benefit was the result of the pre-tax loss.

CB Richard Ellis Services

The following table sets forth items derived from CB Richard Ellis Services' consolidated statements of operations for the years ended December 31, 1998, 1999 and 2000 and the six months ended June 30, 2000 and 2001:

<TABLE>
<CAPTION>

	Year Ended December 31,						Six Months Ended June 30,			
	1998		1999		2000		2000		2001	
	(dollars in thousands)									
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenue:										
Leases	$ 371,300	35.9%	$ 448,091	36.9%	$ 539,419	40.8%	$240,204	41.5%	$216,146	38.8%
Sales	357,718	34.6	394,718	32.5	389,745	29.4	159,954	27.6	146,536	26.3
Property and facilities management fees	86,379	8.4	110,111	9.1	110,654	8.4	50,925	8.8	56,373	10.1
Consulting and referral fees	72,586	7.0	73,569	6.1	78,714	5.9	35,829	6.2	34,337	6.2
Appraisal fees	48,082	4.6	71,050	5.9	75,055	5.7	35,366	6.1	38,545	6.9
Loan origination and servicing fees	39,402	3.8	45,940	3.8	58,190	4.4	23,040	4.0	30,936	5.5
Investment management fees	33,145	3.2	28,929	2.4	42,475	3.2	17,155	3.0	20,254	3.6
Other	25,891	2.5	40,631	3.3	29,352	2.2	16,330	2.8	14,220	2.6
Total revenue	1,034,503	100.0	1,213,039	100.0	1,323,604	100.0	578,803	100.0	557,347	100.0
Costs and expenses:										
Commissions, fees and other incentives	458,463	44.3	559,289	46.1	634,639	47.9	267,815	46.3	259,203	46.5
Operating, administrative and other	448,794	43.4	536,381	44.2	538,481	40.7	257,904	44.5	263,614	47.3
Depreciation and amortization	32,185	3.1	40,470	3.4	43,199	3.3	21,300	3.7	23,142	4.2
Merger-related and other nonrecurring charges	16,585	1.6	--	--	--	--	--	--	5,608	1.0
Operating income	78,476	7.6	76,899	6.3	107,285	8.1	31,784	5.5	5,780	1.0
Interest income	3,054	0.3	1,930	0.2	2,554	0.2	581	0.1	1,492	0.3
Interest expense	31,047	3.0	39,368	3.2	41,700	3.2	20,670	3.6	18,413	3.3
Income (loss) before provision (benefit)	50,483	4.9	39,461	3.3	68,139	5.1	11,695	2.0	(11,141)	(2.0)
Provision (benefit) for income tax	25,926	2.5	16,179	1.4	34,751	2.6	6,198	1.1	(6,774)	(1.2)
Net income (loss)	$ 24,557	2.4%	$ 23,282	1.9%	$ 33,388	2.5%	$ 5,497	0.9%	$ (4,367)	(0.8)%

EBITDA, excluding merger-related and other nonrecurring charges(1).....	$ 127,246	12.3%	$ 117,369	9.7%	$ 150,484	11.4%	$ 53,084	9.2%	$ 34,530	6.2%

</TABLE>

(1) EBITDA, excluding merger-related and other nonrecurring charges, (a) for the year ended December 31, 1998 is calculated as the sum of operating income of $78.5 million, plus merger-related and other nonrecurring charges of $16.6 million and depreciation and amortization of $32.2 million and (b) for the six months ended June 30, 2001 is calculated as the sum of operating income of $5.8 million, plus merger-related and other nonrecurring charges of $5.6 million and depreciation and amortization of $23.1 million.

Six Months Ended June 30, 2001 Compared to Six Months Ended June 30, 2000

CB Richard Ellis Services reported consolidated net loss of $4.4 million, or $0.20 diluted loss per share for the six months ended June 30, 2001 on revenues of $557.3 million compared to consolidated net income of $5.5 million, or $0.26 diluted earnings per share, on revenues of $578.8 million for the six months ended June 30, 2000.

Revenues on a consolidated basis decreased by $21.5 million or 3.7% for the current year, mainly due to decreased lease revenue of $24.1 million. Sales revenue also declined by $13.4 million during the current year. The lower revenues are primarily attributable to CB Richard Ellis Services' North American operation. However, the European and Asian operations also experienced lower sale and lease revenues. These decreases were slightly offset by a $7.9 million increase in loan origination and servicing fees, as well as a $5.4 million increase in property and facilities management fees.

Commissions, fees and other incentives on a consolidated basis totaled $259.2 million, a decrease of $8.6 million or 3.2% from prior year. This decrease is primarily due to the lower sales and lease revenues within the North American operation. The decline in revenues also resulted in lower variable commission expense within this division as compared to prior year. These declines were slightly offset by higher insurance and benefit costs for producers in the United States, which is included as a component of commission expense. In addition, producer compensation within the international operations is typically fixed in nature compared to the North American operations and did not decrease as a result of the lower revenues. As a result, commission as a percentage of revenue remained fairly constant at 46.5% for the current year, up slightly from 46.3% for prior year.

Operating, administrative and other on a consolidated basis was $263.6 million, an increase of $5.7 million or 2.2%, compared to the six months ended June 30, 2000. The increase is attributable to increased compensation expense of $1.8 million related to CB Richard Ellis Services' deferred compensation plan as well as lower earnings from unconsolidated subsidiaries during the current year. These increases were slightly offset by lower bonus incentives due to the lower results.

Merger-related and other nonrecurring charges were $5.6 million for the six months ended June 30, 2001, with no charges incurred in the prior year. This included merger-related costs of $1.3 million, the write-off of an e-business investment of $2.9 million, as well as severance costs of $1.4 million related to CB Richard Ellis Services' cost reduction program instituted in May 2001.

Consolidated interest expense was $18.4 million, a decrease of $2.3 million or 10.9% in the current year. This decrease was primarily a result of the revolving credit facility being renewed at lower average borrowing rates during the current year as compared to the prior year. In addition, CB Richard Ellis Services had lower average borrowing levels during the current year due to the pay-down of the revolving credit facility during December 2000.

The income tax benefit on a consolidated basis was $6.8 million for the six months ended June 30, 2001, as compared to a provision for income tax of $6.2 million for the six months ended June 30, 2000. The current year benefit was a result of the year-to-date pre-tax loss. The effective tax rate was 60.8% for the six months ended June 30, 2001 as compared to 53.0% for the six months ended June 30, 2000. CB Richard Ellis Services calculates its effective tax rate based on an estimate of its annual earnings for the entire year.

EBITDA, excluding merger-related and other nonrecurring charges, was $34.5 million for the six months ended June 30, 2001, as compared to $53.1 for the six months ended June 30, 2000, with EBITDA, excluding merger-related and other nonrecurring charges, as a percentage of revenue decreasing from 9.2% for the six months ended June 30, 2000 to 6.2% for the six months ended June 30, 2001.

There were no merger-related or other nonrecurring charges for the six months ended June 30, 2000. EBITDA, excluding merger-related and other nonrecurring charges, represents earnings before net interest expense, income taxes, depreciation and amortization of intangible assets and also excludes merger-related and other nonrecurring charges. Management believes that the presentation of EBITDA, excluding merger-related and other nonrecurring charges, will enhance a reader's understanding of our operating performance and ability to service debt as it provides a measure of cash generated, subject to the payment of interest and income taxes, that we can use to service our debt and for other required or discretionary purposes. Additionally, many of CB Richard Ellis Services' debt covenants are based upon EBITDA. EBITDA, excluding merger-related and other nonrecurring charges, should not be considered as an alternative to (a) operating income determined in accordance with GAAP or (b) operating cash flow determined in accordance with GAAP. This calculation of EBITDA, excluding merger-related and other nonrecurring charges, may not be comparable to similarly titled measures reported by other companies.

Year Ended December 31, 2000 Compared to Year Ended December 31, 1999

CB Richard Ellis Services reported consolidated net income of $33.4 million for the year ended December 31, 2000, on revenues of $1,323.6 million, compared to consolidated net income of $23.3 million on

revenues of $1,213.0 million for the year ended December 31, 1999. The 2000 results include a $4.7 million nonrecurring pre-tax gain from CB Richard Ellis Services' sale of select non-strategic assets. The 1999 results include nonrecurring pre-tax gains from the sale of five non-strategic offices and a risk management operation totaling $8.7 million, as well as one time charges of approximately $10.2 million, the majority of which were severance costs related to CB Richard Ellis Services' reduction in workforce.

Revenue on a consolidated basis increased by $110.6 million or 9.1% during the year ended December 31, 2000, compared to the year ended December 31, 1999. The real estate market in the United States remained healthy in 2000, with relatively low interest and vacancy rates. As a result, lease revenue increased by $91.3 million or 20.4% during 2000. Investment management fees increased by $13.5 million or 46.8% and loan origination and servicing fees were higher by $12.3 million or 26.7%. In addition, other revenue decreased by $11.3 million primarily due to the contribution of an engineering services group into a separately owned joint venture, as well as the loss of revenue due to the sale of assets previously included in the management services segment.

Commissions, fees and other incentives on a consolidated basis totaled $634.6 million, an increase of $75.4 million or 13.5% for the year ended December 31, 2000, compared to the year ended December 31, 1999. Lease commissions increased significantly due to higher lease revenue. In addition, the overall revenue growth resulted in higher variable commission expense as compared to the prior year. Variable commissions increase as a percentage of revenue as select earnings levels are met. During 2000, a greater number of high level producers earned a larger proportion of total revenue. This contributed to an increase in commissions as a percentage of revenue from 46.1% to 47.9% for 2000.

Operating, administrative and other on a consolidated basis was $538.5 million, an increase of $2.1 million or 0.4% for the year ended December 31, 2000, compared to the prior year. This increase is due to higher bonus incentives and profit share driven by the improved current year results, offset by lower salary requirements in North America. As a percentage of revenue, operating, administrative and other was 40.7% for the year ended December 31, 2000, compared to 44.2% for the year ended December 31, 1999. The decreased percentage is due to CB Richard Ellis Services' focus on higher margin lines of business, as well as an improvement in its operational efficiency through cost containment measures.

Consolidated interest expense was $41.7 million, an increase of $2.3 million or 5.9% for the year ended December 31, 2000, as compared to the year ended December 31, 1999. The increase resulted from higher interest rates for the revolving credit facility, offset in part by lower average borrowing levels during 2000. Overall, CB Richard Ellis Services reduced its outstanding long-term debt by $50.5 million or 13.8% as compared to December 31, 1999, helping to minimize the impact of the increased interest rates during 2000.

Provision for income tax on a consolidated basis was $34.8 million for the year ended December 31, 2000, as compared to the provision for income tax of $16.2 million for the year ended December 31, 1999. The increase is mainly due to higher pre-tax income and a lower release of valuation allowance during the current year. The effective tax rate was 51.0% for the current year as compared to 41.0% for the prior year. The increase in the effective tax rate is primarily due to a decrease in the release of valuation allowances from $6.3 million to $3.0 million in 2000. Valuation allowances over the past two years have been released as it has become more likely than not that CB Richard Ellis Services would realize additional deferred tax assets.

EBITDA, excluding merger-related and other nonrecurring charges was $150.5 million for the year ended December 31, 2000, as compared to $117.4 million for the year ended December 31, 1999, with EBITDA, excluding merger-related and other nonrecurring charges as a percentage of revenue increasing from 9.7% to 11.4% for 2000. There were no merger-related or other nonrecurring charges in 1999 and 2000.

Year Ended December 31, 1999 Compared to Year Ended December 31, 1998

CB Richard Ellis Services reported a consolidated net income of $23.3 million for the year ended December 31, 1999, on revenue of $1,213.0 million compared to a consolidated net income of $24.6 million on revenue of $1,034.5 million for the year ended December 31, 1998. However, including the $32.3 million deemed dividend resulting from the accounting treatment of the preferred stock repurchase, the 1998 net loss applicable to common stockholders was $7.7 million. The 1999 result includes nonrecurring gains of $8.7 million from the sale of five non-strategic offices and a risk management operation and one-time charges of approximately $10.2 million, the majority of which were severance costs related to our reduction in workforce.

Revenue on a consolidated basis was $1,213.0 million, an increase of $178.5 million or 17.3% for the year ended December 31, 1999, compared to the year ended December 31, 1998. The overall increase related to the continued improvement in commercial real estate markets across the United States as reflected in increased lease transactions, as well as the full contribution from REI, Hillier Parker and various other 1998 acquisitions. Additionally, CB Richard Ellis Services continued to benefit from its global market presence by leveraging our ability to deliver comprehensive real estate services into new businesses.

Commissions, fees and other incentives on a consolidated basis were $559.3 million, an increase of $100.8 million or 22.0% for the year ended December 31, 1999, compared to the year ended December 31, 1998. The increase in these costs is attributable to an increase in revenue and includes the impact of a new commission-based program, which enables sales professionals to earn additional commission over a particular revenue threshold. The increase is also due to the full year contribution from REI and Hillier Parker and various other 1998 acquisitions.

Operating, administrative and other on a consolidated basis was $536.4 million, an increase of $87.6 million or 19.5% for the year ended December 31, 1999, compared to the year ended December 31, 1998. As a percentage of revenue, operating, administrative and other increased slightly to 44.2% for the year ended December 31, 1999, compared to 43.4% for the year ended December 31, 1998. The increase is due primarily to the acquisitions of REI and Hillier Parker.

Consolidated interest expense was $39.4 million, an increase of $8.3 million or 26.8% for the year ended December 31, 1999, as compared to the year ended December 31, 1998. The increase resulted from the renewal of select senior term loans at a higher borrowing rate as well as higher borrowing levels during 1999.

Provision for income tax on a consolidated basis was $16.2 million for the year ended December 31, 1999, as compared to the provision for income tax of $25.9 million for the year ended December 31, 1998. The decrease is primarily due to the decrease in income before provision for income tax. In addition, CB Richard Ellis Services released $6.3 million in valuation allowances as it became evident that it was more likely than not that CB Richard Ellis Services would realize additional deferred tax assets, resulting in a decrease in its effective tax rate. In early 1998, CB Richard Ellis Services repurchased its outstanding preferred stock which triggered a limitation on the annual amount of net operating losses it can use to offset future U.S. taxable income. This limitation does not affect the way taxes are reported for financial reporting purposes, but it does affect the timing of the actual amount of taxes paid on an annual basis.

EBITDA, excluding merger-related and other nonrecurring charges was $117.4 million for the year ended December 31, 1999, as compared to $127.2 million for the year ended December 31, 1998. EBITDA excludes the merger-related charges of $16.6 million in 1998 relating to CB Richard Ellis Services' acquisitions of REI, Ltd. and Hillier Parker May and Rowden.

CB Richard Ellis Services Segment Operations

CB Richard Ellis Services provides integrated real estate services through three global business segments: transaction management, financial services and management services. The factors for determining the reportable

segments were based on (1) the type of service and client and (2) the way the chief operating decision-makers organize segments internally for making operating decisions and assessing performance. The transaction management segment consists of sales, leasing and consulting services in connection with commercial real estate, transaction management and advisory services for large corporate clients and investment property services, including brokerage services for commercial real estate property marketed for sale to institutional and private investors. The financial services segment consists of commercial loan origination and servicing through CB Richard Ellis Services wholly-owned subsidiary, L.J. Melody, investment management services through CB Richard Ellis Services wholly-owned subsidiary, CBRE Investors, and valuation and appraisal services. Management services provides facilities, property and construction management services. Results for the six months ended June 30, 2001 for the financial services segment includes a $5.6 million nonrecurring pre-tax gain from the sale of mortgage fund management contracts. For the six months ended June 30, 2000, the management services segment results included a $4.7 million nonrecurring pre-tax gain from the sale of certain non-strategic assets. The 2000 results for the financial services segment include a $5.3 million pre-tax gain from the sale of loan servicing rights. The 1999 results include a nonrecurring pre-tax gain from the sale of five non-strategic offices and a risk management operation totaling $8.7 million. In July 1999, we changed our segment reporting from four segments to three segments. Prior periods have been restated to conform to the new segmentation. The following table summarizes CB Richard Ellis Services' revenue, operating income, EBITDA, excluding merger-related and other nonrecurring charges and EBITDA margin by operating segment for the years ended December 31, 1998, 1999 and 2000, and for the six months ended June 30, 2000 and June 30, 2001:

<TABLE>
<CAPTION>

	Year Ended December 31,						Six Months Ended June 30,		
	1998		1999		2000		2000		2001
	(dollars in thousands)								
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Transaction Management									
Revenue:									
Leases	$352,811	46.2%	$426,108	48.4%	$510,287	53.7%	$227,225	55.3%	$203,804 55.0%
Sales	330,206	43.3	383,726	43.5	378,486	39.8	154,701	37.7	140,718 38.0
Other consulting and referral fees (1)	79,934	10.5	71,095	8.1	61,479	6.5	28,627	7.0	25,797 7.0
Total revenue	762,951	100.0	880,929	100.0	950,252	100.0	410,553	100.0%	370,319 100.0%
Costs and expenses:									
Commissions, fees and other incentives	405,393	53.1	477,057	54.2	542,248	57.1	226,759	55.2	211,330 57.0
Operating, administrative and other	262,604	34.4	314,814	35.7	303,357	31.9	150,831	36.8	148,743 40.2
Depreciation and amortization	13,722	1.8	20,676	2.3	21,342	2.2	9,988	2.4	11,030 3.0
Merger-related and other nonrecurring charges	--	--	--	--	--	--	--	--	1,827 0.5
Operating income (2)	$ 81,232	10.7%	$ 68,382	7.8%	$ 83,305	8.8%	$ 22,975	5.6%	$ (2,611) (0.7)%
EBITDA, excluding merger-related and other nonrecurring changes	$ 94,954	12.5%	$ 89,058	10.1%	$104,647	11.0%	$ 32,963	8.0%	$ 10,246 2.8%
Financial Services									
Revenue:									
Appraisal fees	$ 48,090	33.1%	$ 69,007	38.9%	$ 72,861	34.0%	$ 34,618	38.1%	$ 37,779 33.4%
Loan origination and servicing fees	39,402	27.1	45,938	25.9	58,188	27.2	23,037	25.3	30,936 27.4

Investment management fees.....	32,591	22.4	27,323	15.4	40,433	18.9	15,758	17.3	19,236	17.0
Other (1).....	25,167	17.4	35,059	19.8	42,622	19.9	17,487	19.3	25,079	22.2
Total revenue.....	142,250	100.0	177,327	100.0	214,104	100.0	90,900	100.0%	113,030	100.0%
Costs and expenses:										
Commissions, fees and other incentives.....	41,491	28.6	59,294	33.5	65,058	30.4	28,397	31.3	34,777	30.8
Operating, administrative and other....	85,885	59.1	100,201	56.5	119,333	55.7	51,095	56.2	60,552	53.6
Depreciation and amortization.....	11,025	7.6	10,719	6.0	12,001	5.6	6,025	6.6	6,462	5.7
Merger-related and other nonrecurring charges.....	--	--	--	--	--	--	--	--	3,303	2.9
Operating income (2).....	$ 6,849	4.7%	$ 7,113	4.0%	$ 17,712	8.3%	$ 5,383	5.9%	$ 7,936	7.0%
EBITDA, excluding merger-related and other nonrecurring changes.....	$ 17,874	12.3%	$ 17,832	10.1%	$ 29,713	13.9%	$ 11,408	12.6%	$ 17,701	15.7%
Management Services										
Revenue:										
Property management fees.....	$ 67,300	53.3%	$ 79,994	51.7%	$ 83,251	52.3%	$ 39,622	51.2%	$ 39,908	53.9%
Facilities management fees.....	17,219	13.6	25,597	16.5	23,069	14.5	9,830	12.7	14,538	19.7
Other (1).....	41,783	33.1	49,192	31.8	52,928	33.2	27,898	36.1	19,552	26.4
Total revenue.....	126,302	100.0	154,783	100.0	159,248	100.0	77,350	100.0%	73,998	100.0%
Costs and expenses:										
Commissions, fees and other incentives.....	11,579	9.2	22,938	14.8	27,333	17.2	12,659	16.4	13,096	17.7
Operating, administrative and other....	100,305	79.4	121,366	78.4	115,791	72.7	55,978	72.4	54,319	73.4
Depreciation and amortization.....	7,438	5.9	9,075	5.9	9,856	6.2	5,287	6.8	5,650	7.6
Merger-related and other nonrecurring charges.....	--	--	--	--	--	--	--	--	478	0.7
Operating income (2).....	$ 6,980	5.5%	$ 1,404	0.9%	$ 6,268	3.9%	$ 3,426	4.4%	455	0.6%
EBITDA, excluding merger-related and other nonrecurring changes.....	$ 14,418	11.4%	$ 10,479	6.8%	$ 16,124	10.1%	$ 8,713	11.3%	$ 6,583	8.9%
Merger-related and other nonrecurring charges.....	$ 16,585		$ --		$ --		$ --		$ --	
Total operating income.....	$ 78,476		$ 76,899		$107,285		$ 31,784		$ 5,780	
Total EBITDA, excluding merger-related and other nonrecurring charges (3).....	$127,246		$117,369		$150,484		$ 53,084		$ 34,530	

</TABLE>

(footnotes on following page)

---

(1) Revenue is allocated by material line of business specific to each segment. "Other" includes types of revenue that have not been broken out separately due to their immaterial balances and/or nonrecurring nature within each segment. Certain revenue types disclosed on the consolidated statements of

operations may not be derived directly from amounts shown in this table.
(2) Segment operating income excludes merger-related and other nonrecurring charges.
(3) EBITDA, excluding merger-related and other nonrecurring charges, (a) for the year ended December 31, 1998 is calculated as the sum of operating income of $78.5 million, merger-related and other nonrecurring charges of $16.6 million and depreciation and amortization of $32.2 million and (b) for the six months ended June 30, 2001 is calculated as the sum of operating income of $5.8 million, merger-related and other nonrecurring charges of $5.6 million and depreciation and amortization of $23.1 million.

Six Months Ended June 30, 2001 Compared to Six Months Ended June 30, 2000

Transaction Management

Revenue decreased by $40.2 million or 9.8% for the six months ended June 30, 2001, compared to the six months ended June 30, 2000. The decrease was primarily due to a $23.4 million decrease in lease revenues and a $14.0 million decline in sales revenues. The lower revenues are mainly attributable to the North American operations. Sales and lease revenues also decreased in the European operations. Commissions, fees and other incentives decreased by $15.4 million or 6.8% for the six months ended June 30, 2001, compared to the six months ended June 30, 2000, primarily due to the lower lease and sales revenues within North America. The decline in revenues also resulted in lower variable commission expense within this division as compared to prior year. These declines were offset by higher insurance and benefit costs for producers in the U.S., which is included as a component of commissions expense. In addition, producer compensation within the international operations is typically fixed in nature and does not decrease as a result of lower revenues. These factors contributed to an increase in commissions as a percentage of revenues from 55.2% to 57.1% for the current year. Operating, administrative, and other decreased by $2.1 million or 1.4% as a result of lower bonus incentives. Depreciation and amortization increased by $1.0 million or 10.4% in the current year, primarily as a result of additional investments in computer hardware and software.

Financial Services

Revenue increased by $22.1 million or 24.3% for the six months ended June 30, 2001, compared to the six months ended June 30, 2000. Loan origination and servicing fees increased by $7.9 million. Excluding any acquisitions, loan origination fees increased by $6.2 million or 33.0%, while loan servicing fees were up slightly compared to prior year. Investment management fees increased by $3.5 million due to higher average assets under management, as well as increased incentive fees resulting from a greater number of sold properties. Appraisal fees increased by 9.1% compared to prior year. Other revenues increased by $7.6 million due to the gain on the sale of mortgage fund management contracts and the gain on sale of loans servicing rights during the current year. Commissions, fees and other incentives increased by $6.4 million or 22.5% for the six months ended June 30, 2001, compared to the six months ended June 30, 2000. This increase is mainly due to the increase in loan and appraisal commissions. In addition, producer costs increased in the mortgage banking operations in order to handle the higher business volume. Operating, administrative, and other increased by $9.5 million or 18.5% for the six months ended June 30, 2001, compared to the six months ended June 30, 2000. This is due to the start-up of the investment management operations in Asia during 2000. The mortgage banking line of business had higher bonus and long-term incentive costs attributable to the more favorable current year results.

Management Services

Revenue decreased by $3.4 million or 4.3% for the six months ended June 30, 2001, compared to the six months ended June 30, 2000. Other revenues decreased by $8.3 million primarily due to the gain on the sale of

certain non-strategic assets in the prior year. Operating, administrative, and other decreased by $1.7 million or 3.0% for the six months ended June 30, 2001 compared to the six months ended June 30, 2000. The decrease is primarily due to lower personnel requirements, mainly in North America.

Year Ended December 31, 2000 Compared to Year Ended December 31, 1999

Transaction Management

Revenue increased by $69.3 million or 7.9% for the year ended December 31, 2000, compared to the year ended December 31, 1999. This increase was primarily due to higher lease revenue in North America as a result of a greater number of total transactions executed during 2000, as well as a larger dollar average per transaction. Europe reported increased lease revenues primarily due to strong performances in France and the United Kingdom, as well as expanded operations in The Netherlands and Spain. Increased lease revenue in Asia Pacific was due to a better overall economy in China, as well as improved financial performance

in Australia. Sales revenue decreased slightly from the prior year, primarily due to higher interest rates and a weak currency in Australia. Commissions, fees and other incentives increased by $65.2 million or 13.7% for the year ended December 31, 2000, compared to the year ended December 31, 1999, primarily due to an increase in lease revenue. In addition, the overall revenue growth resulted in a higher variable commission expense compared to the prior year. Commissions are directly correlated to revenue in the transaction management segment. During 1999, CB Richard Ellis Services' commission program was amended to increase the percentage of revenue a producer can earn as commission as the producer meets certain revenue targets. Under the new program, when a producer achieves a revenue target, the percentage of commission increases on a retroactive basis. This motivates producers to reach higher revenue targets. During 2000, a greater number of producers generated a larger proportion of revenue at the higher revenue targets. This contributed to an increase in commissions as a percentage of revenue from 54.2% to 57.1% for 2000. Operating, administrative and other decreased by $11.5 million or 3.6% for the year ended December 31, 2000, compared to the year ended December 31, 1999. This decrease is mainly related to lower personnel requirements in North America due to cost containment measures, as well as higher equity income from unconsolidated subsidiaries during 2000. This is slightly offset by increased bonus incentives and profit share due to the more favorable results.

Financial Services

Revenue increased by $36.8 million or 20.7% for the year ended December 31, 2000, compared to the year ended December 31, 1999. Investment management fees grew by 48.0% due to a higher volume of managed assets, as well as increased incentive fees from several properties in North America and Asia Pacific. Loan origination and servicing fees increased by $12.3 million, of which $3.7 million is attributable to the acquisitions of Boston Mortgage Capital Corporation in late 2000 and Eberhardt Company in late 1999. In addition, excluding any acquisitions, loan production fees increased by $5.9 million or 18.4% over prior year, while loan servicing fees increased by $2.6 million or 21.7%. Other revenue increased due to the acquisition of several small consulting companies in late 1999 and early 2000. Commissions, fees and other incentives increased by $5.8 million or 9.7% for the year ended December 31, 2000, compared to the year ended December 31, 1999, due primarily to higher loan commissions. Operating, administrative and other increased by $19.1 million or 19.1% for the year ended December 31, 2000, compared to the year ended December 31, 1999, mainly due to increased personnel requirements as a result of expanded investment management operations in North America and Asia Pacific and higher bonus incentives and profit share attributable to the more favorable current year results. In addition, earnings from unconsolidated subsidiaries decreased for 2000 as compared to the same period in the prior year. The 2000 results for the financial services segment include a $5.3 million pre-tax gain from the sale of loan servicing rights.

Management Services

Revenue increased by $4.5 million or 2.9% for the year ended December 31, 2000, compared to the year ended December 31, 1999, due to higher lease and sales revenue. In addition, property management fees

increased primarily due to higher square footage managed in India and Australia. This was slightly offset by lower facilities management fees due to the loss of a major client at the beginning of 2000. Commissions, fees and other incentives increased by $4.4 million or 19.2% for the year ended December 31, 2000, compared to the year ended December 31, 1999, attributable mainly to the higher sales and lease commissions. Operating, administrative and other decreased $5.6 million or 4.6% for the year ended December 31, 2000, compared to the year ended December 31, 1999. The decline is mainly due to lower personnel requirements due to cost containment measures and higher equity income in unconsolidated subsidiaries in North America. As a percentage of revenue, operating expenses decreased from 78.4% during 1999 to 72.7% during 2000. The 2000 results include a $4.7 million pre-tax gain from the sale of certain non-strategic assets.

Year Ended December 31, 1999 Compared to Year Ended December 31, 1998

Transaction Management

Revenue increased by $118.0 million or 15.5% for the year ended December 31, 1999, compared to the year ended December 31, 1998, mainly due to the continued improvement of the real estate market, mainly in brokerage leasing services and the full year contribution of REI, Hillier Parker and the various other 1998 acquisitions. Commissions, fees and other incentives increased by $71.7 million or 17.7% for the year ended December 31, 1999, compared to the year ended December 31, 1998, primarily due to the increase in revenue. This also includes the impact of a new commission-based program which enables sales professionals to earn additional commission over a particular revenue threshold, as well as the full year contribution from REI, Hillier Parker and the various other 1998 acquisitions. Operating, administrative and other increased by $52.2 million or

19.9% for the year ended December 31, 1999, compared to the year ended December 31, 1998, primarily due to the full year inclusion of REI, Hillier Parker, and the various other 1998 acquisitions. Depreciation and amortization increased by $7.0 million or 50.7% for the year ended December 31, 1999, as compared to the year ended December 31, 1998, primarily as a result of additional investments in computer hardware and software to support the increase in new business.

Financial Services

Revenue increased by $32.1 million or 22.1% for the year ended December 31, 1999, compared to the year ended December 31, 1998. The increase in revenue is primarily due to the full year contribution of REI, Hillier Parker and the various other 1998 acquisitions, resulting in increased appraisal and valuation fees. Commissions, fees and other incentives increased by $17.8 million or 42.9% for the year ended December 31, 1999, compared to the year ended December 31, 1998. The increase is primarily a result of the revenue increase. Operating, administrative and other increased by $14.3 million or 16.7% for the year ended December 31, 1999, compared to the year ended December 31, 1998, mainly as a result of the integration of REI, Hillier Parker and the various other 1998 acquisitions.

Management Services

Revenue increased by $28.5 million or 22.5% for the year ended December 31, 1999, compared to the year ended December 31, 1998, primarily due to growth in the facilities management businesses, as well as the full contribution of REI, Hillier Parker and the various other 1998 acquisitions. Commissions, fees and other incentives increased by $11.4 million or 98.1% for the year ended December 31, 1999, compared to the year ended December 31, 1998, due to the higher revenues as a result of the REI, Hillier Parker acquisitions and the various other 1998 acquisitions. Operating, administrative and other increased $21.1 million or 21.0% for the year ended December 31, 1999, compared to the year ended December 31, 1998, primarily related to the acquisitions of REI and Hillier Parker and the investment in infrastructure to expand the business. Depreciation and amortization increased by $1.6 million or 22.0% for the year ended December 31, 1999, as compared to the year ended December 31, 1998, primarily as a result of the acquisitions of REI, Hillier Parker and the various other 1998 acquisitions.

Quarterly Financial Information

A significant portion of CB Richard Ellis Services' revenue is seasonal. Historically, this seasonality has caused its revenue, operating income, net income and cash flow from operating activities to be substantially lower in the first three calendar quarters and higher in the fourth calendar quarter. The concentration of earnings and cash flow in the fourth quarter is due to an industry wide focus on completing transactions at year-end while incurring constant, non-variable expenses throughout the year. This has historically resulted in a small operating loss in the first quarter, a small operating profit or loss in the second and third quarters, and a larger profit in the fourth quarter.

The following table presents CB Richard Ellis Services' revenue, gross profit, operating income and EBITDA by operating segment for each of the nine quarters in the period from January 1, 1999 through June 30, 2001. The information for each of these quarters is unaudited and has been prepared on the same basis as CB Richard Ellis Services' audited consolidated financial statements appearing elsewhere in this prospectus. In the opinion of management, all necessary adjustments, consisting only of normal recurring adjustments, have been included to present fairly the unaudited quarterly results when read in conjunction with our audited consolidated financial statements and related notes appearing elsewhere in this prospectus.

<TABLE>
<CAPTION>

	Quarter Ended								
	Mar. 31, 1999	June 30, 1999	Sept. 30, 1999	Dec. 31, 1999	Mar. 31, 2000	June 30, 2000	Sept. 30, 2000	Dec. 31, 2000	Mar. 31, 2001	June 30, 2001
	(dollars in thousands)									
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenue										
Transaction management.....	$159,135	$198,171	$225,099	$298,524	$178,459	$230,222	$232,695	$308,876	$179,981	$190,338
Financial services.....	37,945	41,802	42,923	54,657	41,397	51,375	56,139	65,193	55,919	57,111

Management services.....	36,121	37,194	38,996	42,472	41,063	36,287	37,687	44,211	36,598	37,400
Total revenue.....	$233,201	$277,167	$307,018	$395,653	$260,919	$317,884	$326,521	$418,280	$272,498	$284,849
Year to year revenue growth percentage.....	33.1%	8.6%	12.1%	19.8%	11.9%	14.7%	6.4%	5.7%	4.4%	(10.4%)
Operating Income (Loss)										
Transaction management.....	$ 2,337	$ 13,776	$ 20,826	$ 31,443	$ 4,631	$ 18,344	$ 17,261	$ 43,069	$ (4,130)	$ 1,519
Financial services.....	2,955	1,753	(344)	2,749	805	4,578	6,590	5,739	6,849	1,087
Management services.....	(216)	1,051	(436)	1,005	3,803	(377)	1,033	1,809	(394)	849
Total operating income.....	$ 5,076	$ 16,580	$ 20,046	$ 35,197	$ 9,239	$ 22,545	$ 24,884	$ 50,617	$ 2,325	$ 3,455
Operating margin percentage.....	2.2%	6.0%	6.5%	8.9%	3.5%	7.1%	7.6%	12.1%	0.9%	1.2%
EBITDA, excluding merger related and other nonrecurring charges										
Transaction management.....	$ 6,951	$ 19,139	$ 26,595	$ 36,373	$ 9,582	$ 23,381	$ 23,213	$ 48,471	$ 2,017	$ 8,229
Financial services.....	5,725	4,771	1,766	5,570	3,785	7,623	9,513	8,792	10,095	7,606
Management services.....	2,394	2,638	1,686	3,761	6,441	2,272	2,992	4,419	1,909	4,674
Total EBITDA, excluding merger-related and other nonrecurring charges.....	$ 15,070	$ 26,548	$ 30,047	$ 45,704	$ 19,808	$ 33,276	$ 35,718	$ 61,682	$ 14,021	$ 20,509
EBITDA margin percentage.....	6.5%	9.6%	9.8%	11.6%	7.6%	10.5%	10.9%	14.7%	5.1%	7.2%

Liquidity and Capital Resources

Cash Flows of CBRE Holding. Net cash provided by financing activities was $229.5 million for the period from February 20, 2001 (inception) to June 30, 2001, due to the net proceeds from the issuance by BLUM CB Corp. of the $229.0 million aggregate principal amount of 11 1/4% senior subordinated notes and the issuance by CBRE Holding of 241,885 shares of common stock to RCBA Strategic Partners.

Cash Flows of CB Richard Ellis Services. Net cash used in operating activities for the six months ended June 30, 2001 was $107.3 million, compared to $51.0 million for the six months ended June 30, 2000, mainly due to increased payments for the 2000 bonus and profit sharing, made in the current year. This increase was due to the better financial results for 2000 as compared to 1999. In addition, CB Richard Ellis Services had less cash from operations due to a net loss in the current year compared to net earnings in the prior year. CB Richard Ellis Services' operating cash flow increased by $10.1 million in 2000 over the year ended 1999, primarily due to higher net income adjusted for non-cash items. In addition, receivables increased at a lower rate during 2000, due to a greater emphasis on receivable collections.

CB Richard Ellis Services utilized $10.6 million for investing activities for the six months ended June 30, 2001, compared to $12.1 million for the six months ended June 30, 2000. During the year ended December 31, 2000, CB Richard Ellis Services utilized $35.7 million for investing activities, an increase of $9.0 million over the prior year. This increase was primarily due to its $21.0 million investment in several technology companies as part of our overall e-business strategy. CB Richard Ellis Services' e-investment strategy is designed to improve internal business operations with resulting cost savings through paperwork reduction, to improve service delivery to clients and to create value in growth businesses that will flow back to the company. In addition, as of June 30, 2001, CB Richard Ellis Services had committed an

additional $39.8 million to fund future co-investments. Its participation in real estate transactions through co-investment activity could increase fluctuations in its earnings and cash flow.

During the year ended December 31, 2000, CB Richard Ellis Services received $17.5 million in proceeds primarily from the sale of select assets within the management services segment, the sale of loan servicing rights and the receipt of proceeds in 2000 from the 1999 sale of a risk management operation. This was slightly lower than the 1999 proceeds of $19.4 million received. This included $7.4 million received from the sale of inventoried property, plus $12.1 million primarily received from the sale of the headquarters building in downtown Los Angeles, California, and a small office building in Phoenix, Arizona.

In addition, capital expenditures increased by $3.2 million from the six months ended June 30, 2000 compared to the six months ended June 30, 2001. However, capital expenditures decreased from $35.1 million for the year ended December 31, 1999, to $26.9 million in the year ended December 31, 2000. Capital expenditures for 1998 totaled $29.7 million. Expenditures in 2000 mainly related to the purchase of computer hardware and software. Higher purchases in 1999 as compared to 2000 and 1998 related to our efforts to prepare for year 2000 computer hardware and software systems issues. CB Richard Ellis Services expects to have capital expenditures ranging from $20 to $25 million in 2001.

Net cash provided by financing activities was $116.9 million for the six months ended June 30, 2001, compared to $55.3 million for the six months ended June 30, 2000, and was mainly attributable to an increased balance in CB Richard Ellis Services' prior revolving credit facility, used primarily to fund the payment of bonus and profit sharing, as well as working capital. Net cash used in financing activities was $53.5 million for the year ended December 31, 2000, compared to $37.7 million for the year ended December 31, 1999, and was mainly attributable to the repayment of debt. From time to time, CB Richard Ellis Services has purchased stock on the open market to fulfill its obligations under stock option, deferred compensation and other similar stock-based compensation plans. For the year ended December 31, 2000, CB Richard Ellis Services repurchased 185,800 shares of its common stock for $2.0 million in order to minimize the dilutive effect of its obligation to issue stock under its deferred compensation plan. During 1999, CB Richard Ellis Services repurchased a total of 397,450 shares of its common stock for $5.0 million to minimize the dilution from the grant of options and stock purchase rights. The 1999 stock repurchase program was completed on January 5, 2000. As a result of the merger and the related adjustments to the deferred compensation plan, neither CBRE Holding nor CB Richard Ellis Services currently has any plans to make future purchases of shares of its common stock to fulfill obligations under the employee compensation plans.

Recent Developments. During the first quarter of 2001, the U.S. economy in general and certain local and regional U.S. economies in particular continued to experience economic softness. Many businesses, including

CB Richard Ellis Services' customers, have implemented staff reductions and delayed or curtailed their plans and commitments with respect to their commercial real estate needs. Additionally, lease rates in various regions, particularly those with a concentration in the telecommunication and technology industries, began to decline.

CB Richard Ellis Services' first quarter results reflected a strong January followed by a slowdown in its U.S. sales activities beginning in February and a slowdown in U.S. lease activities beginning in March, as well as lower than expected revenues in Europe and Asia Pacific. This weakness in sales and lease activities continued into the second and third quarters of 2001. Results of operations through August 31, 2001 indicate that its revenue has declined by 7% from the levels achieved during the eight months ended August 31, 2000. While this decline in revenue has been partially offset by a reduction in commission and operating expenses, CB Richard Ellis Services has experienced a measurable decline in operating income, cash flow and profitability during the first eight months of 2001, relative to the same period of 2000.

In addition, on September 11, 2001, a terrorist attack resulted in the destruction of the World Trade Center Towers in New York City and significant damage to surrounding buildings and property in lower Manhattan. Due to this attack and a separate attack on the Pentagon in northern Virginia, as well as the possible related outbreak of hostilities, we expect a further deterioration of the U.S. economy and commercial real estate market conditions, which could further adversely affect our transaction management segment and our other business segments.

Cost Reduction Programs. Following CB Richard Ellis Services' last major cost reduction program in 1999, it has continued to evaluate its operating expenses relative to the performance of our company. In response to the continued weakness described above, CB Richard Ellis Services formulated a new cost reduction program in May 2001 to reduce operating expenses. This program

was implemented with work force reductions that began in June 2001 and have continued into the third quarter of 2001. This program is expected to reduce budgeted expenses between approximately $35 to $40 million for 2001, excluding one-time severance costs. Expense reductions are occurring in three areas with the following estimate cost reductions for 2001:

- a reduction in work force combined with a hiring freeze, which are expected to yield a savings of approximately $8 to $10 million;
- a reduction in the bonuses for senior managers worldwide, which is expected to yield a savings of approximately $20 million; and
- a reduction in other operating and back office expenses, which is expected to yield a savings of approximately $7 to $10 million.

In addition, in the second quarter, CB Richard Ellis Services wrote off our $2.9 million investment in Eziaz, which has recently declared bankruptcy.

CB Richard Ellis has continued to refine and supplement its cost reduction initiatives during the third quarter of 2001. Through August 31, 2001, CB Richard Ellis Services had achieved a greater level of cost savings up to that date than had initially been anticipated. In addition, CB Richard Ellis Services remains confident that it will meet or exceed its cost reduction targets outlined in its cost savings program for the remainder of the year.

Merger and Related Transactions. Effective July 20, 2001, BLUM CB Corp., which was a wholly owned subsidiary of CBRE Holding, merged with and into CB Richard Ellis Services, which survived the merger as a wholly owned subsidiary of CBRE Holding. The merger was approved by CB Richard Ellis Services' stockholders on July 18, 2001.

In connection with the merger, CB Richard Ellis Services entered into a $325.0 million senior secured credit agreement with Credit Suisse First Boston, or CSFB, and other lenders and borrowed $235.0 million in term

loans under this agreement, which were comprised of a $50.0 million Tranche A term facility and a $185.0 million Tranche B term facility. The credit agreement also includes a $90.0 million revolving line of credit, $10.0 million of which was drawn upon September 10, 2001. Borrowings under the senior secured credit facilities bear interest at varying rates based, at CB Richard Ellis Services' option, on either LIBOR plus 3.25% or the alternate base rate plus 2.25%, in the case of the Tranche A facility and the revolving line of credit, and LIBOR plus 3.75% or the alternate base rate plus 2.75%, in the case of the Tranche B facility. The alternate base rate is the higher of (1) CSFB's prime rate or (2) the Federal Funds Effective Rate plus one-half of one percent. After delivery of CB Richard Ellis Services' consolidated financial statements for the year ending December 31, 2001, the amount added to the LIBOR or the alternate base rate under the Tranche A and revolving line of credit will vary, from 2.50% to 3.25% for the LIBOR and from 1.50% to 2.25% for the alternate base rate, as determined by reference to CB Richard Ellis Services' ratio of total debt less available cash to EBITDA. EBITDA represents earnings before net interest expense, income taxes, depreciation and amortization and merger-related and other nonrecurring charges.

Also in connection with the merger, CB Richard Ellis Services assumed $229.0 million in aggregate principal amount of 11 1/4% senior subordinated notes, which were issued and sold by BLUM CB Corp. for approximately $225.6 million on June 7, 2001. The net proceeds from the sale of the 11 1/4% senior subordinated notes by BLUM CB Corp. were held in an escrow account and were released to CB Richard Ellis Services upon completion of the merger. Also on July 20, 2001, CBRE Holding and many subsidiaries of CB Richard Ellis Services guaranteed the 11 1/4% senior subordinated notes.

Also in connection with the merger, CBRE Holding issued and sold to DLJ Investment Funding, Inc. and other purchasers 65,000 units, which consisted in the aggregate of $65.0 million in aggregate principal amount of its 16% senior notes due 2011 and 339,820 shares of its Class A common stock, for an aggregate price of $65.0 million. Interest on the senior notes will accrue at a rate of 16% per year and be payable quarterly in cash in arrears. Until June 29, 2006, interest in excess of 12% may be paid in kind, and at any time, interest may be paid in kind to the extent that CB Richard Ellis Services' ability to pay cash dividends to CBRE Holding is restricted by the terms of the senior secured credit agreement. The 16% senior notes are redeemable in whole or in part at 116.0% percent of the principal amount, plus accrued and unpaid interest during 2001 and at declining prices thereafter. The 16% senior notes are effectively subordinated to all current and future indebtedness of CB Richard Ellis Services and its wholly owned subsidiaries.

In total, CBRE Holding and CB Richard Ellis Services incurred or assumed an aggregate of $569.0 million of indebtedness to consummate the merger and related transactions.

Also in connection with the merger, RCBA Strategic Partners, L.P. and its affiliate, Blum Strategic Partners, II, L.P., purchased with cash 4,435,154 shares of CBRE Holding Class B common stock, Raymond Wirta purchased by delivery of a promissory note 5,000 shares of CBRE Holding Class B common stock and California Public Employees' Retirement System purchased with cash 625,000 shares of CBRE Holding Class A common stock, in each of these cases for cash price of $16.00 per share. In addition, CBRE Holding offered shares of its Class A common stock to employees and independent contractors of CB Richard Ellis Services. CBRE Holding also sold an aggregate of 1,768,791 shares of its Class A common stock and shares underlying stock fund units in CB Richard Ellis Services' deferred compensation plan to CB Richard Ellis Services' employees and independent contractors at a price of $16.00 per share.

Using a portion of the proceeds from the sale of the 11 1/4% senior subordinated notes and the 16% senior notes, the borrowings under the new credit facility and the proceeds from the sale of CBRE Holding Class B common stock and CBRE Holding Class A common stock, CB Richard Ellis Services repaid substantially all of its long-term indebtedness that was outstanding immediately prior to the merger. This repaid indebtedness included all amounts outstanding under its prior credit agreement and its formerly outstanding 8 7/8% Senior Subordinated Notes.

Also using a portion of the proceeds described above, CB Richard Ellis Services paid $16.00 in cash per share of CB Richard Ellis Services common stock and vested stock fund units in CB Richard Ellis Services' Deferred Compensation Plan, that was outstanding at the time of the merger, other than those shares held by members of the buying group, as well as cash to holders of options to acquire shares of CB Richard Ellis Services common stock that agreed to have their options cancelled in exchange for a cash payment. The aggregate amount of cash due to holders of CB Richard Ellis Services common stock and options in connection with the merger was approximately $201.0 million.

Financing Operations and Future Obligations. We expect to finance our operations, non-acquisition related capital expenditures, employee compensation plan obligations and long-term indebtedness repayment obligations described below primarily with internally generated cash flow and borrowings under the new revolving credit facility. We expect to fund our future acquisitions, if any, that require cash with internally generated cash flow, but any such acquisitions may require new sources of capital such as the issuance of additional debt or equity. We anticipate that our existing sources of liquidity, including cash flow from operations, will be sufficient to meet our anticipated non-acquisition cash requirements for the foreseeable future and in any event for at least the next twelve months.

During the year 2002, we estimate that our non-operations capital expenditures will be no greater than $20 million and that we will fund approximately $20 million of co-investments in connection with our real estate investment management business. We anticipate that our existing sources of liquidity, including cash flow from operations, will be sufficient to fund these capital expenditures and co-investments.

Restrictions in Documents Governing Long-Term Indebtedness. The terms of the documents governing our current long-term indebtedness impose significant restrictions on the operation of our businesses, including our financing activities. The new credit agreement contains numerous restrictive covenants that, among other things, limit the ability to incur or repay other indebtedness, make advances or loans to subsidiaries and other entities, make capital expenditures, incur liens securing indebtedness, enter into mergers or effect other fundamental corporate transactions, sell assets or declare dividends. In addition, CB Richard Ellis Services will be required to meet financial ratios relating to its adjusted net worth, level of indebtedness, fixed charges and interest coverage. The indenture for the 11 1/4% senior subordinated notes and the indenture for the 16% senior notes also include limitations on our ability to incur or repay indebtedness, make advances or loans to subsidiaries and other entities, incur liens securing indebtedness, enter into mergers or effect other fundamental corporate transactions, sell assets or declare dividends. In addition, if either CBRE Holding or CB Richard Ellis Services were to engage in a change of control transaction, as defined in the indentures for the 11 1/4% senior subordinated notes and the indenture for the 16% senior notes, CB Richard Ellis Services would be required to make an offer to purchase all of the 11 1/4% senior subordinated notes and CBRE Holding would be required to make an offer to purchase all of its outstanding 16% senior notes, in each case at a price equal to 101% of the outstanding principal amounts, together with any accrued and unpaid interest.

Limitations on Dividends to CBRE Holding. CBRE Holding is a holding company. Its only significant assets are and will be the shares of its subsidiaries. It conducts all of its business operations through its subsidiaries. Its only source of cash to pay interest on, and the principal of, the 16% senior notes is from distributions with respect to its ownership interests in its subsidiaries. These subsidiaries may not be able to generate sufficient additional cash flow to pay dividends or distributions, or otherwise make

payments or transfer funds to CBRE Holding, and applicable law and contractual restrictions, including negative covenants contained in the debt instruments of its subsidiaries, may not permit such dividends, distributions or payments. In particular, the senior credit facilities and the indenture governing the 11 1/4% senior subordinated notes due 2011 of CB Richard Ellis Services restrict the ability of CB Richard Ellis Services to pay dividends, distributions or make other payments to CBRE Holding that may be necessary for CBRE Holding to pay cash interest on the 16% senior notes.

Seasonal Working Capital Requirements. Our working capital borrowing requirements are very seasonal because our cash flow from operating activities has historically been substantially lower in the first three calendar

quarters than in the fourth calendar quarter. The seasonal variation in operating cash flow and working capital borrowing requirements results in part from a focus at year-end on completing sales and lease transactions that is consistent with the real estate industry and in part from the timing of the payment of cash bonuses to sales professionals and managers. While compensation expenses are accrued throughout the year, a substantial portion of the actual cash payments are made in the first quarter of the following fiscal year. As a result, working capital borrowing requirements are highest in the first two quarters of the fiscal year and have historically decreased beginning in the third quarter. In addition, CB Richard Ellis Services' new $90.0 million revolving credit facility requires that it have no outstanding borrowings under the facility during a period of 45 days commencing on any day chosen by it in the month of December of each year.

Deferred Compensation Plan Obligations. CB Richard Ellis Services has obligations under its deferred compensation plan that will require future cash expenditures. Under the deferred compensation plan, each participant may defer a portion of his or her compensation for distribution generally either after his or her employment with CB Richard Ellis Services ends or on a future date at least three years after the deferral election date.

The investment alternatives available to participants under the plan currently include, among others, two interest index fund alternatives and an insurance fund alternative. Under the first interest index fund alternative, all such allocations are credited with interest at the rate payable by CB Richard Ellis Services under its principal credit agreement. New deferrals are no longer permitted into that fund. Under the second interest index fund alternative, which began accepting new deferrals prior to the merger, all deferrals are credited with interest at 11 1/4% per year for five years, or until distributed if earlier, and thereafter at a rate no lower than the rate CB Richard Ellis Services pays under its principal credit agreement. Under the insurance fund alternative, the participant can elect to have gain or loss on deferrals measured by one or more of approximately 30 mutual funds. Historically, CB Richard Ellis Services has elected to transfer to a rabbi trust the full amount of deferrals into the insurance fund alternative and then hedge its obligations to the participants under the insurance fund alternative by actually buying a contract of insurance within which it has premiums invested in the mutual funds which participants have elected to measure the value of their deferred compensation.

We expect to fund the after-tax cost of these future distributions under the two interest index alternatives with internally generated cash flow and borrowings under the new revolving credit facility. With respect to existing deferrals under the insurance fund alternative, we expect future distributions to be satisfied by the contracts of insurance that we have purchased. However, in the future, to the extent we do not fully fund our obligations under the insurance fund alternative with an insurance contract and transfers into the rabbi trust, we would need to fund future distributions with internally generated cash flow and borrowings under the new credit facility.

Because a substantial majority of the deferrals under the deferred compensation plan have a distribution date based upon the end of the relevant participant's employment with CB Richard Ellis Services, we have an on-going obligation to make distributions to these participants as they leave our employment. Because the level of employee departures is not predictable, the timing of these obligations is also not predictable. Accordingly, CB Richard Ellis Services may face significant unexpected cash funding obligations in the future under its deferred compensation plan if a larger number of its employees leave its employment than it expects.

401(k) Plan Obligations. CB Richard Ellis Services may be required to make future cash expenditures as a result of legal requirements applicable to its 401(k) plan. Under the 401(k) plan, generally upon a participant's termination of employment with CB Richard Ellis Services, including as a result of retirement, the participant may elect to receive the cash value of his or her investments in the plan. Accordingly, if a participant owns shares of CBRE Holding Class A common stock that are held in the plan and becomes entitled to receive a distribution under the plan, the participant may require the plan trustee to sell those shares and distribute the cash proceeds. However, there

currently is no market for CBRE Holding Class A common stock, so CB Richard Ellis Services currently would be obligated under applicable law to purchase the shares at fair market value so the required cash distribution could occur.

Repayment of Long-Term Indebtedness. The $65.0 million principal amount of the 16% senior notes of CBRE Holding will become due and payable on July 20, 2011. The $229.0 million principal amount of 11 1/4% senior subordinated notes will become due and payable on June 15, 2011. Any amounts outstanding under the revolving line of credit under the new credit facility will be due and payable on July 20, 2007, and in addition, no amounts can be outstanding under that facility for a period of 45 consecutive days commencing on any day in the month of December of each year. The principal amount of the $235.0 million of term loans under the new credit agreement will become due and payable on the following schedule:

<TABLE>
<CAPTION>

Year	Amount Due
<S>	<C>
2001	$ 4.7 million
2002	9.3 million
2003	10.0 million
2004	10.6 million
2005	10.6 million
2006	10.6 million
2007	6.2 million
2008	173.0 million

</TABLE>

Recent Acquisitions

During 2000, CB Richard Ellis Services acquired five companies with an aggregate purchase price of $3.4 million in cash and $0.7 million in notes, plus additional payments over the next five years based on acquisition earnout agreements. These payments will supplement the purchase price and be recorded as additional goodwill. The most significant acquisition in 2000 was the purchase of Boston Mortgage Capital Corporation through L.J. Melody for $2.1 million plus supplemental payments based on an acquisition earnout agreement. Boston Mortgage provides further mortgage banking penetration into the northeast. It services approximately $1.8 billion in loans covering roughly 175 commercial properties throughout New England, New York and New Jersey.

During 1999, CB Richard Ellis Services acquired four companies with an aggregate purchase price of approximately $13.8 million. The two significant acquisitions were Eberhardt Company, which was acquired in September 1999 through L.J. Melody for approximately $7.0 million, and Profi Nordic, which was acquired in the first quarter of 1999 through CBRE Profi Acquisition Corp., formerly Koll Tender III, for approximately $5.5 million.

In 1998, CB Richard Ellis Services made several large acquisitions. In April 1998, it purchased all of the outstanding shares of REI, an international commercial real estate services firm operating under the name Richard Ellis in major commercial real estate markets worldwide, excluding the United Kingdom. The acquisition was accounted for as a purchase. The purchase price has largely been allocated to goodwill, which is amortized on a straight line basis over an estimated useful life of 30 years. The purchase price for REI was approximately $104.8 million of which approximately $53.3 million was paid in cash and notes and approximately $51.5 million was paid in shares of CB Richard Ellis Services' common stock. In addition, CB Richard Ellis Services assumed approximately $14.4 million of long-term debt and minority interest. CB Richard Ellis Services incurred a one-time charge of $3.8 million associated with the integration of REI's operations and systems into its own.

CB Richard Ellis Services also acquired the business of Hillier Parker in July 1998. This was a commercial property services partnership operating in the United Kingdom. The acquisition was accounted for as a purchase. The purchase price for Hillier Parker included approximately $63.6 million in cash and $7.1 million in shares of our common stock. In addition, CB Richard Ellis Services assumed a contingent payout plan for key Hillier Parker employees with a potential payout over three years of approximately $13.9 million and assumed various annuity obligations of approximately $15.0 million. The purchase price has largely been allocated to goodwill which is amortized on a straight line bases over its estimated useful life of 30 years.

In September of 1998, CB Richard Ellis Services purchased the approximately 73.0% interest that it did not already own in CB Commercial Real Estate Group of Canada, Inc., now CB Richard Ellis Limited. CB Richard Ellis Services acquired the remaining interest for approximately $14.3 million in cash. The

acquisition was accounted for as a purchase. The purchase price has been largely allocated to intangibles and goodwill which are amortized on a straight line basis over their estimated useful lives ranging up to 30 years.

In October 1998, CB Richard Ellis Services purchased the remaining ownership interests that we did not already own in the Richard Ellis Australia and New Zealand businesses. The cost for the remaining interest was $20.0 million in cash. Virtually all of the revenue of these locations is derived from brokerage and appraisal services. The acquisition was accounted for as a purchase. The purchase price has largely been allocated to intangibles and goodwill which are amortized on a straight line basis over their estimated useful lives ranging up to 30 years.

CB Richard Ellis Services also made various smaller acquisitions throughout 1998.

Net Operating Loss

CB Richard Ellis Services had U.S. federal income tax net operating losses, or NOLs, of approximately $16.3 million at both June 30, 2001 and December 31, 2000.

CB Richard Ellis Services' ability to utilize NOLs has been limited by Section 382 of the Internal Revenue Code because in previous years it experienced an ownership change within the meaning of Section 382. CB Richard Ellis Services anticipates that the remaining $16.3 million of NOLs will be utilized before they expire.

Recent Accounting Pronouncements

In September 2000, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities. SFAS 140 revises the standards for accounting for securitizations and other transfers of financial assets and collateral established by SFAS 125. In addition, this statement is effective for recognition and reclassification of collateral and for disclosures relating to securitization transactions and collateral for fiscal years ending after December 15, 2000. CB Richard Ellis Services does not perform these types of transactions. This statement is effective for all transfers and servicing of financial assets and extinguishments of liabilities occurring after March 31, 2001. The adoption of SFAS 140 did not have a material impact on CB Richard Ellis Services' results of operations and financial position.

In July 2001, the FASB issued SFAS No. 141, "Business Combinations", which supersedes APB Opinion No. 16, "Business Combinations" and SFAS No. 38, "Accounting for Pre-acquisition Contingencies of Purchased Enterprises." SFAS No. 141 eliminates the pooling-of-interests method of accounting for business combinations and requires all business combinations to be accounted for by a single method--the purchase method. This statement is effective for all business combinations completed after June 30, 2001. Accordingly, we will account for the merger using the purchase method. CB Richard Ellis Services is in the process of determining the impact of the adoption of this statement on its results of operations and financial position.

In July 2001, the FASB also issued SFAS No. 142, "Goodwill and Other Intangibles Assets", which supersedes APB Opinion No. 17, "Intangible Assets". Under SFAS 142, goodwill is no longer subject to amortization over its estimated useful life. Rather, goodwill will be subject to at least an annual assessment for impairment applying a fair-value based test. Additionally, an acquired intangible asset should be separately recognized if the benefit of the intangible asset is obtained through contractual or other legal rights, or if the intangible asset can be sold, transferred, licensed, rented, or exchanged, regardless of the acquirer's intent to do so. This statement is effective for fiscal years beginning after December 15, 2001, although early application is

permitted for entities with fiscal years beginning after March 15, 2001. CB Richard Ellis Services is in the process of determining the impact of the adoption of this statement on its results of operations and financial position.

Quantitative and Qualitative Disclosures About Our Market Risk

Our exposure to market risk consists of foreign currency exchange rate fluctuations related to its international operations and changes in interest rates on most of its debt obligations.

During the six months ended June 30, 2001, approximately 23% of CB Richard Ellis Services business was transacted in local currencies of foreign countries. In the past, CB Richard Ellis Services has attempted to manage, and in the future it expects to continue to manage, this exposure primarily by balancing monetary assets and liabilities and maintaining cash positions only at levels necessary for operating purposes in those countries. While CB Richard

Ellis Services international results of operations as measured in dollars are subject to foreign exchange rate fluctuations, it does not consider the related risk to be material to its financial condition or results of operations. In the past, CB Richard Ellis Services has routinely monitored, and in the future it expects to continue to monitor, its transaction exposure to currency rate changes and it has entered, and expects to continue to enter, into currency forward and option contracts to limit the exposure, as appropriate. Gains and losses on contracts are deferred until the transaction being hedged is finalized. As of June 30, 2001, CB Richard Ellis Services had no outstanding contracts. CB Richard Ellis Services does not engage in any speculative activities.

After the merger, much of our long-term debt will bear variable interest rates. Consistent with past practices we will utilize sensitivity analysis to assess the potential effect of its variable rate debt. If interest rates were to increase by 1% per year, the net impact would be a decrease of approximately $2.86 million on our annual pre-tax income and cash flow. Our fixed and variable long-term debt as of June 30, 2001, including the effects of CBRE Holdings' 16% senior notes, CB Richard Ellis Services' 11 1/4% senior subordinated notes and the senior secured credit facilities, are as follows:

<TABLE>
<CAPTION>

Year of Maturity	Fixed Rate	LIBOR Plus 3.25%	LIBOR Plus 3.75%	EONIA Plus 1.75%	Sterling LIBOR Minus 1.5%	Total
			(dollars in thousands)			
<S>	<C>	<C>	<C>	<C>	<C>	<C>
2001	$ 2,908	$43,750	$ 925	$9,830		$ 57,413
2002	1,249	7,500	1,850		$1,500	12,099
2003	520	8,125	1,850			10,495
2004	18	8,750	1,850			10,618
2005	18	8,750	1,850			10,618
Thereafter	297,409	13,125	176,675			487,209
Total	$302,122	$90,000	$185,000	$9,830	$1,500	$588,452
Weighted average interest rate.	12.82%	7.09%	7.59%	6.47%	4.4%	10.2%

</TABLE>

Estimated fair values for our liabilities are not presented because they either are based on variable rates that approximate terms that we could obtain currently from other sources or they are liabilities that were entered into in connection with the merger which have recently negotiated rates that we believe represent the fair value of the related liabilities.

BUSINESS

We are the largest global commercial real estate services firm in terms of revenue offering a full range of services to commercial real estate occupiers, owners, lenders and investors. Through our 250 offices, we provide, under the CB Richard Ellis brand name and the CB Hillier Parker brand name in the United Kingdom, services on a local, national and international basis across approximately 100 markets in 44 countries. During 2000, CB Richard Ellis Services advised on approximately 25,000 lease transactions involving aggregate rents, under the terms of leases facilitated, of approximately $26.0 billion and approximately 7,500 sales transactions with transaction values totaling approximately $26.0 billion. Also during 2000, CB Richard Ellis Services managed approximately 516 million square feet of property, provided investment management services for $10.0 billion of assets, originated nearly $7.2 billion in loans, serviced $16.7 billion in loans, engaged in approximately 32,000 valuation/appraisal and advisory assignments and serviced approximately 1,400 subscribers with proprietary research. In addition, at June 30, 2001 CB Richard Ellis Services employed approximately 9,600 employees.

History. CB Richard Ellis Services was founded in 1906. It was formerly known as CB Commercial Real Estate Services Group, Inc., or CB Commercial, a holding company, organized on March 9, 1989 under the laws of the State of Delaware to acquire Coldwell Banker Commercial Group, Inc. This acquisition occurred on April 19, 1989. On November 25, 1996, CB Commercial completed an initial public offering of 4,347,000 shares of common stock. Prior to this public offering, CB Commercial was a reporting company as a result of an offering to employees under the Securities Act. On May 19, 1998, CB Commercial changed its name to CB Richard Ellis Services, Inc. On July 20, 2001, BLUM CB Corp., a wholly owned subsidiary of CBRE Holding, Inc., merged with and into CB Richard Ellis Services, with CB Richard Ellis Services surviving the merger as a wholly owned subsidiary of CBRE Holding. After the merger and related transactions, CBRE Holding became a public reporting company under the Securities Exchange Act of 1934 and CB Richard Ellis Services continued to be a

public reporting company.

As part of its growth strategy, CB Richard Ellis Services has undertaken various strategic acquisitions. In 1995, CB Richard Ellis Services purchased Westmark Realty Advisors, L.L.C., which has been renamed CB Richard Ellis Investors, L.L.C., or CBRE Investors. CBRE Investors is a management and advisory business with approximately $10.0 billion of assets under management. In 1996, CB Richard Ellis Services acquired L.J. Melody & Company, or L.J. Melody, a nationally known mortgage banking firm. Then in 1997, CB Richard Ellis Services acquired Koll Real Estate Services, or Koll, a real estate services company primarily providing property management services, corporate and facilities management services and asset and portfolio management services. The following year, CB Richard Ellis Services purchased all of the outstanding stock of REI Limited, or REI, which owned and operated the internationally known real estate services firm of Richard Ellis in all the major commercial real estate locations in the world, other than the United Kingdom. REI's principal operations were in The Netherlands, France, Spain, Brazil, Australia, Hong Kong, including Taiwan, the People's Republic of China, and Singapore. In 1998, CB Richard Ellis Services also acquired the business of Hillier Parker May and Rowden, now known as CB Hillier Parker Limited, or Hillier Parker, a commercial property services partnership operating in the United Kingdom. That same year, CB Richard Ellis Services purchased the approximately 73.0% interest that it did not already own in CB Commercial Real Estate Group of Canada, Inc. In 1998, CB Richard Ellis Services acquired the remaining ownership interests in Richard Ellis Australia and New Zealand.

Nature of Operations. CB Richard Ellis Services is a holding company that conducts operations primarily through approximately 75 direct and indirect operating subsidiaries. In the United States, CB Richard Ellis Services operates through CB Richard Ellis, Inc. and L.J. Melody; in the United Kingdom, it operates through Hillier Parker; and in Canada, it operates through CB Richard Ellis Limited. CBRE Investors and its foreign affiliates conduct business in the United States, Europe and Asia Pacific. CB Richard Ellis Services operates through various subsidiaries in approximately 44 countries and pursuant to cooperation agreements in several additional countries. For the quarter ended June 30, 2001, approximately 76% of our revenue was from the United States and 24% from the rest of the world.

CB Richard Ellis Services' operations are reported through three geographic divisions:

- The Americas, which consists of the United States, Canada, Mexico and operations located in Central and South America. CB Richard Ellis Services also refers to the operations in Mexico, Central and South America as the Latin America operations.

- EMEA, which is an acronym for Europe, the Middle East and Africa. This operating group became part of CB Richard Ellis Services through a series of acquisitions, most significantly Hillier Parker and REI.

- Asia Pacific, which consists of operations in Asia, Australia and New Zealand. These operations were acquired in part through the REI acquisition and in total through subsequent acquisitions.

A significant portion of CB Richard Ellis Services' revenue is seasonal. Historically, this seasonality has caused revenue, operating income, net income and cash flow from operating activities to be lower in the first two calendar quarters and higher in the third and fourth calendar quarters of each year. The concentration of earnings and cash flow in the fourth quarter is due to an industry wide focus of completing transactions by year-end, while incurring constant, non-variable expenses throughout the year. This has historically resulted in lower profits or a loss in the first quarter, with profits growing in each subsequent quarter.

Business Segments

In July 1999, CB Richard Ellis Services undertook a reorganization to streamline its U.S. operations, which resulted in a change in its segment reporting from four to three segments. CB Richard Ellis Services has eight primary lines of business which are aggregated, reported and managed through these three segments: transaction management, financial services and management services. The transaction management segment is the largest generator of revenue and operating income and includes brokerage services, corporate services and investment property activities. Total revenues generated by the transaction management segment relating to the leasing of real estate were approximately $227.2 million and $203.8 million for the six months ended June 30, 2000 and 2001, respectively. Total revenues generated by the transaction management segment relating to the sales of commercial real estate were approximately $154.7 million and $140.7 million for the six months ended June 30, 2000 and 2001, respectively. Total revenues generated by the transaction management segment relating to the leasing of commercial real estate were approximately $510.3 million for the year ended December 31, 2000, $426.1

million for the year ended December 31, 1999 and $352.8 million for the year ended December 31, 1998. Total revenues generated by the transaction management segment relating to the sales of commercial real estate were approximately $378.5 million for the year ended December 31, 2000, $383.2 million for the year ended December 31, 1999 and $330.2 million for the year ended December 31, 1998. The financial services segment provides commercial mortgage, valuation, investment management and consulting and research services. The management services segment provides facility management services to corporate real estate users and property management and related services to owners.

Transaction Management

Under transaction management, CB Richard Ellis Services operates the following lines of business:

Brokerage Services. The brokerage services line of business provides sales, leasing and consulting services relating to commercial real estate. Brokerage services is the largest business unit in terms of revenue, earnings and cash flow. This business is built upon relationships that CB Richard Ellis Services' employees establish with customers and because of this, it strives to retain top revenue producers through an attractive compensation program that motivates the sales force to achieve higher revenue production. Therefore, the most significant cost is commission expense, which can be as high as approximately 70% of the revenue generated by brokerage services. CB Richard Ellis Services is the largest competitor in the commercial brokerage business in terms of revenue and it believes that its brand provides it with a competitive operating advantage. As of June 30, 2001, CB Richard Ellis Services employed approximately 2,220 individuals in its brokerage services line in offices located in most of the largest metropolitan areas in the United States and approximately 1,300 individuals in the rest of the world.

Operations. CB Richard Ellis Services maintains a decentralized approach to transaction management other than investment properties by bringing significant local knowledge and expertise to each assignment. Each local office draws upon the broad range of support services provided by the other business groups around the world, including an international network of market research, client relationships and transaction referrals which it believes provide it with significant economies of scale over local, national and international competitors. While day-to-day operations are decentralized, most accounting and financial functions are centralized.

Compensation. Under a typical brokerage services agreement, brokerage services is entitled to receive sale or lease commissions. Sale commissions, which are calculated as a percentage of sales price, are generally earned by this business line at the close of escrow. Internationally, sales commissions are earned upon completion of work with no existing contingencies. Sale commissions in the United States typically range from approximately 1% to 6% with the rate of commission declining as the price of the property increases. In the case of large investment properties of over $20 million, the commission is generally not more than 2%, declining to 0.5% for properties greater than $75 million. In the United Kingdom, commissions of 0.5% for a sale to 0.75% for a purchase are typical. Lease commissions in the United States and Canada, typically calculated either as a percentage of the minimum rent payable during the term of the lease or based upon the square footage of the leased premises, are generally earned by brokerage services at the commencement of a lease, which typically occurs on the tenant move-in date unless significant future contingencies exist. In cases where a third-party brokerage firm is not involved, lease commissions earned by brokerage services for a new lease typically range between 2% and 6% of minimum rent payable under the lease depending upon the value of the lease. In the United Kingdom, the leasing commission is typically 10% of the first year's rent. For renewal of an existing lease, these fees are generally 50% of a new lease commission. In sales and leases where a third-party broker is involved, brokerage services must typically share at least 50% of the commission with the third-party broker. For 2000, in the United States, Canada and much of Australia, brokerage sales professionals received a 40% to 60% share of commissions before costs and expenses. In most other parts of the world, brokerage professionals receive a salary and a bonus, profit-share or a small commission, which in the aggregate approximate a 45% share of commissions earned by this business line.

Investment Properties. The investment properties line of business provides brokerage services for commercial real estate property marketed for sale to institutional and private investors.

Operations and Compensation. At June 30, 2001, this line of business employed approximately 500 individuals in offices located in the United States and about 240 individuals in the rest of the world. Compensation for this operation is similar to the brokerage line of business.

Corporate Services. The corporate services line of business focuses on building relationships with large corporate clients. The objective is to

establish long-term relationships with clients that could benefit from utilizing corporate services broad suite of services and/or global presence. These clients are offered the opportunity to be relieved of the burden of managing their commercial real estate activities at a lower cost than they could achieve by managing it themselves. During 2000, the facilities management unit began operating under the same leadership as corporate services. See the section below titled "Management Services" for a description.

Operations. At June 30, 2001, this line of business employed approximately 415 individuals within the United States and approximately 85 individuals in the rest of the world. Corporate services include research and consulting, structured finance, project management, lease administration and transaction management. These services can be delivered on a bundled or unbundled basis involving other lines of business in a single market or in multiple markets around the globe. A typical corporate services agreement includes a stated term of at least one year and normally contains provisions for extension of the agreement.

Compensation. A typical corporate services agreement gives CB Richard Ellis Services the right to execute some or all of the client's future sales and leasing transactions and to receive other fees on a negotiated basis. The commission rate with respect to these transactions frequently reflects a discount for

the captive nature and large volume of the business. This business line is developing worldwide pricing to maximize integrated service delivery.

All of these business lines provide sales brokerage and leasing and real estate consulting services. Additionally, these business lines are motivated to cross-sell products and services from other business segments.

Financial Services

The financial services business segment is focused on providing commercial mortgage, valuation, investment advisory and research and consulting services. CB Richard Ellis Services believes that these business lines are complementary to the core businesses in the transaction management segment, offering reliable returns. A description of the principal lines of business in the financial services segment are as follows:

Mortgage Banking. The commercial mortgage business line provides commercial loan origination and loan servicing through CB Richard Ellis Services' wholly-owned subsidiary, L.J. Melody. The commercial mortgage business focuses on the origination of commercial mortgages without incurring principal risk. As part of its activities, L.J. Melody has established correspondent and conduit arrangements with investment banking firms, national banks, credit companies, insurance companies, pension funds and government agencies.

Under these arrangements, L.J. Melody originates mortgages into conduit programs where it makes limited representations and warranties based upon representations made by the borrower or another party. In some situations, L.J. Melody originates mortgages in its name and immediately sells them into a conduit program, referred to as "table funding," without principal risk. Mortgages originated for conduits may or may not have servicing rights. L.J. Melody originates mortgages in its name, without principal risk. It also services loans for Federal Home Loan Mortgage Corporation, Freddie Mac and Federal National Mortgage Association, Fannie Mae. L.J. Melody is also a major mortgage originator for insurance companies and pension funds having the right, as correspondent, to originate loans in their names and subsequently services the mortgage loans it originates. At June 30, 2001, L.J. Melody serviced mortgage loan portfolios of approximately $17.3 billion.

Operations. At June 30, 2001, L.J. Melody employed approximately 280 people located in 32 offices in the United States. L.J. Melody has no material mortgage banking operations outside of the United States. Its mortgage loan originations take place throughout the United States with support from L.J. Melody's headquarters in Houston, Texas. The mortgage loan servicing is handled primarily from the Houston, Texas headquarters with support from regional offices in Atlanta, Georgia; Minneapolis, Minnesota; Seattle, Washington; Boston, Massachusetts and Los Angeles, California.

Compensation. L.J. Melody typically receives origination fees, ranging from 0.5% for large insurance company and pension fund mortgage loans to 1.0% for most conduit and agency mortgage loans. In situations where L.J. Melody services the mortgage loans it originates, L.J. Melody also receives a servicing fee between 0.03% and 0.25%, calculated as a percentage of the outstanding mortgage loan balance. These servicing agreements generally contain an evergreen provision that provides that the agreement remains in effect for an indefinite period, but enables the lender to terminate the agreement upon 30 days prior written notice, which L.J. Melody believes to be a customary industry termination provision. During 2000, a majority of the mortgage loan origination revenue was from agreements which entitled

L.J. Melody to both originate and service mortgage loans. L.J. Melody also originates mortgage loans on behalf of conduits and insurance companies for whom it does not perform servicing. Its client relationships have historically been long-term. L.J. Melody pays its mortgage banking professionals a combination of salary, commissions and incentive-based bonuses, which typically average approximately 50% of loan origination fees earned.

Investment Management. The investment management line of business provides investment management and advisory services through CB Richard Ellis Services' wholly-owned affiliate CBRE Investors. It focuses on pension plans, investment funds, insurance companies and other organizations seeking to generate returns through investment in real estate related assets. CBRE Investors is often requested to "co-invest" with its clients for a percentage of the total fund. These co-investments generally range from 2 to 10% of the fund.

Operations. Operationally, each investment strategy is executed by a dedicated team with the requisite skill sets. At the present time there are seven dedicated teams. In the United States, they are: (1) Fiduciary Services, which uses low risk/return strategies, (2) Strategic Partners, which is a value-added fund, (3) Corporate Partners, which uses corporate real estate strategies, and (4) Global Innovation Partners, which uses technology driven real estate and entry level strategies. Internationally, they are: (1) CB Hillier Parker Investors (UK), which uses low risk/return strategies, (2) CBRE Investors Asia, which is a value-added fund, and (3) CBRE Investors Europe, which is a value-added fund. Each team's compensation is driven largely by the investment performance of its particular strategy/team. This organizational structure is designed to align the interests of team members with those of its investor clients/partners, determine accountability and make performance the priority.

Dedicated teams share resources such as accounting, financial controls, information technology, investor services and research. In addition to the research within CB Richard Ellis Services' platform, which focuses primarily on market conditions and forecasts, CBRE Investors has an in-house team of research professionals that focuses on investment strategy and underwriting. At June 30, 2001, CBRE Investors and its foreign affiliates had approximately 125 employees located in the Los Angeles headquarters and in the regional office in Boston and approximately 35 employees internationally.

We believe that this business line provides strategic benefits to all of the lines of business by providing brokerage opportunities for assets under management and by being a natural fit for the full range of services that it offers, including mortgage lending, appraisal and property management.

A key validation of this business occurred during the fourth quarter of 2000 when CBRE Investors was awarded the assignment to manage the California Public Employees' Retirement Systems, or CalPERS, $500 million Global Innovation Partners Fund in which CB Richard Ellis Services will be making a co-investment of approximately $25 million. Under the program, the fund will make investments in real estate and real estate-related entities and capitalize on opportunities created from the convergence of the technology and real estate industries. We anticipate that we may benefit from the opportunity in several ways, including fees, return on our co-investment, return on a carried interest and significant cross-selling of services in relation to this program.

Compensation. Investment management fees can have up to three components. In chronological order, they are: (1) acquisition fees, (2) annual portfolio management fees and (3) incentive fees or profit sharing. Each fund or account will have two or three of these components. Fees are typically higher for sponsoring funds or joint ventures than managing separate accounts. Acquisition and annual portfolio management fees usually range between 0.5 and 1.0% of the purchase price in the United States and Asia Pacific. In the United Kingdom, annual fees on separate accounts are typically 0.05 to 0.1% of asset value. Incentive fees usually range between 10 and 20% of profit in excess of an agreed upon threshold return. With respect to CBRE Investors' new funds in the United States and all international investments, CB Richard Ellis Services also derives fees for ancillary services including purchase and sale brokerage, mortgage origination, property management and leasing brokerage.

Valuation and Appraisal Services. The valuation line of business provides valuation and appraisal services and market research. These services include market value appraisals, litigation support, discounted cash flow analysis and feasibility and fairness opinions.

Operations. The valuation business is one of the largest in its industry in the United States. Additional valuation services are provided internationally. At June 30, 2001, this business line had approximately 180 employees on staff in the United States and approximately 360

internationally. During 2000, it developed proprietary technology for preparing and delivering valuation reports to its clients. We believe that this technology provides the valuation business line with competitive advantages over our rivals.

Compensation. The valuation business line earns most of its fees on a fixed-fee basis. Some consulting revenue is earned on an hourly basis.

Real Estate Market Research. CB Richard Ellis Services provides real estate market research services worldwide through CB Richard Ellis/Torto Wheaton Research and CB Hillier Parker. CB Richard Ellis Services research services include data collection and interpretation, econometric forecasting and portfolio risk analysis. Its publications and products provide real estate data for more than 70 of the largest metropolitan statistical areas in the United States and are sold on a subscription basis to many of the largest portfolio managers, insurance companies and pension funds. At June 30, 2001, this business line had approximately 200 researchers in the United States and internationally.

Management Services

The management services segment provides property, facility and construction management services, through two lines of business:

Property Management/Asset Services. The asset services line of business provides value-added asset and related services for income-producing properties owned primarily by institutional investors and, at June 30, 2001, managed approximately 190 million square feet of commercial space in the United States and approximately 210 million square feet in the rest of the world. Asset services include maintenance, marketing and leasing services for investor-owned properties, including office, industrial, retail and multi-family residential properties. Additionally, asset services provides construction management services, which relate primarily to tenant improvements. Asset services works closely with its clients to implement their specific goals and objectives, focusing on the enhancement of property values through maximization of cash flow. Asset services markets its services primarily to long-term institutional owners of large commercial real estate assets. An asset services agreement puts CB Richard Ellis Services in a position to provide other services for the owner including refinancing, appraisal and lease and sales brokerage services.

Operations. At June 30, 2001, asset services employed approximately 1,000 individuals in the United States and approximately 760 individuals internationally, part of whose compensation is reimbursed by the client. Most asset services are performed by management teams located on-site or in the vicinity of the properties they manage. This provides property owners and tenants with immediate and easily accessible service, enhancing client awareness of manager accountability. All personnel are trained and are encouraged to continue their education through both internally-sponsored and outside training. CB Richard Ellis Services provides each local office with centralized corporate resources including investments in computer software and hardware. Asset services personnel generally utilize state-of-the-art computer systems for accounting, marketing and maintenance management.

Compensation. Under a typical property management agreement, CB Richard Ellis Services receives a monthly managerial fee and reimbursement for the cost of wages for on-site employees. Payments for reimbursed expenses are netted against those expenses and not included in revenue.

Facilities Management. The facilities management line of business, now under the same leadership as corporate services, specializes in the administration, management and maintenance of properties that are occupied by large corporations and institutions, including corporate headquarters, regional offices, administrative offices and manufacturing and distribution facilities, as well as tenant representation, capital asset disposition, project management, strategic real estate consulting and other ancillary services for corporate clients. At June 30, 2001, facilities management had approximately 120 million square feet under management in the United States and it also manages approximately 28 million square feet internationally. We expect the facilities management business both inside and outside of the United States to continue growing in 2001.

Operations. At June 30, 2001, the facilities management business line employed approximately 1,030 individuals in facilities management services business in the United States and approximately 125 individuals internationally, most of whose compensation is reimbursed by the client. The facilities management operations in the United States are organized into three geographic regions in the Eastern, Western and Central areas, with each geographic region comprised of consulting, corporate services and

team management professionals who provide corporate service clients with a broad array of financial, real estate, technological and general business skills. Facilities management teams are also in place internationally. In addition to providing a full range of corporate services in a contractual relationship, the facilities management group will respond to client requests generated by CB Richard Ellis Services' other business lines for significant, single-assignment acquisition, disposition and consulting assignments that may lead to long-term relationships.

Compensation. Under a typical facilities management agreement, CB Richard Ellis Services is entitled to receive management fees and reimbursement for its costs including costs of wages of on-site employees, capital expenditures, field office rent, supplies and utilities that are directly attributable to management of the facility. Payments for reimbursed expenses are netted against those expenses and not included in revenue. Under particular facilities management agreements, it may also be entitled to an additional incentive fee which is paid if it meets select performance criteria, for example, a reduction in the cost of operating the facility, which is established in advance with the client.

Competitive Strengths

We believe our strong position within the real estate services industry is based on our global brand recognition, broad service offerings, ability to scale these offerings and geographic reach.

- Global Brand Name. We are the largest commercial real estate services provider in the world and, together with our predecessors, have been in existence for 95 years. We are a global firm operating in 44 countries across six continents through 250 offices. We believe we are one of the leading commercial real estate services firms in most major U.S. markets and in many other important real estate markets around the world. CB Richard Ellis is the brand name under which we operate in all of our markets, except in the United Kingdom, where we operate under the brand name CB Hillier Parker.

- Geographic Reach. We possess in-depth knowledge of local and regional markets and can provide a full range of real estate services in most major markets across the globe. Our geographical coverage enables us to better serve our multinational clients and manage funds for institutional investors on a global basis.

- Full Service Provider. We provide a full range of real estate services to meet the needs of our clients. These services include commercial real estate brokerage services, investment properties, corporate services, mortgage banking, investment management, valuation and appraisal services, real estate market research, property management/asset services and facilities management. We believe our combination of significant local market presence and diversified line of business platforms differentiates us from our competitors and provides us with a competitive advantage.

- High End Commercial Brokerage Focus. Our expertise, breadth of services and strong client relationships enable us to derive a large proportion of our commercial brokerage revenues from large, high end transactions. For example, during 1999, CB Richard Ellis Services derived more than half of its sales commissions in the United States and more than one-third of its lease commissions in the United States from transactions exceeding $5.0 million in deal size.

- Recurring Revenue from Prior Transactions. We believe we are well positioned to generate recurring revenues through the turnover of leases and properties for which we have previously acted as transaction manager. Our many years of strong local market presence have allowed us to develop significant repeat client relationships which are responsible for a large part of its business. CB Richard Ellis Services estimates that during 2000 approximately 68% of its landlord listing assignments were with clients with whom it had done business previously.

- Strong Relationships with Established Customers. We have long-standing relationships with a number of the major real estate investors, including Equity Residential Trust, Lend Lease, MetLife and RREEF. Our broad national and international presence has enabled us to develop extensive

relationships with many leading corporations, including Ford Motor Company, GE Capital, JP Morgan Chase, Kodak, Lucent Technologies and Washington Mutual.

- Experienced Senior Management with Significant Equity Stake. We are led by an experienced management team. Our Chief Executive Officer, Raymond Wirta, has 33 years of experience in the real estate industry with CB

Richard Ellis Services, Bank of America, Koll Management Services and Koll Real Estate Services. Raymond Wirta beneficially owns approximately 4.3% of the outstanding common stock of CBRE Holding. In addition, our other employees acquired a total of approximately 4.1% of the outstanding CBRE Holding common stock in connection with the merger and related transactions.

Despite these competitive advantages, CB Richard Ellis Services also experiences competitive disadvantages in the commercial real estate industry. These disadvantages include:

- Higher Leverage. CB Richard Ellis Services incurred substantial additional indebtedness in connection with the merger transactions, and its debt service obligations could limit its flexibility in planning for, or reacting to, changes in its business and in the real estate services industry generally and therefore could place it at a competitive disadvantage compared to those of its competitors that are less leveraged.

- Brokerage Competition in Smaller Markets. CB Richard Ellis Services' competitors in smaller markets are often able to act more quickly in response to local trends due to their size and lack of centralized control. In addition, because these competitors also do not have to support corporate overhead, these businesses are often able to pay larger percentage commissions to their real estate brokerage employees, which gives them a competitive advantage in attracting and retaining employees that CB Richard Ellis Services may not be able to match.

- Support of Numerous Business Segments. Due to the significant number of business segments in which CB Richard Ellis Services conducts business and the geographic breadth within these segments, it is less able to focus its resources on any particular segment, which may place it at a competitive disadvantage to those of its competitors who have less diverse operations.

L.J. Melody competes in the United States with a large number of mortgage banking firms and institutional lenders, as well as regional and national investment banking firms and insurance companies, in providing its mortgage banking services. Appraisal and valuation services are provided by other international, national, local and regional appraisal firms and some international, national and regional accounting firms. CBRE Investors has numerous competitors including other fund managers, investment banks and commercial banks.

CB Richard Ellis Services' management services business competes for the right to manage properties controlled by third parties. The competitor may be the owner of the property, who is trying to decide on the efficiency of outsourcing, or another management services company. Increasing competition in recent years has resulting in having to provide additional services at lower rates, thereby eroding margins. However, management services enjoys synergies with CB Richard Ellis Services' other lines of business, especially those within the transaction management segment.

Our Strategy

CB Richard Ellis Services' strategy is to be the world's leading real estate services firm offering unparalleled breadth and quality of services across the globe. To implement our strategy, it intends to:

- Increase International Revenues. CB Richard Ellis Services aims to continue to grow its international business by further penetrating the local markets where it currently operates and by leveraging its global platform to meet the global needs of its clients. Its focus will be on the large commercial real estate markets of Europe and Asia Pacific.

- Capitalize on Increased Corporate Outsourcing to Increase Market Share. CB Richard Ellis Services plans to use its global presence and breadth of services to gain market share. It believes that major corporations are increasingly outsourcing their real estate activities and that it is one of the few companies with the geographic reach and service offering to handle these large and complex outsourcing opportunities. CB Richard Ellis Services believes corporate outsourcing will contribute significantly to its revenue growth in future years.

- Promote Further Cross-Selling and Cross-Utilization of our Services across the Globe. CB Richard Ellis Services intends to further cross-sell and cross-utilize its services through education and incentive programs that encourage individuals in one business unit to market the services of other business units to their clients.

- Build Local Market Share. We intend to build upon our strong local presences to generate more business from our existing customers and to

develop new relationships with growing companies that have increasing real estate service needs.

- Grow our Investment Management Business. We intend to continue to grow our assets under management from the $10.0 billion managed by CBRE Investors as of December 31, 2000, which represents a 49% increase over the assets under management by CBRE Investors on December 31, 1998. In funds where we are the general partner, we will typically co-invest 2%-10% if required to do so by our clients. Historically, CB Richard Ellis Services has generated significant revenues through the provision of services on an arm's-length basis to funds managed by CBRE Investors and expects to continue this in the future.

- Expand our Use of Internet-Based Technology. We intend to utilize Internet-based technology to improve the delivery systems in all of our businesses to create internal operating efficiencies, especially in smaller transactions.

Employees

At June 30, 2001, CB Richard Ellis Services had approximately 9,600 employees located in 44 countries. The breakdown of employees by segment is as follows:

Transaction Management	3,135 employees in the United States.
	1,630 employees internationally.
Financial Services	
Mortgage banking	280 mortgage banking employees.
Investment management	160 employees in the United States and internationally.
Valuation and appraisals	540 employees.
Global research and consulting	200 employees in the United States and internationally.
Management Services	
Property management	1,000 employees in the United States and 760 employees internationally.
Facilities management	1,155 employees in the United States and internationally.
Other	
Administrative support and other	740 employees in the United States and internationally.

We believe that relations with our employees are good.

Facilities

We lease the following offices:

Location	Sales Offices	Corporate Offices	Total
North America	170	4	174
Latin America	4	--	4
Europe, Middle East and Africa	42	1	43
Asia Pacific	28	1	29
Total	244	6	250

CB Richard Ellis Services' total rental expense under noncancelable operating leases, less proceeds received from sublease rentals for the year ended December 31, 2000 was approximately $54.9 million and for the six-month period ended June 30, 2001 was approximately $30.6 million.

We do not own any offices, which is consistent with our strategy to lease instead of own. In general, these offices are fully utilized. There is adequate alternative office space available at acceptable rental rates to meet our needs, although rental rates in some markets may negatively affect its profits in those markets.

Legal Proceedings

We are party to a number of pending or threatened lawsuits arising out of, or incident to, our ordinary course of business. Currently, we are the defendant in several lawsuits filed by employees. These suits include claims of wrongful termination, failure to promote or other similar claims resulting from

alleged gender discrimination or age discrimination. Management believes that any liability imposed on us that may result from disposition of these lawsuits or other lawsuits arising out of our ordinary course of business will not have a material effect on our consolidated financial position or results of operations.

In connection with the announcement of the merger and related transactions, each of CBRE Holding, CB Richard Ellis Services and BLUM CB Corp. have been subject to putative class action lawsuits. Between November 12 and December 6, 2000, five putative class actions were filed in the Court of Chancery of the State of Delaware in and for New Castle County by various stockholders against CB Richard Ellis Services, its directors and the buying group and their affiliates. A similar action was also filed on November 17, 2000, in the Superior Court of the State of California in and for the County of Los Angeles. These actions all alleged that BLUM CB Corp.'s offering price was unfair and inadequate and sought injunctive relief or rescission of the merger and related transactions and, in the alternative, money damages.

The five Delaware actions were subsequently consolidated and a lead counsel appointed. As of October 2, 2001, the parties to the Delaware litigation entered into a settlement agreement that was filed with the appropriate court in Delaware. However, the Delaware court has not yet approved the settlement agreement. Furthermore, the parties involved in the California lawsuit have not agreed to a settlement. In the event that these lawsuits are not settled, the lawsuits could result in damages against us and our business and our financial condition could be harmed.

MANAGEMENT

Executive Officers and Directors

The following table sets forth information about the directors and executive officers of CBRE Holding and CB Richard Ellis Services, as of September 18, 2001:

<TABLE>
<CAPTION>

Name	Age	Position
<C>	<C>	<S>
Raymond Wirta	57	Chief Executive Officer of CBRE Holding and CB Richard Ellis Services and a Director of CBRE Holding and CB Richard Ellis Services
Brett White	41	President of CBRE Holding and CB Richard Ellis Services and a Director of CBRE Holding and CB Richard Ellis Services
James Leonetti	42	Chief Financial Officer of CBRE Holding and CB Richard Ellis Services
Walter Stafford	61	Senior Executive VP, Secretary and General Counsel of CBRE Holding and CB Richard Ellis Services
Richard Blum	66	Chairman of the Board of CBRE Holding and CB Richard Ellis Services
Jeffrey Cozad	36	Director of CBRE Holding and CB Richard Ellis Services
Catherine Delcoco	44	Director of CBRE Holding and CB Richard Ellis Services
Bradford Freeman	59	Director of CBRE Holding and CB Richard Ellis Services
Frederic Malek	64	Director of CBRE Holding and CB Richard Ellis Services
Claus Moller	38	Director of CBRE Holding and CB Richard Ellis Services
Gary Wilson	61	Director of CBRE Holding and CB Richard Ellis Services

</TABLE>

Raymond Wirta has been CB Richard Ellis Services' Chief Executive Officer since May 1999 and a CB Richard Ellis Services director since August 1997. He has been the Chief Executive Officer of CBRE Holding since July 2001 and a CBRE Holding director since September 2001. He served as CB Richard Ellis Services' Chief Operating Officer from May 1998 to May 1999. Mr. Wirta was Chief Executive Officer and a Director of Koll Real Estate Services from November 1994 to August 1997. Prior to that, Mr. Wirta held various management positions with Koll Management Services, Inc. since 1981. Mr. Wirta was a member of the board of directors and served as Chief Executive Officer from June 1992 to November 1996 of Koll Real Estate Group, Inc., which filed for Chapter 11 bankruptcy protection on July 14, 1997 with a reorganization plan pre-approved by its bondholders. Mr. Wirta holds a B.A. degree from California State University, Long Beach and an M.B.A. degree in International Management from Golden Gate University.

Brett White has been a director of CB Richard Ellis Services since July 2001

and its President since September 2001. He was CB Richard Ellis Services' Chairman of the Americas from May 1999 to September 2001 and was President of Brokerage Services from August 1997 to May 1999. He has been a director of CBRE Holding and its President since September 2001. Previously, he was Executive Vice President from March 1994 to July 1997, and Managing Officer of CB Richard Ellis Services' Newport Beach, California office from 1992 to March 1994. Mr. White received his B.A. degree from the University of California, Santa Barbara which he attended from 1979 through 1984.

James Leonetti has been CB Richard Ellis Services' Chief Financial Officer since September 2000. He has been the Chief Financial Officer of CBRE Holding since September 2001. Mr. Leonetti spent five years as an Assistant Controller with Far West Financial and eight years with California Federal Bank, most recently as its Senior Vice President and Controller. In 1997, when CalFed was sold to First Nationwide, Mr. Leonetti became Chief Financial Officer of Long Beach Mortgage Company, where he remained until mid-2000 after the sale of the company to Washington Mutual. Mr. Leonetti holds a B.S. degree in business administration from the University of Southern California.

Walter Stafford has served as CB Richard Ellis Services' Senior Executive Vice President and General Counsel since July 1995 and Secretary since May 1998. He has been the Senior Executive Vice President and General Counsel of CBRE Holding since September 2001. Mr. Stafford was a partner at the law firm Pillsbury Madison & Sutro LLP from November 1988 to June 1995 and from January 1973 to March 1982. From March 1982 to November 1988, he was Executive Vice President and General Counsel at Diasonics, Inc., a medical device manufacturer, and from 1982 to 1994, he was a director of that company. Mr. Stafford holds a B.A. degree from the University of California, Berkeley and a J.D. degree from Boalt Hall, University of California at Berkeley.

Richard Blum has been the Chairman of the Board of CB Richard Ellis Services since September 2001 a director of CB Richard Ellis Services since 1993. He has been the Chairman of the Board of CBRE Holding since September 2001 and a director of CBRE Holding since July 2001. He is the Chairman and President of BLUM Capital Partners, L.P., a merchant banking firm he founded in 1975. Mr. Blum is a member of the board of directors of Northwest Airlines Corporation, Glenborough Realty, URS Corporation and Playtex Products, Inc. Mr. Blum also serves as Vice Chairman of URS Corporation. Mr. Blum holds a B.A. degree from the University of California, Berkeley, a graduate degree from the University of Vienna and an M.B.A. from the University of California, Berkeley.

Jeffrey Cozad has been a director of CBRE Holding and CB Richard Ellis Services since September 2001. Mr. Cozad has been a Partner of BLUM Capital Partners, L.P. since 2000. Prior to joining BLUM Capital Partners, Mr. Cozad was a Managing Director of Security Capital Group Incorporated, a global real estate research, investment and operating management company. Mr. Cozad holds a B.A. degree from Depauw University and an M.B.A. degree from The University of Chicago Graduate School of Business.

Catherine Delcoco has been a director of CBRE Holding and CB Richard Ellis Services since September 2001. Ms. Delcoco is a Senior Vice President in CB Richard Ellis' Corporate Group. Ms. Delcoco holds a bachelor's degree from the University of Maryland.

Bradford Freeman has been a director of CB Richard Ellis Services since August 1997. He has been a director of CBRE Holding since July 2001. Mr. Freeman was a Director of Koll Real Estate Services and Koll Management Services, Inc. from November 1994 to August 1997. Mr. Freeman is a founding principal of Freeman Spogli & Co. Incorporated, a private investment company, and its affiliated investment partnerships or companies, founded in 1983. Mr. Freeman is also a member of the board of directors of RDO Equipment Company, an agricultural and industrial equipment distributor. Mr. Freeman holds a B.A. from Stanford University and an M.B.A. from Harvard Business School.

Frederick Malek has been a director of CBRE Holding and CB Richard Ellis Services since September 2001. He previously served as a director of CB Richard Ellis Services from 1989 to July 2001 and served as Co-Chairman of the Board of Directors of CB Richard Ellis Services from April 1989 to November 1996. He has served as Chairman of Thayer Capital Partners, a merchant banking firm he founded, since 1993. He was President of Marriott Hotels and Resorts from 1981 through 1988 and was Executive Vice President of Marriott Corp. from 1978 through 1988. He was Senior Advisor to the Carlyle Group, L.P., a merchant banking firm, from November 1988 through December 1991. From September 1989 through June 1990, he was President of Northwest Airlines and, from June 1990 through December 1991, he served as Vice Chairman of Northwest Airlines. From December 1991 through November 1992, Mr. Malek served as Campaign Manager for the 1992 Bush/Quayle presidential campaign. He also serves on the Board of Directors of American Management Systems, Inc.; Automatic Data Processing Corp.; FPL Group, Inc.; Manor Care, Inc.; Northwest Airlines Corporation; Paine Webber Funds; Sega Systems, Inc. and Global Vacation Group, and Aegis Communications Co., Inc. Mr. Malek holds a B.S. degree from the United States Military Academy at West Point and an M.B.A. degree from the Harvard University

Graduate School of Business.

Claus Moller has been a director of CBRE Holding since February 2001 and a director of CB Richard Ellis Services since July 2001. Mr. Moller has been a Managing Partner of BLUM Capital Partners, L.P. since 1999. Prior to joining BLUM Capital, Mr. Moller was a Managing Director at AEA Investors, a New York based private equity investment firm. Prior to joining AEA, Mr. Moller was an investment banking associate at Morgan Stanley in New York. Mr. Moller currently serves as a director for Smarte Carte Inc. Mr. Moller has a cand. oecon. degree from Aarhus University, Denmark and an M.B.A. from Harvard Business School.

Gary Wilson has been a director of CBRE Holding and CB Richard Ellis Services since September 2001. He previously served as a director of CB Richard Ellis Services from 1989 to July 2001. Since April 1997, Mr. Wilson has been Chairman of Northwest Airlines Corporation, for which he served as Co-Chairman from January 1991 to April 1997. From 1985 until January 1990, Mr. Wilson was an Executive Vice President, Chief Financial Officer and Director for The Walt Disney Company and remains a Director of The Walt Disney Company. Mr. Wilson also serves on the Board of Directors of On Command Corporation and Veritas Holdings GmbH. From 1974 until 1985, he was Executive Vice President and Chief Financial Officer of Marriott Corporation. Mr. Wilson holds a B.A. degree from Duke University and an M.B.A. degree from the Wharton Graduate School of Business and Commerce at the University of Pennsylvania.

Board Composition

Pursuant to a securityholders' agreement entered into in connection with the merger, prior to an underwritten initial public offering following which CBRE Holding's common stock is listed on a national securities exchange or the Nasdaq National Market, each holder of CBRE Holding's Class B common stock agreed to vote all of its or his shares of voting capital stock to elect the following representatives to CBRE Holding's board of directors:

- three directors designated by RCBA Strategic Partners, L.P. and one director designated by Blum Strategic Partners II, L.P., unless at any time there ceases to be a real estate brokerage employee as a director of CBRE Holding's board, in which case two directors may be designated by RCBA Strategic Partners and one director may be designated by Blum Strategic Partners II;

- one director designated by FS Equity Partners III, L.P. and FS Equity Partners International, L.P., acting together;

- Raymond Wirta;

- Brett White; and

- one director who is a real estate brokerage employee of CB Richard Ellis Services.

In addition, RCBA Strategic Partners has the right at any time to require that CBRE Holding's board of directors be increased by one to three directors and that the resulting vacancies be filled by a person designated by RCBA Strategic Partners. In September 2001, RCBA Strategic Partners exercised this right, expanded the CBRE Holding board of directors by one and designated who would fill the vacancy. The Class B common stock subject to the securityholders' agreement will represent a majority of the votes entitled to be cast for the election of CBRE Holding's directors and will therefore have the power to elect the designees described above to CBRE Holding's board of directors. Pursuant to the securityholders' agreement, CBRE Holding has agreed to cause CB Richard Ellis Services' board of directors to be comprised of the same persons as CBRE Holding's board of directors.

FS Equity Partners III and FS Equity Partners International, acting together, are entitled to have two non-voting observers, DLJ Investment Funding, Inc. is entitled to one non-voting observer and California Public Employee's Retirement System, or CalPERS, is entitled to have one non-voting observer at all meetings of CBRE Holding's board of directors as long as FS Equity Partners III and FS Equity Partners International, together, own at least 7.5% of CBRE Holding's outstanding common stock, DLJ Investment Funding and its

affiliates own 1.0% of CBRE Holding's common stock and a majority of the 16% senior notes issued by CBRE Holding and CalPERS owns any of CBRE Holding's outstanding common stock, respectively. CBRE Holding's board of directors are elected by its stockholders annually for one-year terms.

The executive officers of CB Richard Ellis Services and the executive

officers of CBRE Holding are appointed by the board of directors of CBRE Holding and serve at the discretion of CBRE Holding's board until their successors have been duly elected and qualified. There are no family relationships among any of CBRE Holding's or CB Richard Ellis Services' directors or executive officers.

Board Committees

The following describes the purpose and membership of each of the board committees that have been formed by both CBRE Holding and CB Richard Ellis Services:

- Executive: The members of the executive committees are Raymond Wirta, Claus Moller and Brett White. The purpose of these committees is to manage and direct the day-to-day business and affairs of the companies, subject to the direction and control of the boards of directors and applicable law.

- Audit: The members of the audit committee are Claus Moller, Jeffrey Cozad and Frederic Malek. The purpose of these committees is to assist the boards of directors in fulfilling its fiduciary responsibilities relating to accounting policies and auditing and reporting practices and to ensure the independence of the companies' public accountants, the integrity of management and the adequacy of public disclosure.

- Compensation: The members of the compensation committee are Claus Moller, Frederic Malek and Bradford Freeman. The purpose of these committees is to determine the compensation of various senior executives of the companies, to authorize the adoption and implementation of various types of benefit and compensation programs and to consider and make recommendations to the boards of directors regarding compensation matters.

- Acquisition/Investment Committee: The members of the acquisition/investment committee are Richard Blum, Bradford Freeman, Frederic Malek and Gary Wilson. The purpose of these committees is to evaluate and approve acquisitions and investments recommended by the management of the companies and their subsidiaries.

Pursuant to the terms of the securityholders' agreement, prior to an underwritten initial public offering following which CBRE Holding's common stock is listed on a national securities exchange or the Nasdaq National Market, each of RCBA Strategic Partners and Blum Strategic Partners II, together, and FS Equity Partners III, L.P. and FS Equity Partners International, L.P., together, is entitled to designate one member on any committee of the board of directors of CBRE Holding and CB Richard Ellis Services.

Compensation Committee Interlocks and Insider Participation

The members of the compensation committees of both CBRE Holding and CB Richard Ellis Services are identified in the caption immediately above titled "Board Committees." None of the executive officers of CBRE Holding or CB Richard Ellis Services serves as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on CBRE Holding's or CB Richard Ellis Services' board of directors or compensation committee, other than those executive officers and directors serving in these capacities for both CBRE Holding and CB Richard Ellis Services.

Director Compensation

CBRE Holding and CB Richard Ellis Services reimburse their non-employee directors for all out-of-pocket expenses incurred in the performance of their duties as directors. CBRE Holding and CB Richard Ellis Services do not pay fees to directors for attendance at meetings or for their services as members of the board of directors.

Executive Compensation

Summary Compensation Table

The following table indicates information concerning compensation of CB Richard Ellis Services' Chief Executive Officer and its most highly compensated executive officers, other than the Chief Executive Officer, whose salary and bonus exceeded $100,000 for the year ended December 31, 2000. All information set forth in this table reflects compensation earned by these individuals for services with CB Richard Ellis Services for the years ended December 31, 2000, 1999 and 1998. These executive officers are referred to as the "named executive officers" elsewhere in this prospectus.

<TABLE>

<CAPTION>

		Annual Compensation			Long Term Compensation		
Name and Principal Position	Year	Salary	Bonus(1)	Other Annual Compensation (2)(3)	Restricted CB Richard Ellis Services Stock Awards(3)	Securities Underlying CB Richard Ellis Services Stock Options	All Other Compensation (4)
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Raymond Wirta.....	2000	$500,000	$972,000	$ 20,251	30,000	35,000	$ --
Chief Executive Officer	1999	412,523	300,000	12,000	--	--	--
	1998	384,387	395,920	12,000	--	80,000(5)	--
James Didion.....	2000	506,308	--	12,000	--	--	--
Chairman of the Board	1999	496,795	--	131,718	--	--	860
	1998	500,000	657,218	131,718	--	--	--
Brett White.....	2000	375,000	714,601	49,692	20,000	20,000	--
Chairman of the Americas	1999	331,846	225,000	45,342	--	52,000	860
	1998	281,250	318,908	45,342	25,000	48,000	--
James Leonetti.....	2000	72,115	82,500	--	--	25,000	--
Senior Executive Vice President	1999	--	--	--	--	--	--
and Chief Financial Officer	1998	--	--	--	--	--	--
Walter Stafford.....	2000	300,000	244,375	58,406	--	10,000	--
Senior Executive President,	1999	298,077	120,000	58,406	--	20,000	860
Secretary and General Counsel	1998	300,000	257,550	58,001	--	--	--

</TABLE>

---

(1) Bonus for each year is paid pursuant to the Annual Management Bonus Plan in the first quarter of the following year. The bonus shown for 2000 was paid in March of 2001.

(2) With respect to Other Annual Compensation paid in 1998, 1999 and 2000, the amounts listed for everyone except Mr. Leonetti include a $12,000 automobile allowance. For Messrs. Wirta, Didion, Stafford and White, the amounts also include interest accrued and forgiven under the promissory notes delivered by them pursuant to CB Richard Ellis Services' 1996 Equity Incentive Plan, or EIP.

(3) Pursuant to the 1996 EIP, Messrs. Didion and Stafford purchased respectively in 1996, 175,027 and 48,640 shares of common stock of CB Richard Ellis Services for a purchase price of $10 per share, the appraised value of the common stock at the time of such purchase, which were paid by delivery of full recourse promissory notes. Pursuant to the 1996 EIP, Mr. White purchased 25,000 shares of common stock of CB Richard Ellis Services in 1998 for a purchase price of $38.50 and 20,000 shares of common stock of CB Richard Ellis Services in 2000 for a purchase price of $12.875. Pursuant to the 1996 EIP, Mr. Wirta purchased 30,000 shares of common stock of CB Richard Ellis Services in 2000 at a purchase price of $12.875. All of these purchases were paid for by the delivery of full recourse promissory notes. The Didion and Stafford notes bear interest at a rate of 6.84% per annum, the White notes bear interest at rates of 5.94% and 7.4%, respectively, and Mr. Wirta's note bears interest at a rate of 7.4%. All such interest for any year is forgiven if the executive's performance produces a high enough level of bonus, such that approximately $7,500 in interest is forgiven for each $10,000 bonus. A first amendment to Mr. White's 1998 Promissory Note provides that the portion of the then outstanding principal in excess of the fair market value of the shares will be forgiven in the event that Mr. White is an employee of CB Richard Ellis Services or its subsidiaries on November 16, 2002 and the fair market value of a share of common stock of CB Richard Ellis Services is less

than $38.50 on November 16, 2002. In the event of any such principal forgiveness, CB Richard Ellis Services will pay to Mr. White an amount equal to any federal, state or local income tax liability resulting from such principal forgiveness. The aggregate number and value of such shares held by the individuals named above as of December 31, 2000, net to the purchase price of such shares was as follows: Mr. Didion--175,027 ($809,500); Mr. Stafford--48,640 ($224,965); Mr. White--45,000 (negative $561,875); and Mr. Wirta--30,000 ($52,500). The shares vest at the rate of 5 percent per quarter, commencing December 31, 1995 in the case of Messrs. Didion and Stafford, March 31, 1998 and September 30, 2000 in the case of Mr. White and at September 30, 2000 in the case of Mr. Wirta. As a result of bonuses paid in 1999, 2000 and in 2001, all interest on Mr. Stafford's and Mr. White's promissory notes for 1998, 1999 and 2000 was forgiven. As a result of a bonus paid in 1999, all interest on Mr. Didion's promissory note for 1998 was forgiven. As a result of the decision of the Compensation Committee in February of 2000, Mr. Didion's interest for 1999 was also

forgiven. Interest on Mr. Didion's promissory note was not forgiven in 2000. As a result of a bonus paid in 2001, all interest on Mr. Wirta's note for 2000 was forgiven.

(4) Consists of each individual's allocable share of profit sharing contributions made by CB Richard Ellis Services to its Capital Accumulation Plan, a qualified profit sharing 401(k) plan.

(5) In each of 1997 and 1998, Mr. Wirta received an option to purchase 100,000 shares of common stock of CB Richard Ellis Services for a total of 200,000 shares, pursuant to an option agreement which was amended on December 15, 1998. Pursuant to the amendment, the options were repriced to $20 and the number of shares of common stock of CB Richard Ellis Services underlying each option was reduced by 20% from 100,000 to 80,000 shares for a total of 160,000 shares.

Option Grants In Last Fiscal Year

The following table provides information concerning grants of options to purchase shares of common stock of CB Richard Ellis Services made during the year ended December 31, 2000, to CB Richard Ellis Services' named executive officers.

In the fiscal year ended December 31, 2000, options to purchase up to an aggregate of 487,710 shares of common stock of CB Richard Ellis Services were granted to employees, directors and independent contractors. Most of these options were granted under CB Richard Ellis Services' various stock option plans at exercise prices equal to the fair market value of common stock of CB Richard Ellis Services on the date of grant, as determined in good faith by the board of directors. All options have a term of ten years. Generally, these options vest 20% per year over 5 years beginning August 31, 2001. These assumed rates of appreciation comply with the rules of the SEC and do not represent CB Richard Ellis Services' estimate of future stock price. Actual gains, if any, on stock option exercises will be dependent on the future performance of the underlying common stock.

CB Richard Ellis Services Option Grants in 2000

<TABLE>
<CAPTION>

					Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term	
Name	Number of Securities Underlying Options Granted	Percent of Total Options Granted to Employees in 2000	Exercise Price Per Share	Expiration Date	5%	10%
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Raymond Wirta	35,000	7.2%	$12.875	8/31/10	$283,395	$718,200
James Didion	--	--	--	--	--	--
Brett White	20,000	4.1	12.875	8/31/10	161,940	410,400
James Leonetti	25,000	5.1	12.875	8/31/10	202,425	513,000
Walter Stafford	10,000	2.1	12.875	8/31/10	80,970	205,200

</TABLE>

CB Richard Ellis Services has agreed to pay James Leonetti $2.375 in cash for each option he exercises which has the effect of reducing his exercise price per share to $10.50.

Option Exercises In Last Fiscal Year and Fiscal Year-End Option Values

The following table describes for the named executive officers the exercisable and unexercisable options for shares of common stock of CB Richard Ellis Services held by them as of December 31, 2000. There were no option exercises by named executive officers in the last fiscal year. The "Value of Unexercised In-the-Money Options at Fiscal Year End" is based on the deemed value of CB Richard Ellis Services common stock as of December 31, 2000, less the per share exercise price, multiplied by the number of shares issued upon exercise of the option.

Fiscal Year End CB Richard Ellis Services Option Values

<TABLE>
<CAPTION>

	Number of Securities Underlying Unexercised Options at December 31, 2000		Value of Unexercised In-The-Money Options at December 31, 2000	
Name	Exercisable	Unexercisable	Exercisable	Unexercisable

Raymond Wirta	32,000	163,000	$ --	$61,250
James Didion	200,000	--	--	--
Brett White	29,600	90,400	3,900	50,600
James Leonetti	--	25,000	--	43,750
Walter Stafford	4,000	26,000	1,500	23,500

Cancellation of Options in the Merger

At the effective time of the merger, each holder of an option to purchase shares of common stock of CB Richard Ellis Services outstanding under any of CB Richard Ellis Services' stock option or compensation plans or arrangements, whether or not vested, had the right to have the option cancelled and in exchange CB Richard Ellis Services paid to each holder that elected to have his or her options cancelled an amount per share that was subject to the option, equal to the greater of (A) the amount by which $16.00 exceeded the exercise price of the option, if any, and (B) $1.00, reduced in each case by applicable tax withholding.

Each holder of an option that did not elect to receive the consideration described in the previous paragraph continued to hold his or her options to acquire common stock of CB Richard Ellis Services after the merger. However, after the merger, CB Richard Ellis Services became a wholly-owned subsidiary of CBRE Holding and the common stock of CB Richard Ellis Services was delisted from the New York Stock Exchange. Accordingly, if any of these holders exercise their options after the merger, the shares of common stock of CB Richard Ellis Services that the holders will receive will be difficult, if not impossible, to sell.

Incentive Plans

CB Richard Ellis Services' Deferred Compensation Plan

CB Richard Ellis Services' deferred compensation plan permits a select group of management employees, as well as highly compensated employees, to elect immediately prior to the beginning of each calendar year to defer receipt of some or all of their compensation for the next year until a future distribution date and have it credited to one or more of several funds in the deferred compensation plan. From time to time CB Richard Ellis Services has also granted deferred compensation awards in connection with its incentive programs. The three funds in which deferred compensation amounts may be credited are:

- The Insurance Fund. A participant may elect to have his or her deferred compensation allocated to the Insurance Fund. Within the Insurance Fund, the employee can elect to have gain or loss on deferrals measured by one or more of approximately 30 mutual funds. CB Richard Ellis Services hedges its obligations to the participants under the Insurance Fund by actually buying a contract of insurance

within which it has premiums invested in the mutual funds which participants have elected to measure the value of their deferred compensation. Historically, CB Richard Ellis Services has held the insurance contract in a Rabbi Trust. The participants have no interest in or claim to the Rabbi Trust, the insurance contract or the mutual funds within the insurance contract; they are general unsecured creditors of CB Richard Ellis Services. The insurance contract and the Rabbi Trust are assets of CB Richard Ellis Services available to its general creditors, including the deferred compensation plan participants, in the event of the bankruptcy or insolvency of CB Richard Ellis Services. While in the past CB Richard Ellis Services has elected to deposit in the Rabbi Trust the full amount of deferrals into the Insurance Fund, CB Richard Ellis Services is not obligated to do so in the future, and CB Richard Ellis Services anticipates that any future funding will be limited so that it maintains cash equal to the incremental tax it must pay because deferred compensation plan allocations are not deductible of tax purposes.

- The Stock Fund. A participant may elect to have his or her deferrals allocated to CB Richard Ellis Services' stock fund, except that after the effective date of the merger such allocations may only be made with CB Richard Ellis Services' consent. Each stock fund unit has a value equal to one share of CBRE Holding Class A common stock.

- Interest Index Fund. From the deferred compensation plan's inception in 1994 until May of 1999, participants could elect to have their deferrals allocated to an Interest Index Fund, which CB Richard Ellis Services refers to as "Interest Index Fund I." All these allocations are credited with interest at the rate payable by CB Richard Ellis Services under CB Richard Ellis Services' principal credit agreement. Effective June 1, 2001 a new Interest Index Fund, which CB Richard Ellis Services refers to as "Interest Index Fund II," was established. All deferrals allocated

to Interest Index Fund II will be credited with interest at 11 1/4% per year for five years or until distributed if earlier, and after that time at a rate no lower than the rate CB Richard Ellis Services pays under its principal credit agreement. The deferrals to Interest Index Fund II will not be funded with a Rabbi Trust or otherwise. Interest Index Fund II will only accept up to $20 million in deferrals, other than pursuant to the 2000 Company Match Program. A participant may elect to move allocations from the Insurance Fund--but not the Stock Fund or Interest Index Fund I--into Interest Index Fund II. After five years CB Richard Ellis Services reserves the right to terminate Interest Index Fund II. In that event a participant's account balance in Interest Fund II either will be distributed in cash to the participant or invested in the Insurance Fund: If a participant's account balance in Interest Index Fund II is to be invested in the Insurance Fund, CB Richard Ellis Services will transfer cash equal to the account balance into the Rabbi Trust for the Insurance Fund. The choice between a cash distribution and a new investment in the Insurance Fund is that of the participant, but the choice must be made prior to January 1, 2002. If a participant does not make a choice prior to January 1, 2000, he or she will be deemed to have elected a cash distribution.

Distributions. The deferred compensation plan permits participants to elect in-service distributions, which may not begin less than three years following the election, and post-employment distributions. These distributions may be (a) in the form of a lump sum payment on a date selected by the participant or (b) in a series of quarterly installment payments, or annual installment payments in the case of stock fund units. Stock fund units are distributed only in the form of shares of CBRE Holding Class A common stock. Separate distribution elections are permitted with respect to the deferrals for each year. There is limited flexibility to change distribution elections once made. A participant may elect to receive a distribution of his or her vested accounts at any time subject to a charge equal to 10% of the amount to be distributed, or 7.5% of the amount to be distributed from the Interest Index Fund II.

CB Richard Ellis Services' Capital Accumulation Plan

CB Richard Ellis Services maintains the Capital Accumulation Plan, which is a tax qualified retirement plan that CB Richard Ellis Services generally refers to as the 401(k) plan. Generally, an employee of CB Richard Ellis Services is eligible to participate in the plan if the employee is at least 21 years old.

The plan provides for participant contributions as well as discretionary employer contributions. A participant is allowed to contribute to the plan from 1% to 15%, in whole percentages, of his or her compensation, subject to limits imposed by the U.S. Internal Revenue Code. Each year, CB Richard Ellis Services determines an amount of employer contributions, if any, it will contribute to the plan, which CB Richard Ellis Services refers to as "CB Richard Ellis Services' contributions," based on the performance and profitability of CB Richard Ellis Services' consolidated U.S. operations. CB Richard Ellis Services' contributions for a year are allocated to participants who are actively employed on the last day of the plan year in proportion to each participant's pre-tax contributions for that year, up to 5% of the participant's compensation.

In connection with the merger, each share of common stock of CB Richard Ellis Services formerly held by the Capital Accumulation Plan and credited to participant accounts was exchanged for $16.00 in cash, and the plan was amended to eliminate common stock of CB Richard Ellis Services as an investment option within the plan. The cash received for the shares of CB Richard Ellis Services' common stock was available for reinvestment in one or more of the investment alternatives contained within the plan in accordance with the terms of the plan, including CBRE Holding Class A common stock under a new plan investment alternative. All of CB Richard Ellis Services' active U.S. employees participating in the plan at the time of the merger were offered the opportunity to direct the trustee of the 401(k) plan to purchase for allocation to their account balance shares of CBRE Holding Class A common stock. After the merger, participants are no longer entitled to purchase additional shares of CBRE Holding Class A common stock for allocation to their account balance.

A participant may elect to receive a distribution in a single lump sum payment of his or her Capital Accumulation Plan account balance following termination of the participant's employment with CB Richard Ellis Services. However, if the participant has an account balance in CBRE Holding Class A common stock fund, the participant may receive all or a portion of his or her balance in that fund either in shares or in cash.

Employment Agreements

Raymond Wirta and Brett White. In connection with the merger and related transactions, Raymond Wirta and Brett White entered into three-year employment agreements with CB Richard Ellis Services, which agreements became effective on the closing of the merger. Following the three-year term, it is expected that

the employment agreements will be automatically extended for successive twelve-month periods if notice is not received by either party within 120 days prior to the expiration of the initial term or any renewal term.

Raymond Wirta became a member of CBRE Holding's board of directors and its Chief Executive Officer following the merger and continued to hold the identical positions with CB Richard Ellis Services. Pursuant to the employment agreement, he will receive an annual base salary of $519,000 and will be eligible for an annual bonus of up to 200% of his target bonus based upon the achievement of performance goals established by CBRE Holding's board of directors.

Brett White became a member of CBRE Holding's board of directors and its Chairman of the Americas following the merger and continued to hold the identical positions with CB Richard Ellis Services. Pursuant to the employment agreement, he will receive an annual base salary of $395,000 and will be eligible for an annual bonus of up to 200% of his target bonus based upon the achievement of performance goals established by CBRE Holding's board of directors.

At the time of the merger, CBRE Holding granted Mr. Wirta 176,153 options and granted Mr. White 141,782 options, each having the same terms as the options granted to other designated managers at the time of the merger. Pursuant to their employment agreements, all unvested options held by Messrs. Wirta and White will automatically vest if there is a change of control, as defined in these agreements, of CBRE Holding prior to termination of that executive's employment with CB Richard Ellis Services.

Each employment agreement provides that the executive's employment by CB Richard Ellis Services may be terminated by either party at any time. If during the term of the agreement CB Richard Ellis Services

terminates the executive's employment without cause or the executive terminates his employment for good reason, the executive is entitled to the following severance payments and benefits:

- any earned or accrued but unpaid salary, bonus, business expenses and employee benefits;
- continued payment of base salary and average annual bonus based on the previous two fiscal years for a period of two years following the termination of employment; and
- continued coverage under CB Richard Ellis Services' medical plans on the same basis as its active executives until the earlier of the second anniversary of the termination of employment and the date the executive becomes eligible for comparable coverage under any future employer's medical plan.

If during the term of the agreement the executive's employment is terminated due to his death or disability, the executive is entitled to the following severance payments:

- any earned or accrued but unpaid salary, bonus, business expenses and employee benefits; and
- a pro rata portion of any annual bonus that the executive would have been entitled to receive in the year of termination, payable at the time the bonus would otherwise have been paid.

Each employment agreement also contains a customary provision regarding confidentiality, a non-solicitation provision applicable for a period of two years following the executive's termination of employment for any reason and a noncompetition provision applicable for a period of two years following the executive's termination of employment with CB Richard Ellis Services without cause or by the executive with good reason.

James Didion. In 1999, CB Richard Ellis Services and James Didion entered into an amended and restated ten-year employment agreement which provides for an annual salary of $500,000 with no incentive compensation or bonus anticipated. The agreement provides that he will act as a senior advisor to CB Richard Ellis Services during the term of his employment. For as long as he is employed, CB Richard Ellis Services will provide medical and other benefits generally made available to senior officers and an office, a secretary and clerical help. The amended agreement is terminable by CB Richard Ellis Services for cause. Cause includes conviction of a felony, fraud and willful and substantial failure to render services; provided, in the latter case, that Mr. Didion is given notice of his failure to render service and does not remedy such failure. If the agreement is terminated without cause or in the event of his death or total disability, he, or his estate, will continue to be entitled to the salary and will be fully vested in any unvested stock options or stock purchase rights. Following the merger, Mr. Didion ceased to serve as CB Richard

Ellis Services' Chairman or as a member of the board of directors. Mr. Didion has agreed, for the duration of his ten-year employment agreement, not to engage in any business within the United States that competes with CB Richard Ellis Services' business or the business of any of CB Richard Ellis Services' affiliates.

Limitation of Liability and Indemnification

Each of CBRE Holding's and CB Richard Ellis Services' respective restated certificates of incorporation includes a provision that eliminates the personal liability of their directors for monetary damages for breach of fiduciary duty as a director, except to the extent such limitation is not permitted under the Delaware General Corporation Law.

CBRE Holding's and CB Richard Ellis Services' respective restated certificates of incorporation and bylaws further provide for the indemnification of their directors and officers to the fullest extent permitted by Section 145 of the Delaware General Corporation Law, including circumstances in which indemnification is otherwise discretionary. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to their directors, officers and controlling persons under the foregoing provisions, or otherwise, they have been advised that in the opinion of the SEC this indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In addition, CB Richard Ellis Services maintains and CBRE Holding may in the future obtain directors' and officers' liability insurance.

RELATED PARTY TRANSACTIONS

Since January 1, 1998, there has not been, nor is there currently proposed, any transaction or series of similar transactions to which CB Richard Ellis Services or CBRE Holding both prior to and as of the merger was, or is, or will be a party in which the amount involved exceeds $60,000 and in which any director, executive officer or holder of more than 5% of common stock, or an immediate family member of any of the foregoing, had or will have a direct or indirect interest other than compensation arrangements, which are described under the section of the offering circular titled "Management," and the transactions described below.

Participation of CBRE Holding's Directors, Officers and Principal Stockholders in the Merger and Related Transactions

On February 23, 2001, BLUM CB Corp., CBRE Holding and CB Richard Ellis Services entered into an agreement and plan of merger pursuant to which CB Richard Ellis Services became the direct, wholly-owned subsidiary of CBRE Holding. The merger agreement was amended and restated on April 24, 2001 and on May 31, 2001. Both CBRE Holding and BLUM CB Corp. were formed by RCBA Strategic Partners, L.P. to effect the transactions contemplated by the merger agreement. As a result of the merger and the related transactions described in the section of this prospectus titled "The Merger and Related Transactions," RCBA Strategic Partners, L.P. is entitled to designate a majority of the board of directors of CBRE Holding and CB Richard Ellis Services. Richard Blum and Claus Moller, each of whom is a director of CBRE Holding and CB Richard Ellis Services, are managing members of the general partners of RCBA Strategic Partners, L.P. and Blum Strategic Partners II, L.P. Jeffrey Cozad, who is a director of CBRE Holding and CB Richard Ellis Services, is a member of the general partners of RCBA Strategic Partners, L.P. and Blum Strategic Partners II, L.P. Also as a result of the merger and related transactions, FS Equity Partners III, L.P. acquired beneficial ownership of more than 5% of the Class B common stock of CBRE Holding. Bradford Freeman, who is a director of CBRE Holding and CB Richard Ellis Services, is an affiliate of FS Equity Partners III, L.P. and its affiliate FS Equity Partners International, L.P.

Contribution and Voting Agreement

In connection with the execution of the merger agreement on February 23, 2001, CBRE Holding and BLUM CB Corp. entered into a contribution and voting agreement and the following other parties, each of which held shares of CB Richard Ellis Services' common stock prior to the merger and which are referred to together throughout this prospectus as the "buying group":

- RCBA Strategic Partners, L.P. and Blum Strategic Partners II, L.P., which are affiliates of BLUM Capital Partners, L.P. and Richard Blum and Claus Moller, each of whom became a director of both CBRE Holding and CB Richard Ellis Services in connection with the merger;

- FS Equity Partners III, L.P. and FS Equity Partners International, L.P., which are affiliates of Freeman Spogli & Co. Incorporated and Bradford Freeman, who became a director of both CBRE Holding and CB Richard Ellis Services in connection with the merger;

- Raymond Wirta, who became a director of CBRE Holding and CB Richard

Ellis Services and the Chief Executive Officer of CBRE Holding and CB Richard Ellis Services in connection with the merger;

- Brett White, who became a director of CBRE Holding and CB Richard Ellis Services and the President of CBRE Holding and CB Richard Ellis Services in connection with the merger;

- The Koll Holding Company, which is controlled by Donald Koll, who was a director of CB Richard Ellis Services prior to the merger; and

- Frederic Malek, who became a director of both CBRE Holding and CB Richard Ellis Services in connection with the merger.

Pursuant to this agreement, which was amended and restated on May 31, 2001 and amended on July 19, 2001, each of the members of the buying group contributed to CBRE Holding all of the shares of common stock of CB Richard Ellis Services that he or it directly owned. Each of these shares contributed to CBRE Holding were cancelled as a result of the merger, and neither CBRE Holding nor BLUM CB Corp. received any consideration for those shares of common stock of CB Richard Ellis Services. CBRE Holding issued one share of its Class B common stock in exchange for each share of common stock of CB Richard Ellis Services contributed to it. This resulted in the issuance to the buying group of an aggregate of 7,967,774 shares of CBRE Holding Class B common stock in exchange for these contributions. In addition, pursuant to the contribution and voting agreement, RCBA Strategic Partners and Blum Strategic Partners II purchased with cash 4,435,154 shares of CBRE Holding Class B common stock, Raymond Wirta purchased by delivery of a promissory note 5,000 shares of CBRE Holding Class B common stock and California Public Employees' Retirement System, or CalPERS, purchased with cash 625,000 shares of CBRE Holding Class A common stock, in each case for a price of $16.00 per share.

Treatment of CB Richard Ellis Services Common Stock, Options and Warrants in the Merger

Common Stock and Options. Pursuant to the merger agreement, CB Richard Ellis Services' stockholders at the time of the merger, other than the buying group described above who received shares of CBRE Holding Class B common stock instead, received $16.00 in cash for each share of CB Richard Ellis Services common stock that they owned. Also, pursuant to the merger agreement, each person that held options to acquire CB Richard Ellis Services common stock was entitled to receive in connection with the merger an amount in cash for each option they owned equal to the greater of (A) the amount by which $16.00 exceeded the exercise price of the option, if any, and (B) $1.00, reduced in each case by applicable tax withholding.

Accordingly, the members of the buying group, persons affiliated with members of the buying group and individuals who are directors and executive officers of CBRE Holding and CB Richard Ellis Services received the following amounts in connection with the merger for options they formerly held, reduced in each case by applicable tax withholding:

- Raymond Wirta received $269,375 for options to purchase an aggregate of 195,000 shares of common stock of CB Richard Ellis Services;

- Brett White received $201,750 for options to purchase an aggregate of 120,000 shares of common stock of CB Richard Ellis Services;

- Richard Blum received $62,268 for options to purchase an aggregate of 18,872 shares of common stock of CB Richard Ellis Services;

- James Leonetti received $78,125 for options to purchase an aggregate of 25,000 shares of common stock of CB Richard Ellis Services;

- Walter Stafford received $1,030,368 for 64,398 shares of common stock of CB Richard Ellis Services, which amount was reduced to repay the loan from CB Richard Ellis Services to purchase the shares, and $58,750 for options to purchase an aggregate of 30,000 shares of common stock of CB Richard Ellis Services;

- Donald Koll received $366,315 for options to purchase an aggregate of 317,480 shares of common stock of CB Richard Ellis Services; and

- Frederic Malek received $159,737 for options to purchase an aggregate of 15,777 shares of common stock of CB Richard Ellis Services.

Warrants. Under the contribution and voting agreement, warrants beneficially owned by Donald Koll and The Koll Holding Company to purchase 84,988 shares of common stock of CB Richard Ellis Services were each converted at the time of the merger into the right to receive $1.00. Mr. Wirta had the right to acquire up to 55,936

of these warrants under the terms of an option agreement among himself, Mr. Koll, The Koll Holding Company and Koll Real Estate Services. Also pursuant to the contribution and voting agreement, upon the consummation of the merger, CBRE Holding issued to FS Equity Partners III, L.P. and FS Equity Partners International, L.P. warrants to purchase an aggregate of 255,477.3 shares of CBRE Holding Class B common stock.

Securityholders' Agreement

In connection with the closing of the merger, the members of the buying group, together with CalPERS, DLJ Investment Funding, Inc. and Credit Suisse First Boston Corporation entered into a securityholders' agreement. This agreement defines various rights of the parties to the agreement related to their ownership and governance of CBRE Holding, including voting of the shares of CBRE Holding common stock, a right of first offer for potential sales of some of their shares, co-sale and required sale rights applicable in connection with transactions involving CBRE Holding shares, participation rights regarding future issuances of CBRE Holding's shares of common stock and registration rights.

Governance. Each of the members of the buying group agreed to vote each of the shares of CBRE Holding's Class B common stock it or he beneficially owns to elect to CBRE Holding's board of directors individuals designated by various members of the buying group. A majority of the directors of CBRE Holding generally may be designated by RCBA Strategic Partners at any time. Pursuant to the securityholders' agreement, the board of directors of CB Richard Ellis Services will be comprised of the same members as CBRE Holding's board of directors. Accordingly, CBRE Holding's and CB Richard Ellis Services' board of directors generally is controlled by RCBA Strategic Partners after the merger. In addition, FS Equity Partners III, L.P. and FS Equity Partners International L.P., together, generally may designate one of CBRE Holding's directors and Raymond Wirta and Brett White also are designated as directors. The securityholders' agreement also provides that CBRE Holding is prohibited from taking certain actions without the consent of the director nominated by FS Equity Partners III and FS Equity Partners International, including incurring certain indebtedness, consummating certain acquisitions or dispositions or issuing stock or options to its employees, subject to certain exceptions.

Subject to exceptions, each of the members of the buying group agreed to vote the shares of CBRE Holding common stock it or he beneficially owns on matters to be decided by CBRE Holding stockholders in the same manner as RCBA Strategic Partners votes the shares of CBRE Holding Class B common stock that it beneficially owns. As a result, on most matters to be decided by CBRE Holding stockholders, RCBA Strategic Partners is able to control the outcome.

Also pursuant to the securityholders' agreement, FS Equity Partners III and FS Equity Partners International, together, are entitled to have two non-voting observers, DLJ Investment Funding is entitled to one non-voting observer and CalPERS is entitled to have one non-voting observer at all meetings of CBRE Holding's board of directors as long as, respectively, Freeman Spogli owns at least 7.5% of CBRE Holding's outstanding common stock, DLJ Investment Funding and its affiliates own 1.0% of CBRE Holding's outstanding common stock and a majority of the 16% senior notes issued by CBRE Holding and CalPERS owns any of CBRE Holding's outstanding common stock.

Registration Rights. Pursuant to the securityholders' agreement, CBRE Holding has agreed, at the request of RCBA Strategic Partners and Blum Strategic Partners II, FS Equity Partners III and FS Equity Partners International or DLJ Investment Funding to initiate the registration under the Securities Act of shares held by that party. In addition, CBRE Holding has also agreed that each member of the buying group, as well as DLJ Investment Funding, has limited "piggyback" registration rights on specified types of registration statements that CBRE Holding files. These piggyback registration rights generally will not apply until after CBRE Holding has completed, if ever, an underwritten initial public offering of shares of its common stock after which these shares are listed on a national securities exchange or on the Nasdaq National Market. Piggyback rights will not apply to an underwritten initial public offering unless registrable securities of RCBA Strategic Partners and Blum Strategic Partners II are sold in that offering.

Loans to The Koll Holding Company and Ray Wirta

In connection with the merger and related transactions, CBRE Holding extended a loan of approximately $1.2 million to The Koll Holding Company, which is controlled by Donald Koll, and a loan of approximately $1.5 million to Raymond Wirta to replace their former margin loans with a third party that were secured by shares of CB Richard Ellis Services common stock. The new loans are full-recourse, accrue interest at LIBOR plus 1.4%, compound annually, are payable quarterly, and have a stated maturity of five years. These new loans will be replaced by a margin loan from a third party when, if ever, CBRE

Holding common stock becomes freely tradable on a national securities exchange or an over-the-counter market.

In the event, however, that CBRE Holding common stock is not freely tradable as described above by June 2004, then CBRE Holding has agreed to loan Raymond Wirta up to $3.0 million on a full-recourse basis to enable him to exercise an existing option to acquire shares held by The Koll Holding Company, if Raymond Wirta is employed by CBRE Holding at the time of exercise or was terminated without cause or resigned for good reason. This loan will become repayable upon the earliest to occur of: (1) 90 days following termination of his employment, other than by CBRE Holding without cause or by him for good reason, (2) seven months following the date CBRE Holding's common stock becomes freely tradable as described above and (3) the receipt of proceeds from the sale of the pledged shares as described below. This loan will bear interest at the prime rate in effect on the date of the loan, compounded annually, and will be repayable to the extent of any net proceeds received by him upon the sale of any shares of CBRE Holding common stock. Raymond Wirta will pledge the shares received upon exercise of the option as security for the loan.

In connection with Raymond Wirta's obligation to purchase 5,000 shares of CBRE Holding Class B common stock for $16.00 per share pursuant to the contribution and voting agreement, Raymond Wirta delivered to CBRE Holding an $80,000 promissory note, which bears interest at 10% per year and is payable upon the same date as the loan described in the immediately preceding paragraph above.

Participation in the Offerings of CBRE Holding Class A Common Stock and Options to Acquire Class A Common Stock

General. In connection with the merger and related transactions, CBRE Holding sold to CB Richard Ellis Services' employees and independent contractors 1,768,791 shares of CBRE Holding Class A common stock for a price of $16.00 per share, including shares owned directly, shares held in CB Richard Ellis Services' 401(k) plan and shares underlying vested stock fund units in CB Richard Ellis Services' deferred compensation plan. In addition, in connection with the offering of shares of CBRE Holding Class A common stock to designated managers of CB Richard Ellis Services, CBRE Holding also granted to eligible designated managers an aggregate of 1,508,057 options to acquire shares of CBRE Holding Class A common stock.

Purchase of Stock and Grants of Stock Options. In connection with the offering of shares for direct ownership, each designated manager was entitled to receive a grant of options to purchase shares of CBRE Holding Class A common stock if he or she subscribed for at least the percentage of 625,000 shares allocated to the designated manager by CBRE Holding's board of directors. The number of shares that a designated manager was required to subscribe for in order to receive a grant of options was reduced by the number of deferred compensation plan stock fund units acquired by the designated manager at the closing of the employee offerings by the transfer of account balances then allocated to the deferred compensation plan insurance fund. The aggregate number of options available for grant to the designated managers equaled approximately 10% of the number of fully diluted shares of CBRE Holding Class A common stock and Class B common stock outstanding at the time of the merger, including all shares issuable upon exercise of outstanding options and warrants. The options issued to designated managers have an exercise price of $16.00 per share and have a term of 10 years. Twenty percent of the options vest on each of the first five anniversaries of the merger and all unvested options vest if there is a change in control of CBRE Holding. The number of shares that were purchased by each executive officer were as follows:

- Raymond Wirta--64,063 shares;

- Brett White--26,563 shares; and
- James Leonetti--6,250 shares.

As a result, the executive officer received the following grants of options:

- Raymond Wirta--176,153 stock options;
- Brett White--141,782 stock options; and
- James Leonetti-- 17,186 stock options.

Full-Recourse Note. In connection with the offering of shares of CBRE Holding common stock for direct ownership, under specified circumstances, each designated manager was allowed to deliver to CBRE Holding a full-recourse note as payment for a portion of the offering price for shares that he or she purchased. The maximum amount of the full-recourse note that could be delivered by a designated manager was be reduced by the amount, if any, of the manager's deferred compensation plan account balance then allocated to the insurance fund that he or she transferred to stock fund units. Unless CBRE Holding's board of

directors determined otherwise, each designated manager was able to use a full-recourse note if the designated manager subscribed for at least the percentage of the 625,000 shares that was allocated to the designated manager by CBRE Holding's board of directors.

Accordingly, based upon each of their participation in the employee offerings, the amount of the full-recourse notes that each of the executive officers delivered to CBRE Holding as payment for a portion of the shares he purchased in the offering of shares for direct ownership was the following:

- Raymond Wirta--$512,504;
- Brett White--$210,000; and
- James Leonetti--$23,000.

Each of these executive officers pledged as security for his full-recourse note a number of shares having an offering price equal to 200% of the amount of the note.

Deferred Compensation Plan. CB Richard Ellis Services' designated managers had the right to transfer into stock fund units an aggregate of up to $2.6 million of deferred compensation plan account balances that were then allocated to the insurance fund under the deferred compensation plan. Pursuant to this right, Brett White transferred $400,000 from his deferred compensation plan account balance that was allocated to the insurance fund at the time of the merger into 25,000 stock fund units.

Retention Bonuses

In connection with the merger and related transactions, CBRE Holding awarded cash retention bonuses to the designated managers employed by CB Richard Ellis Services at the time of the merger in order to provide an incentive and a reward for the designated managers' continued service up to and including the merger. The aggregate amount of the retention bonuses was approximately $1.6 million. The following executive officers were among the designated managers that received cash retention bonuses in excess of $60,000: Raymond Wirta--$164,000 and Brett White--$132,000.

Forgiveness of Loans

Pursuant to CB Richard Ellis Services' Equity Incentive Plan, a restricted stock purchase plan, shares of CB Richard Ellis Services' common stock were purchased in 1998 and 2000 by some of its executive officers and directors for a purchase price equal to the fair market value, which was paid by delivery of full-recourse promissory notes. The notes bear interest at the minimum federal rate, which may be forgiven if the executive's performance results in the award of a bonus, with approximately $7,500 in interest forgiven for each $10,000

bonus. The aggregate number, purchase price, interest rate, value and net value of the shares of CB Richard Ellis Services common stock held by the individuals named below as of June 30, 2001, were as follows:

<TABLE>
<CAPTION>

Name	Number of Shares	Aggregate Purchase Price	Interest Rate	Aggregate Value of Shares	Net Value
<S>	<C>	<C>	<C>	<C>	<C>
Brett White.....	25,000	$962,500	5.94%	$365,625	$(596,875)
Brett White.....	20,000	257,500	7.40	292,500	35,000
Raymond Wirta.....	30,000	386,250	7.40	438,750	52,500

</TABLE>

The shares vest at the rate of 5% per quarter commencing on the purchase date. As a result of bonuses paid in 2001, all interest on Brett White's and Raymond Wirta's promissory notes for 2000 were forgiven. In 1998, Brett White purchased 25,000 shares of common stock at a purchase price of $38.50 per share and in 2000, he purchased 20,000 shares of common stock for $12.875 per share, which were each paid for by the delivery of promissory notes. The notes bear interest at a rate of 5.94% and 7.4% per annum, respectively, which may be forgiven as previously described. As of December 31, 2000, Brett White held 45,000 shares which, net of the purchase price, had a negative value. The shares are subject to a right of repurchase by CB Richard Ellis Services, which right terminates with respect to 5% of the total number of shares each quarter commencing March 31, 1998, as to the 25,000 shares and September 30, 2000, as to the 20,000 shares. A first amendment to the 1998 Promissory Note provides that the portion of the then outstanding principal in excess of the fair market value of the shares will be forgiven in the event that Brett White is an employee of CB Richard Ellis Services on November 16, 2002, and the fair market value of a share of CBRE Holding's Class A and Class B common stock is less

than $38.50 on November 16, 2002. In the event of any principal forgiveness, CBRE Holding will pay to Brett White an amount equal to any federal, state or local income tax liability resulting from the principal forgiveness. In August 2000, CB Richard Ellis Services loaned Brett White $75,000, which he repaid in March 2001 with interest at 9% per year.

Employment Agreements

In connection with the merger transactions, CB Richard Ellis Services entered into three-year employment agreements with Raymond Wirta and Brett White. For more information concerning the terms of these employment agreements, see "Management--Employment Agreements."

Transaction Fees

Under the terms of the contribution and voting agreement, in connection with advisory services related to the merger, the general partner of RCBA Strategic Partners, L.P. received from CBRE Holding a transaction fee of $3.0 million and Freeman Spogli & Co. Incorporated or its designee received a transaction fee of $2.0 million upon closing of the merger. The advisory services provided included, among other things, transaction and structuring analysis, financing analysis and the arrangement and negotiation of debt and equity financing. Each of Richard Blum, Jeffrey Cozad and Claus Moller, who are members of CBRE Holding's board of directors after the merger, owns a beneficial interest in the general partner of RCBA Strategic Partners and therefore has an interest in the transaction fee paid to this entity. Bradford Freeman, who is one of CBRE Holding's directors after the merger, owns a beneficial interest in Freeman Spogli & Co. Incorporated and therefore has an interest in the transaction fee paid to Freeman Spogli & Co. Incorporated or its designee.

Debt Financing Fees

In connection with the merger and the related financings, Credit Suisse First Boston and its affiliates, including DLJ Investment Funding, Inc., received customary fees and reimbursement of expenses with respect to the closing of the new senior secured credit facilities, the offering and initial purchase of the outstanding notes, the offering and initial purchase of the 65,000 units that included 16% senior notes due 2011 of CBRE Holding and shares of Holding Class A common stock and the tender offer and consent solicitation by CB Richard Ellis Services with respect to its former 8 7/8% senior subordinated notes due 2006.

PRINCIPAL STOCKHOLDERS

The table below sets forth information regarding the estimated beneficial ownership of the shares of CBRE Holding Class A common stock and CBRE Holding Class B common stock as of September 21, 2001. The table sets forth the number of shares beneficially owned, and the percentage ownership, for:

- each person that beneficially owns 5% or more of CBRE Holding's Class A common stock or CBRE Holding's Class B common stock;
- each of CBRE Holding's directors;
- the named executive officers; and
- all of the directors and executive officers of CBRE Holding as a group.

Information with respect to beneficial ownership has been furnished by each director, executive officer or 5% stockholder, as the case may be. Except as otherwise noted below, the address for each person listed on the table is c/o CB Richard Ellis Services, Inc., 355 South Grand Avenue, Suite 3295, Los Angeles, California 90071.

Beneficial ownership is determined in accordance with the rules of the SEC, which generally attributes beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities. In computing the number of shares beneficially owned by a person and the percent of ownership of that person, shares subject to options or warrants held by that person that were exercisable as of September 21, 2001 or will become exercisable within 60 days after such date are deemed outstanding, while the shares are not deemed outstanding for purposes of computing percent ownership of any other person. Unless otherwise indicated, the persons or entities identified in this table have sole voting and investment power with respect to all shares shown as beneficially owned by them, subject to applicable community property laws.

<TABLE>
<CAPTION>

	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned

Name of Beneficial Owner	Class A Common Stock	Class B Common Stock	Both Classes of Common Stock	Class A Common Stock	Class B Common Stock	Both Classes of Common Stock
<S>	<C>	<C>	<C>	<C>	<C>	<C>
5% Stockholders:						
RCBA Strategic Partners, L.P. Blum Strategic Partners II, L.P. (1)(2)...	--	8,100,925	8,100,925	-- %	64.0%	56.3%
FS Equity Partners III, L.P. FS Equity Partners International, L.P. (1)(3).....	--	3,402,463	3,402,463	--	26.9	23.6
Donald Koll (1)(4).....	--	656,052	656,052	--	5.2	4.6
Credit Suisse First Boston (5).....	490,479	--	490,479	28.1	--	3.4
Directors and Named Executive Officers:						
Richard Blum (1)(2).....	--	8,100,925	8,100,925	--	64.0	56.3
Jeffrey Cozad (1)(2).....	--	8,100,925	8,100,925	--	64.0	56.3
James Didion.....	20,000	--	20,000	1.1	--	*
Catherine Delcoco.....	--	--	--	--	--	--
Bradford Freeman (1)(3).....	--	3,402,463	3,402,463	--	26.9	23.6
James Leonetti.....	6,250	--	6,250	*	--	*
Frederic Malek (1)(6).....	--	397,873	397,873	--	3.1	2.8
Claus Moller (1)(2).....	--	8,100,925	8,100,925	--	64.0	56.3
Walter Stafford.....	--	--	--	--	--	--
Brett White (1)(7).....	26,563	57,500	84,063	1.5	*	*
Gary Wilson.....	--	--	--	--	--	--
Raymond Wirta (1)(8).....	64,063	556,590	620,653	3.7	4.4	4.3
All directors and executive officers as a group (includes 12 persons).....	116,876	12,515,351	12,632,227	6.7	98.9	87.8

</TABLE>

(footnotes on following pages)

---

* Less than 1%

(1) As a result of the securityholders' agreement to which this party or its affiliate is a party, this party, together with the other holders of Class B common stock, may be deemed to constitute a group within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934. Accordingly, each of the members of this group may be deemed to beneficially own 12,649,813 shares of CBRE Holding Class B common stock, which represents 100% of the CBRE Holding Class B common stock and approximately 91.2% of all outstanding shares of CBRE Holding common stock.

(2) Consists of 5,223,418 shares of Class B common stock owned by RCBA Strategic Partners, L.P. and 2,877,507 shares of Class B common stock owned by Blum Strategic Partners II, L.P. The sole general partner of RCBA Strategic Partners, L.P. is RCBA GP, L.L.C., and the sole general partner of Blum Strategic Partners II, L.P. is Blum Strategic GP II, L.L.C. Richard Blum and Claus Moller, each of whom is a director of CBRE Holding and CB Richard Ellis Services, are managing members of RCBA GP, L.L.C. and Blum Strategic GP II, L.L.C Jeffrey Cozad, who is a director of CBRE Holding and CB Richard Ellis Services, is a member of RCBA GP, L.L.C. and Blum Strategic GP II, L.L.C. Except as to any pecuniary interest, each of Messrs. Blum, Cozad and Moller disclaims beneficial interest of all of these shares. The business address of RCBA Strategic Partners, L.P., Blum Strategic Partners II, L.P., RCBA G.P. L.L.C., Blum Strategic GP II, L.L.C., Richard Blum, Jeffrey Cozad and Claus Moller is 909 Montgomery Street, Suite 400, San Francisco, California 94133. RCBA Strategic Partners, L.P. and Blum Strategic Partners II, L.P. have sole dispositive power over 8,100,925 of the indicated shares. As a result of the securityholders' agreement, RCBA Strategic Partners, L.P. and Blum Strategic Partners II, L.P. have shared voting power over 8,100,925 of the indicated shares.

(3) Includes 3,278,447 shares of CBRE Holding Class B common stock held by FS Equity Partners III, L.P. and 124,016 shares of CBRE Holding Class B common stock to be held by FS Equity Partners International, L.P. As general partner of FS Capital Partners, L.P., which is general partner of FSEP III, FS Holdings, Inc. has power to vote and dispose of the shares owned by FSEP III. As general partner of FS&Co. International, L.P., which is the general partner of FSEP International, FS International Holdings Limited has the power to vote and dispose of the shares owned by FSEP International. Bradford Freeman, who is a director of CBRE Holding and CB Richard Ellis Services, Ronald Spogli, Frederick Simmons, William Wardlaw, John Roth and Charles Rullman, Jr. are the directors, officers and shareholders of FS Holdings and FS International Holdings, and may be deemed to be the beneficial owners of the shares of CBRE Holding Class B common stock, and rights to acquire common stock, owned by FSEP III and FSEP International. The business address of FSEP III, FS Capital Partners, L.P. and FS Holdings and their directors, officers and beneficial owners is 11100 Santa Monica Boulevard, Suite 1900, Los Angeles, California 90025. The business address

of FSEP International, FS&Co. International and FS International Holdings is c/o Paget-Brown & Company, Ltd., West Winds Building, Third Floor, Grand Cayman, Cayman Islands, British West Indies. As a result of the securityholders' agreement, FS Equity Partners III, L.P. and FS Equity Partners International, L.P. have shared voting power and shared dispositive power over 3,402,463 of the indicated shares.

(4) Consists of 656,052 shares of CBRE Holding Class B common stock owned by The Koll Holding Company. Mr. Koll is the sole trustee of the Donald M. Koll Separate Property Trust, which wholly owns The Koll Company, which wholly owns The Koll Holding Company. Raymond Wirta, who is the Chief Executive Officer and a director of CBRE Holding and CB Richard Ellis Services, holds an option granted by The Koll Holding Company to acquire up to 521,590 of these shares. As a result of the securityholders' agreement, Mr. Koll has shared voting power and share dispositive power over 656,052 of the indicated shares.

(5) Credit Suisse First Boston, or CSFB, reports beneficial ownership on behalf of itself and its subsidiaries, to the extent that they constitute part of the Credit Suisse First Boston business unit, or the CSFB business unit. The CSFB business unit is engaged in the corporate and investment banking, trading, including equity, fixed income and foreign exchange, private equity investment and derivatives businesses on a worldwide basis. CSFB and its subsidiaries engage in other separately managed activities, most of which constitute the independently operated Credit Suisse Asset Management business unit; the Credit Suisse Asset Management business unit provides asset management and investment advisory services to institutional investors worldwide. The indicated shares are held by one or more indirect subsidiaries of the CSFB

business unit. The business address of CSFB and the CSFB business unit is 11 Madison Avenue, New York, New York 10010.

The ultimate parent company of CSFB is Credit Suisse Group, or CSG, a corporation formed under the laws of Switzerland. The principal business of CSG is acting as a holding company for a global financial services group with five distinct specialized business units that are independently operated. In addition to the two business units referred to above, CSG and its consolidated subsidiaries, other than CSFB and its subsidiaries, are comprised of (a) the Credit Suisse Private Bank business unit that engages in the global private banking business, (b) the Credit Suisse business unit that engages in the Swiss domestic banking business and (c) the Winterthur business unit that engages in the global insurance business. CSG's business address is Paradeplatz 8, Postfach 1, CH-8070, Zurich, Switzerland.

CSG, for purposes of federal securities laws, may be deemed ultimately to control the Bank, and the CSFB business unit. CSG, its executive officers and directors, and its direct and indirect subsidiaries, including all of the business units except the CSFB business unit, may beneficially own securities issued by CBRE Holding or related derivative securities, and any such securities are not publicly reported by CSG. Due to the separate management and independent operation of its business units, CSG disclaims beneficial ownership of any such securities beneficially owned by its direct and indirect subsidiaries, including the CSFB business unit. The CSFB business unit disclaims beneficial ownership of any such securities beneficially owned by CSG and any of CSG's and CSFB's other business units.

The CSFB business unit disclaims beneficial ownership of securities held directly by any entity described in this footnote or otherwise in this prospectus except with respect to the CSFB business unit's proportionate interest in or ownership of such entity.

(6) Includes 98,000 shares owned by a trust for which Mr. Malek is the trustee. As a result of the securityholders' agreement, Mr. Malek has shared voting power and shared dispositive power over 397,873 of the indicated shares.

(7) As a result of the securityholders' agreement, Mr. White has shared voting power and shared dispositive power over 84,063 of the indicated shares.

(8) Includes 521,590 shares owned by The Koll Holding Company that Mr. Wirta has the right to acquire under an option granted by The Koll Holding Company to Mr. Wirta. As a result of the securityholders' agreement, Mr. Wirta has shared voting power and shared dispositive power over 620,653 of the indicated shares.

THE EXCHANGE OFFER

Purpose and Effect of the Exchange Offer

We have entered into a registration rights agreement with the initial purchasers of the outstanding notes in which we agreed, under some circumstances, to file a registration statement relating to an offer to exchange the outstanding notes for exchange notes. We also agreed to use our reasonable best efforts to cause the exchange offer registration statement to become effective under the Securities Act within 180 days after the closing date of the merger and keep the exchange offer registration statement effective for not less than 30 days after the date notice of the registered exchange offer is mailed to the holders. The exchange notes will have terms substantially identical to the outstanding notes, except that the exchange notes will not contain terms with respect to transfer restrictions, registration rights and liquidated damages for failure to observe certain obligations in the registration rights agreement. The outstanding notes were issued on June 7, 2001.

Under the circumstances set forth below, we will use our reasonable best efforts to cause the SEC to declare effective a shelf registration statement with respect to the resale of the outstanding notes and keep the statement effective for up to two years after the effective date of the shelf registration statement. These circumstances include:

- because of any change in law or applicable interpretations of those laws by the staff of the SEC do not permit us to effect the exchange offer as contemplated by the registration rights agreement;
- if any outstanding notes validly tendered in the exchange offer are not exchanged for exchange notes within 220 days after the closing date of the merger;
- if any initial purchaser of the outstanding notes so requests, but only with respect to any outstanding notes not eligible to be exchanged for exchange notes in the exchange offer, or
- if any holder of the outstanding notes notifies us that it is not permitted to participate in the exchange offer or would not receive fully tradable exchange notes in the exchange offer and so requests a shelf registration statement.

If we fail to comply with certain obligations under the registration rights agreement, we will be required to pay additional interest to holders of the outstanding notes.

Each holder of outstanding notes that wishes to exchange outstanding notes for transferable exchange notes in the exchange offer will be required to make the following representations:

- any exchange notes will be acquired in the ordinary course of its business;
- the holder will have no arrangements or understanding with any person to participate in the distribution of the outstanding notes or the exchange notes within the meaning of the Securities Act;
- the holder is not an "affiliate," as defined in Rule 405 of the Securities Act, of ours or if it is an affiliate, that it will comply with applicable registration and prospectus delivery requirements of the Securities Act to the extent applicable;
- if the holder is not a broker-dealer, that it is not engaged in, and does not intend to engage in, the distribution of the exchange notes; and
- if the holder is a broker-dealer, that it will receive exchange notes for its own account in exchange for outstanding notes that were acquired as a result of market-making activities or other trading activities and that it will be required to acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. See "Plan of Distribution."

Resale of Exchange Notes

Based on interpretations of the SEC staff set forth in no-action letters issued to unrelated third parties, we believe that exchange notes issued under the exchange offer in exchange for outstanding notes may be offered for resale, resold and otherwise transferred by any exchange note holder without compliance with the registration and prospectus delivery provisions of the Securities Act, if:

- the holder is not an "affiliate" of ours within the meaning of Rule 405 under the Securities Act;

- the exchange notes are acquired in the ordinary course of the holder's business; and

- the holder does not intend to participate in the distribution of the exchange notes.

Any holder who tenders in the exchange offer with the intention of participating in any manner in a distribution of the exchange notes:

- cannot rely on the position of the staff of the SEC enunciated in Exxon Capital Holdings Corporation or similar interpretive letters; and

- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction.

This prospectus may be used for an offer to resell, for the resale or for other retransfer of exchange notes only as specifically set forth in this prospectus. With regard to broker-dealers, only broker-dealers that acquired the outstanding notes as a result of market-making activities or other trading activities may participate in the exchange offer. Each broker-dealer that receives exchange notes for its own account in exchange for outstanding notes, where the outstanding notes were acquired by the broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. Please read the section captioned "Plan of Distribution" for more details regarding the transfer of exchange notes.

Terms of the Exchange Offer

Upon the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal, we will accept for exchange any outstanding notes properly tendered and not withdrawn prior to the expiration date. We will issue $1,000 principal amount of exchange notes in exchange for each $1,000 principal amount of outstanding notes surrendered under the exchange offer. Outstanding notes may be tendered only in integral multiples of $1,000.

The form and terms of the exchange notes will be substantially identical to the form and terms of the outstanding notes except the exchange notes will be registered under the Securities Act, will not bear legends restricting their transfer and will not provide for any liquidated damages upon our failure to fulfill our obligations under the registration rights agreement to file, and cause to be effective, a registration statement. The exchange notes will evidence the same debt as the outstanding notes. The exchange notes will be issued under and entitled to the benefits of the same indenture that authorized the issuance of the outstanding notes.

The exchange offer is not conditioned upon any minimum aggregate principal amount of outstanding notes being tendered for exchange.

As of the date of this prospectus, $229.0 million aggregate principal amount of the outstanding notes are outstanding. This prospectus and a letter of transmittal are being sent to all registered holders of outstanding notes. There will be no fixed record date for determining registered holders of outstanding notes entitled to participate in the exchange offer.

We intend to conduct the exchange offer in accordance with the provisions of the exchange offer and registration rights agreement, the applicable requirements of the Securities Act and the Securities Exchange Act of 1934 and the rules and regulations of the SEC. Outstanding notes that are not tendered for exchange in the exchange offer will remain outstanding and continue to accrue interest and will be entitled to the rights and benefits the holders have under the indenture relating to the outstanding notes, except for any rights under the registration rights agreement that by their terms terminate upon the consummation of the exchange offer.

We will be deemed to have accepted for exchange properly tendered outstanding notes when we have given oral or written notice of the acceptance to the exchange agent. The exchange agent will act as agent for the tendering holders for the purposes of receiving the exchange notes from us and delivering exchange notes to the holders. Under the terms of the registration rights agreement, we reserve the right to amend or terminate the exchange offer, and not to accept for exchange any outstanding notes not previously accepted for exchange, upon the occurrence of any of the conditions specified below under the caption "--Certain Conditions to the Exchange Offer."

Holders who tender outstanding notes in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of outstanding notes. We will pay all charges and expenses, other than certain applicable taxes described below, in connection with the exchange offer. It is

important that you read the section labeled "--Fees and Expenses" below for more details regarding fees and expenses incurred in the exchange offer.

Expiration Date; Extensions; Amendments

The exchange offer will expire at 5:00 p.m., New York City time on , 2001, unless in our sole discretion we extend it.

In order to extend the exchange offer, we will notify the exchange agent orally or in writing of any extension. We will notify the registered holders of outstanding notes of the extension no later than 9:00 a.m., New York City time, on the business day after the previously scheduled expiration date.

We reserve the right, in our sole discretion:

- to delay accepting for exchange any outstanding notes;
- to extend the exchange offer or to terminate the exchange offer and to refuse to accept outstanding notes not previously accepted if any of the conditions set forth below under "--Certain Conditions to the Exchange Offer" have not been satisfied, by giving oral or written notice of the delay, extension or termination to the exchange agent; or
- under the terms of the registration rights agreement, to amend the terms of the exchange offer in any manner.

Any delay in acceptance, extension, termination, or amendment will be followed as promptly as practicable by oral or written notice to the registered holders of outstanding notes. If we amend the exchange offer in a manner that we determine constitutes a material change, we will promptly disclose the amendment in a manner reasonably calculated to inform the holder of outstanding notes of the amendment.

Without limiting the manner in which we may choose to make public announcements of any delay in acceptance, extension, termination or amendment of the exchange offer, we will have no obligation to publish, advertise, or otherwise communicate any public announcement, other than by making a timely release to a financial news service.

Certain Conditions to the Exchange Offer

Despite any other term of the exchange offer, we will not be required to accept for exchange, or exchange any exchange notes for, any outstanding notes, and we may terminate the exchange offer as provided in this prospectus before accepting any outstanding notes for exchange if in our reasonable judgment:

- the exchange notes to be received will not be tradable by the holder, without restriction under the Securities Act, the Securities Exchange Act and without material restrictions under the blue sky or securities laws of substantially all of the states of the United States;
- the exchange offer, or the making of any exchange by a holder of outstanding notes, would violate applicable law or any applicable interpretation of the staff of the SEC; or
- any action or proceeding has been instituted or threatened in any court or by or before any governmental agency with respect to the exchange offer that, in our judgment, would reasonably be expected to impair our ability to proceed with the exchange offer.

In addition, we will not be obligated to accept for exchange the outstanding notes of any holder that has not made to us:

- the representations described under "--Purpose and Effect of the Exchange Offer," "--Procedures for Tendering" and "Plan of Distribution"; and
- such other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to make available to it an appropriate form for registration of the exchange notes under the Securities Act.

We expressly reserve the right, at any time or at various times, to extend the period of time during which the exchange offer is open. Consequently, we may delay acceptance of any outstanding notes by giving oral or written notice of the extension to their holders. During any such extensions, all notes previously tendered will remain subject to the exchange offer, and we may accept them for exchange. We will return any outstanding notes that we do not accept for exchange for any reason without expense to their tendering holder as promptly as practicable after the expiration or termination of the exchange offer.

We expressly reserve the right to amend or terminate the exchange offer, and to reject for exchange any outstanding notes not previously accepted for exchange, upon the occurrence of any of the conditions of the exchange offer specified above. We will give oral or written notice of any extension, amendment, nonacceptance, or termination to the holders of the outstanding notes as promptly as practicable.

Those conditions are for our sole benefit and we may assert them regardless of the circumstances that may give rise to them or waive them in whole or in part at any or at various times in our sole discretion. If we fail at any time to exercise any of the foregoing rights, this failure will not constitute a waiver of this right. Each right will be deemed an ongoing right that we may assert at any time or at various times.

In addition, we will not accept for exchange any outstanding notes tendered, and will not issue exchange notes in exchange for any outstanding notes, if at the time any stop order will be threatened or in effect with respect to the registration statement of which this prospectus constitutes a part or the qualification of the indenture under the Trust Indenture Act.

Procedures for Tendering

Only a holder of outstanding notes may tender the outstanding notes in the exchange offer. To tender in the exchange offer, a holder must:

- complete, sign and date the accompanying letter of transmittal, or a facsimile of the letter of transmittal; have the signature on the letter of transmittal guaranteed if the letter of transmittal so

  requires; and mail or deliver the letter of transmittal or facsimile to the exchange agent prior to the expiration date; or

- comply with DTC's Automated Tender Offer Program procedures described below.

In addition, either:

- the exchange agent must receive the outstanding notes along with the accompanying letter of transmittal;

- the exchange agent must receive, prior to the expiration date, a timely confirmation of book-entry transfer of the outstanding notes into the exchange agent's account at DTC according to the procedures for book-entry transfer described below or a properly transmitted agent's message; or

- the holder must comply with the guaranteed delivery procedures described below.

To be tendered effectively, the exchange agent must receive any physical delivery of a letter of transmittal and other required documents at the address set forth below under "--Exchange Agent" prior to the expiration date.

The tender by a holder that is not withdrawn prior to the expiration date will constitute an agreement between the holder and us in accordance with the terms and subject to the conditions set forth in this prospectus and in the accompanying letter of transmittal.

The method of delivery of outstanding notes, the letter of transmittal and all other required documents to the exchange agent is at the holder's election and risk. Rather than mail these items, we recommend that holders use an overnight or hand delivery service. In all cases, holders should allow sufficient time to assure delivery to the exchange agent before the expiration date. Holders should not send the letter of transmittal or outstanding notes to us. Holders may request their respective brokers, dealers, commercial banks, trust companies or other nominees to effect the above transactions for them.

Any beneficial owner whose outstanding notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact the registered holder promptly and instruct it to tender on the owner's behalf. If the beneficial owner wishes to tender on its own behalf, it must, prior to completing and executing the accompanying letter of transmittal and delivering its outstanding notes either:

- make appropriate arrangements to register ownership of the outstanding notes in such owner's name; or

- obtain a properly completed bond power from the registered holder of outstanding notes.

The transfer of registered ownership may take considerable time and may not

be completed prior to the expiration date.

Signatures on a letter of transmittal or a notice of withdrawal described below must be guaranteed by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or another "eligible institution" within the meaning of Rule 17Ad-15 under the Exchange Act, unless the outstanding notes are tendered:

- by a registered holder who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the accompanying letter of transmittal; or

- for the account of an eligible institution.

If the accompanying letter of transmittal is signed by a person other than the registered holder of any outstanding notes listed on the outstanding notes, the outstanding notes must be endorsed or accompanied by a

properly completed bond power. The bond power must be signed by the registered holder as the registered holder's name appears on the outstanding notes and an eligible institution must guarantee the signature on the bond power.

If the accompanying letter of transmittal or any outstanding notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, these persons should so indicate when signing. Unless waived by us, they should also submit evidence satisfactory to us of their authority to deliver the accompanying letter of transmittal.

The exchange agent and DTC have confirmed that any financial institution that is a participant in DTC's system may use DTC's Automated Tender Offer program to tender. Participants in the program may, instead of physically completing and signing the accompanying letter of transmittal and delivering it to the exchange agent, transmit their acceptance of the exchange offer electronically. They may do so by causing DTC to transfer the outstanding notes to the exchange agent in accordance with its procedures for transfer. DTC will then send an agent's message to the exchange agent. The term "agent's message" means a message transmitted by DTC, received by the exchange agent and forming part of the book-entry confirmation, to the effect that:

- DTC has received an express acknowledgment from a participant in its Automated Tender Offer Program that is tendering outstanding notes that are the subject of the book-entry confirmation;

- the participant has received and agrees to be bound by the terms of the accompanying letter of transmittal, or, in the case of an agent's message relating to guaranteed delivery, that the participant has received and agrees to be bound by the applicable notice of guaranteed delivery; and

- the agreement may be enforced against that participant.

We will determine in our sole discretion all outstanding questions as to the validity, form, eligibility, including time of receipt, acceptance of tendered outstanding notes and withdrawal of tendered outstanding notes. Our determination will be final and binding. We reserve the absolute right to reject any outstanding notes not properly tendered or any outstanding notes the acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to particular outstanding notes. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the accompanying letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of outstanding notes must be cured within such time as we will determine. Although we intend to notify holders of defects or irregularities with respect to tenders of outstanding notes, neither we, the exchange agent nor any other person will incur any liability for failure to give the notification. Tenders of outstanding notes will not be deemed made until any defects or irregularities have been cured or waived. Any outstanding notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned to the exchange agent without cost to the tendering holder, unless otherwise provided in the letter of transmittal, as soon as practicable following the expiration date.

In all cases, we will issue exchange notes for outstanding notes that we have accepted for exchange under the exchange offer only after the exchange agent timely receives:

- outstanding notes or a timely book-entry confirmation of the outstanding notes into the exchange agent's account at DTC; and

- a properly completed and duly executed letter of transmittal and all other required documents or a properly transmitted agent's message.

By signing the accompanying letter of transmittal or authorizing the transmission of the agent's message, each tendering holder of outstanding notes will represent or be deemed to have represented to us that, among other things:

- any exchange notes that the holder receives will be acquired in the ordinary course of its business;

- the holder has no arrangement or understanding with any person or entity to participate in the distribution of the exchange notes;

- if the holder is not a broker-dealer, that is not engaged in and does not intend to engage in the distribution of the exchange notes;

- if the holder is a broker-dealer that will receive exchange notes for its own account in exchange for outstanding notes that were acquired as a result of market-making activities or other trading activities, that it will deliver a prospectus, as required by law, in connection with any resale of any exchange notes. See "Plan of Distribution"; and

- the holder is not an "affiliate," as defined in Rule 405 of the Securities Act, of ours or, if the holder is an affiliate, it will comply with any applicable registration and prospectus delivery requirements of the Securities Act.

Book-Entry Transfer

The exchange agent will make a request to establish an account with respect to the outstanding notes at DTC for purposes of the exchange offer promptly after the date of this prospectus. Any financial institution participating in DTC's system may make book-entry delivery of outstanding notes by causing DTC to transfer the outstanding notes into the exchange agent's account at DTC in accordance with DTC's procedures for transfer. Holders of outstanding notes who are unable to deliver confirmation of the book-entry tender of their outstanding notes into the exchange agent's account at DTC or all other documents required by the letter of transmittal to the exchange agent on or prior to the expiration date must tender their outstanding notes according to the guaranteed delivery procedures described below.

Guaranteed Delivery Procedures

Holders wishing to tender their outstanding notes but whose outstanding notes are not immediately available or who cannot deliver their outstanding notes, the accompanying letter of transmittal or any other required documents to the exchange agent or comply with the applicable procedures under DTC's Automated Tender Offer Program prior to the expiration date may tender if:

- the tender is made through an eligible institution;

- prior to the expiration date, the exchange agent receives from the eligible institution either a properly completed and duly executed notice of guaranteed delivery, by facsimile transmission, mail or hand delivery, or a properly transmitted agent's message and notice of guaranteed delivery:

  1. setting forth the name and address of the holder, the registered number(s) of the outstanding notes and the principal amount of outstanding notes tendered;

  2. stating that the tender is being made thereby; and

  3. guaranteeing that, within three New York Stock Exchange trading days after the expiration date, the accompanying letter of transmittal, or facsimile thereof, together with the outstanding notes or a book-entry confirmation, and any other documents required by the accompanying letter of transmittal will be deposited by the eligible institution with the exchange agent; and

- the exchange agent receives the properly completed and executed letter of transmittal, or facsimile thereof, as well as all tendered outstanding notes in proper form for transfer or a book-entry confirmation, and all other documents required by the accompanying letter of transmittal, within three New York Stock Exchange trading days after the expiration date.

Upon request to the exchange agent, a notice of guaranteed delivery will be sent to holders who wish to tender their outstanding notes according to the guaranteed delivery procedures set forth above.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, holders of outstanding notes may withdraw their tenders at any time prior to the expiration date.

For a withdrawal to be effective:

- the exchange agent must receive a written notice of withdrawal, which notice may be by telegram, telex, facsimile transmission or letter of withdrawal at one of the addresses set forth below under "--Exchange Agent;" or

- holders must comply with the appropriate procedures of DTC's Automated Tender Offer Program system.

Any notice of withdrawal must:

- specify the name of the person who tendered the outstanding notes to be withdrawn;

- identify the outstanding notes to be withdrawn, including the principal amount of the outstanding notes; and

- where certificates for outstanding notes have been transmitted, specify the name in which the outstanding notes were registered, if different from that of the withdrawing holder.

If certificates for outstanding notes have been delivered or otherwise identified to the exchange agent, then, prior to the release of the certificates, the withdrawing holder must also submit:

- the serial numbers of the particular certificates to be withdrawn; and

- a signed notice of withdrawal with signatures guaranteed by an eligible institution unless the holder is an eligible institution.

If outstanding notes have been tendered pursuant to the procedure for book-entry transfer described above, any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn outstanding notes and otherwise comply with the procedures of that facility. We will determine all questions as to the validity, form and eligibility, including time of receipt, of the notices, and our determination will be final and binding on all parties. We will deem any outstanding notes so withdrawn not to have been validly tendered for exchange for purposes of the exchange offer. Any outstanding notes that have been tendered for exchange but that are not exchanged for any reason will be returned to their holder without cost to the holder, or, in the case of outstanding notes tendered by book-entry transfer into the exchange agent's account at DTC according to the procedures described above, the outstanding notes will be credited to an account maintained with DTC for outstanding notes, as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn, outstanding notes may be retendered by following one of the procedures described under "--Procedures for Tendering" above at any time on or prior to the expiration date.

Exchange Agent

State Street Bank and Trust Company of California, N.A. has been appointed as exchange agent for the exchange offer. You should direct questions and requests for assistance, requests for additional copies of this prospectus or for the letter of transmittal and requests for the notice of guaranteed delivery to the exchange agent as follows:

<TABLE>
<C> <S>

By Registered, Certified Mail, Overnight Courier or Hand:	By Facsimile Transmission (for Eligible Institutions only):
c/o State Street Bank and Trust Company	(617) 662-1452
2 Avenue de Lafayette	Attn: Ralph Jones
Corporate Trust Window, 5th Floor	
Boston, MA 02111-1724	To Confirm by Telephone:
Attn: Ralph Jones	(617) 662-1548
	Attn: Ralph Jones

</TABLE>

Delivery of the letter of transmittal to an address other than as set forth above or transmission via facsimile other than as set forth above does not constitute a valid delivery of the letter of transmittal.

Fees and Expenses

We will bear the expenses of soliciting tenders. The principal solicitation is being made by mail; however, we may make additional solicitations by telephone or in person by our officers and regular employees and those of our affiliates.

We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to broker-dealers or others soliciting acceptance of the exchange offer. We will, however, pay the exchange agent reasonable and customary fees for its services and reimburse it for its related reasonable out-of-pocket expenses.

We will pay the cash expenses to be incurred in connection with the exchange offer. The expenses are estimated in the aggregate to be approximately $450,000. They include:

- SEC registration fees;
- fees and expenses of the exchange agent and, trustee;
- accounting and legal fees and printing costs; and
- related fees and expenses.

Transfer Taxes

We will pay all transfer taxes, if any, applicable to the exchange of outstanding notes under the exchange offer. The tendering holder, however, will be required to pay any transfer taxes, whether imposed on the registered holder or any other person, if:

- certificates representing outstanding notes for principal amounts not tendered or accepted for exchange are to be delivered to, or are to be issued in the name of, any person other than the registered holder of outstanding notes tendered;
- tendered outstanding notes are registered in the name of any person other than the person signing the letter of transmittal; or
- a transfer tax is imposed for any reason other than the exchange of outstanding notes under the exchange offer.

If satisfactory evidence of payment of the taxes is not submitted with the letter of transmittal, the amount of the transfer taxes will be billed to that tendering holder.

Holders who tender their outstanding notes for exchange will not be required to pay any transfer taxes. However, holders who instruct us to register exchange notes in the name of, or request that outstanding notes not tendered or not accepted in the exchange offer be returned to, a person other than the registered tendering holder will be required to pay any applicable transfer tax.

Consequences of Failure to Exchange

Holders of outstanding notes who do not exchange their outstanding notes for exchange notes under the exchange offer will remain subject to the restrictions on transfer of the outstanding notes:

- as set forth in the legend printed on the outstanding notes as a consequence of the issuance of the outstanding notes under the exemption from, or in transactions not subject to, the registration requirements of the Securities Act and applicable state securities laws; and
- otherwise as set forth in the offering circular distributed in connection with the private offering of the outstanding notes.

In general, you may not offer or sell the outstanding notes unless they are registered under the Securities Act, or if the offer or sale is exempt from registration under the Securities Act and applicable state securities laws. Except as required by the registration rights agreement, we do not intend to register resales of the outstanding notes under the Securities Act. Based on interpretations of the SEC staff, exchange notes issued under the exchange offer may be offered for resale, resold or otherwise transferred by their holders, other than any holder that is our "affiliate" within the meaning of Rule 405 under the Securities Act, without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that the holders acquired the exchange notes in the ordinary course of the holders' business and the holders have no arrangement or understanding with respect to the distribution of the exchange notes to be acquired in the exchange offer. Any holder who tenders in the exchange offer for the purpose of participating in a distribution of the exchange notes:

- cannot rely on the applicable interpretations of the SEC; and

- must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a secondary resale transaction.

Accounting Treatment

We will record the exchange notes in our accounting records at the same carrying value as the outstanding notes, which is the aggregate principal amount, as reflected in our accounting records on the date of exchange. Accordingly, we will not recognize any gain or loss for accounting purposes in connection with the exchange offer. We will record the expenses of the exchange offer as incurred. The expenses of the exchange after will be deferred and amortized over the term of the related notes.

Other

Participation in the exchange offer is voluntary, and you should carefully consider whether to accept. You are urged to consult your financial and tax advisors in making your own decision on what action to take.

We may in the future seek to acquire untendered outstanding notes in open market or privately negotiated transactions, through subsequent exchange offers or otherwise. We have no present plans to acquire any outstanding notes that are not tendered in the exchange offer or to file a registration statement to permit resales of any untendered outstanding notes.

DESCRIPTION OF THE NOTES

BLUM CB Corp. ("Merger Sub") issued the Notes under an Indenture (the "Indenture") between itself, CBRE Holding, Inc. ("Parent") and State Street Bank and Trust Company of California, N.A., as trustee (the "Trustee"). Pursuant to the Merger Agreement, Merger Sub merged with and into CB Richard Ellis Services, Inc. ("CB Richard Ellis Services"), with CB Richard Ellis Services surviving the merger as a wholly owned subsidiary of Parent. For purposes of this section only, the words "we," "us," "our" and "Company" refer to Merger Sub prior to the Merger and to CB Richard Ellis Services after giving effect to the Merger, and do not refer to any of its subsidiaries. Certain terms used in this description are defined under the subheading "--Certain Definitions." The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (the "Trust Indenture Act").

The following description is only a summary of the material provisions of the Indenture and the Registration Rights Agreement. We urge you to read the Indenture and the Registration Rights Agreement because they, not this description, define your rights as holders of these Notes. You may request copies of these agreements at our address set forth under the heading "Where You Can Find More Information."

Brief Description of the Notes

These Notes:

- are unsecured senior subordinated obligations of the Company;

- are subordinated in right of payment to all existing and future Senior Indebtedness of the Company;

- are senior in right of payment to any future Subordinated Obligations of the Company;

- are guaranteed by Parent and each Subsidiary Guarantor on a senior subordinated basis; and

- are subject to registration with the SEC pursuant to the Registration Rights Agreement.

Principal, Maturity and Interest

We issued the Notes initially with a maximum aggregate principal amount of $229.0 million. We issued the Notes in denominations of $1,000 and any integral multiple of $1,000. The Notes will mature on June 15, 2011. Subject to our compliance with the covenant described under the subheading "--Certain Covenants--Limitation on Indebtedness," we are permitted to issue more Notes under the Indenture in an unlimited aggregate principal amount (the "Additional Notes"). The Notes and the Additional Notes, if any, will be treated as a single class for all purposes of the Indenture, including waivers, amendments, redemptions and offers to purchase. Unless the context otherwise requires, for all purposes of the Indenture and this "Description of the Notes," references to the Notes include any Additional Notes actually issued.

Interest on these Notes accrues at the rate of 11 1/4% per annum and will be payable semiannually in arrears on June 15 and December 15, commencing on December 15, 2001. We will make each interest payment to the holders of record of these Notes on the immediately preceding June 1 and December 1.

Interest on these Notes accrues from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest is computed on the basis of a 360-day year comprised of twelve 30-day months.

Additional interest may accrue on the Notes in certain circumstances pursuant to the Registration Rights Agreement.

Optional Redemption

Except as set forth below, we will not be entitled to redeem the Notes at our option prior to June 15, 2006.

On and after June 15, 2006, we will be entitled at our option to redeem all or a portion of these Notes upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed in percentages of principal amount on the redemption date), plus accrued interest to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the related interest payment date), if redeemed during the 12-month period commencing on June 15 of the years set forth below:

<TABLE>
<CAPTION>

Period	Redemption Price
<S>	<C>
2006	105.625%
2007	103.750
2008	101.875
2009 and thereafter	100.000

</TABLE>

In addition, before June 15, 2004, we may at our option on one or more occasions redeem Notes (which includes Additional Notes, if any) in an aggregate principal amount not to exceed 35% of the aggregate principal amount of the Notes (which includes Additional Notes, if any) originally issued at a redemption price (expressed as a percentage of principal amount) of 111 1/4%, plus accrued and unpaid interest to the redemption date, with the net cash proceeds from one or more Public Equity Offerings (provided that if the Public Equity Offering is an offering by Parent, a portion of the Net Cash Proceeds thereof equal to the amount required to redeem any such Notes is contributed to the equity capital of the Company); provided that

(1) at least 65% of such aggregate principal amount of Notes (which includes Additional Notes, if any) remains outstanding immediately after the occurrence of each such redemption (other than Notes held, directly or indirectly, by the Company or its Affiliates); and

(2) each such redemption occurs within 90 days after the date of the related Public Equity Offering.

Selection and Notice of Redemption

If we are redeeming less than all the Notes at any time, the Trustee will select Notes on a pro rata basis, by lot or by such other method as the Trustee in its sole discretion shall deem to be fair and appropriate.

We will redeem Notes of $1,000 or less in whole and not in part. We will cause notices of redemption to be mailed by first-class mail at least 30 but not more than 60 days before the redemption date to each holder of Notes to be redeemed at its registered address.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount thereof to be redeemed. We will issue a new Note in a principal amount equal to the unredeemed portion of the original Note in the name of the holder thereof upon cancellation of the original Note. Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption.

No Sinking Fund; Open Market Purchases

We are not required to make any sinking fund payments with respect to the Notes. We may at any time and from time to time purchase Notes in the open market or otherwise.

Guaranties

Parent and each Subsidiary Guarantor jointly and severally guaranteed, on a senior subordinated basis, our obligations under these Notes. The obligations of each Subsidiary Guarantor under its Subsidiary Guaranty are limited as necessary to prevent that Subsidiary Guaranty from constituting a fraudulent conveyance under applicable law. See "Risk Factors--In the event of bankruptcy or insolvency of any of the guarantors, the guarantees of the notes could be voided under fraudulent conveyance statutes."

Each Subsidiary Guarantor that makes a payment under its Subsidiary Guaranty will be entitled upon payment in full of all guaranteed obligations under the Indenture to a contribution from each other Subsidiary Guarantor in an amount equal to such other Subsidiary Guarantor's pro rata portion of such payment based on the respective net assets of all the Subsidiary Guarantors at the time of such payment determined in accordance with GAAP.

If a Subsidiary Guaranty were rendered voidable, it could be subordinated by a court to all other indebtedness (including guarantees and other contingent liabilities) of the applicable Subsidiary Guarantor, and, depending on the amount of such indebtedness, a Subsidiary Guarantor's liability on its Subsidiary Guaranty could be reduced to zero. See "Risk Factors--In the event of bankruptcy or insolvency of any of the guarantors, the guarantees of the notes could be voided under fraudulent conveyance statutes."

The Subsidiary Guaranty of a Subsidiary Guarantor will be released:

(1) upon the sale or other disposition (including by way of consolidation or merger) of a Subsidiary Guarantor;

(2) upon the sale or disposition of all or substantially all the assets of a Subsidiary Guarantor;

(3) at such time as such Subsidiary Guarantor no longer Guarantees any other Indebtedness of the Company; or

(4) upon the designation of such Subsidiary Guarantor as an Unrestricted Subsidiary pursuant to the terms of the Indenture,

in the case of clause (1) or (2), other than to the Company or an Affiliate of the Company and as permitted by the Indenture.

Ranking

Senior Indebtedness versus Notes and Guaranties

The payment of the principal of, premium, if any, and interest on the Notes and the payment of any Guaranty is subordinate in right of payment to the prior payment in full of all Senior Indebtedness of the Company or the relevant Guarantor, as the case may be, including the obligations of the Company and such Guarantor under the Credit Agreement.

As of June 30, 2001, after giving pro forma effect to the Transactions:

(1) the Company's Senior Indebtedness (excluding its subsidiaries) would have been $276.5 million consisting of $275.0 million of secured indebtedness under the Credit Agreement and $1.5 million of other indebtedness;

(2) Parent's Senior Indebtedness would have been approximately $340.0 million, $65.0 million of which would have been represented by the Parent Senior Notes and the remainder of which would have represented Parent's senior guarantee of the obligations under the Credit Agreement; and

(3) the Senior Indebtedness of the Subsidiary Guarantors would have been approximately $293.1 million, $275.0 million of which consists of their guarantees of the Company's indebtedness under the Credit Agreement and $18.1 million of which is comprised of various notes issued in connection with acquisitions and of capital lease obligations.

In addition, the Company would have had additional availability of $50.0 million for borrowing of Senior Indebtedness under the Credit Agreement after completion of the Merger. Although the Indenture contains limitations on the amount of additional Indebtedness that the Company and the Subsidiary Guarantors may incur, under certain circumstances the amount of such Indebtedness could be substantial and, in any case, such Indebtedness may be Senior Indebtedness. See "--Certain Covenants--Limitation on Indebtedness."

Liabilities of Subsidiaries versus Notes and Guaranties

A substantial portion of our operations are conducted through our subsidiaries. Some of our subsidiaries are not guaranteeing the Notes. Claims of creditors of such non-guarantor subsidiaries, including trade creditors holding indebtedness or guarantees issued by such non-guarantor subsidiaries, and claims of preferred stockholders of such non-guarantor subsidiaries generally will have priority with respect to the assets and earnings of such non-guarantor subsidiaries over the claims of our creditors, including holders of the Notes, even if such claims do not constitute Senior Indebtedness. Accordingly, the Notes and each Guaranty will be effectively subordinated to creditors (including trade creditors) and preferred stockholders, if any, of such non-guarantor subsidiaries.

At December 31, 2000 and June 30, 2001, after giving pro forma effect to the Transactions, the total liabilities of our subsidiaries (other than the Subsidiary Guarantors) would have been approximately $199.4 million and $179.9 million, respectively, including trade payables in each case. Although the Indenture limits the incurrence of Indebtedness and preferred stock of certain of our subsidiaries, such limitation is subject to a number of significant qualifications. Moreover, the Indenture does not impose any limitation on the incurrence by such subsidiaries of liabilities that are not considered Indebtedness under the Indenture. See "--Certain Covenants--Limitation on Indebtedness."

Other Senior Subordinated Indebtedness versus Notes

Only Indebtedness of the Company or a Guarantor that is Senior Indebtedness will rank senior to the Notes and the relevant Guaranty in accordance with the provisions of the Indenture. The Notes and each Guaranty will in all respects rank pari passu with all other Senior Subordinated Indebtedness of the Company and the relevant Guarantor, respectively.

We and the Guarantors have agreed in the Indenture that we and they will not Incur, directly or indirectly, any Indebtedness that is contractually subordinate or junior in right of payment to our Senior Indebtedness or the Senior Indebtedness of such Guarantors, unless such Indebtedness is Senior Subordinated Indebtedness of the applicable Person or is expressly subordinated in right of payment to Senior Subordinated Indebtedness of such Person. The Indenture does not treat unsecured Indebtedness as subordinated or junior to Secured Indebtedness merely because it is unsecured.

Payment of Notes

We are not permitted to pay principal of, premium, if any, or interest on the Notes or make any deposit pursuant to the provisions described under "--Defeasance" below and may not purchase, redeem or otherwise retire any Notes (collectively, "pay the Notes") if either of the following occurs (a "Payment Default"):

(1) any Designated Senior Indebtedness of the Company is not paid in full in cash when due; or

(2) any other default on Designated Senior Indebtedness of the Company occurs and the maturity of such Designated Senior Indebtedness is accelerated in accordance with its terms;

unless, in either case, the Payment Default has been cured or waived and any such acceleration has been rescinded or such Designated Senior Indebtedness has been paid in full in cash. Regardless of the foregoing, we are permitted to pay the Notes if we and the Trustee receive written notice approving such payment from the Representatives of all Designated Senior Indebtedness with respect to which the Payment Default has occurred and is continuing.

During the continuance of any default (other than a Payment Default) with respect to any Designated Senior Indebtedness pursuant to which the maturity thereof may be accelerated without further notice (except such notice as may be required to effect such acceleration) or the expiration of any applicable grace periods, we are

not permitted to pay the Notes for a period (a "Payment Blockage Period") commencing upon the receipt by the Trustee (with a copy to us) of written notice (a "Blockage Notice") of such default from the Representative of such Designated Senior Indebtedness specifying an election to effect a Payment Blockage Period and ending 179 days thereafter. The Payment Blockage Period will end earlier if such Payment Blockage Period is terminated:

(1) by written notice to the Trustee and us from the Person or Persons who gave such Blockage Notice;

(2) because the default giving rise to such Blockage Notice is cured, waived or otherwise no longer continuing; or

(3) because such Designated Senior Indebtedness has been discharged or repaid in full in cash.

Notwithstanding the provisions described above, unless the holders of such Designated Senior Indebtedness or the Representative of such Designated Senior Indebtedness have accelerated the maturity of such Designated Senior Indebtedness, we are permitted to resume paying the Notes after the end of such Payment Blockage Period. The Notes shall not be subject to more than one Payment Blockage Period in any consecutive 360-day period irrespective of the number of defaults with respect to Designated Senior Indebtedness during such period, except that if any Blockage Notice is delivered to the Trustee by or on behalf of holders of Designated Senior Indebtedness (other than holders of the Bank Indebtedness), a Representative of holders of Bank Indebtedness may give another Blockage Notice within such period. However, in no event may the total number of days during which any Payment Blockage Period or Periods is in effect exceed 179 days in the aggregate during any 360-day consecutive period, and there must be 181 days during any 360-day consecutive period during which no Payment Blockage Period is in effect.

Upon any payment or distribution of the assets of the Company upon a total or partial liquidation or dissolution or reorganization of or similar proceeding relating to the Company or its property:

(1) the holders of Senior Indebtedness of the Company will be entitled to receive payment in full in cash of such Senior Indebtedness before the holders of the Notes are entitled to receive any payment;

(2) until the Senior Indebtedness of the Company is paid in full in cash, any payment or distribution to which holders of the Notes would be entitled but for the subordination provisions of the Indenture will be made to holders of such Senior Indebtedness as their interests may appear, except that holders of Notes may receive certain Capital Stock and subordinated debt obligations; and

(3) if a distribution is made to holders of the Notes that, due to the subordination provisions, should not have been made to them, such holders of the Notes are required to hold it in trust for the holders of Senior Indebtedness of the Company and pay it over to them as their interests may appear.

If payment of the Notes is accelerated because of an Event of Default, the Company or the Trustee must promptly notify the holders of Designated Senior Indebtedness or the Representative of such Designated Senior Indebtedness of the acceleration. If any Designated Senior Indebtedness is outstanding, neither the Company nor any Subsidiary Guarantor may pay the Notes until five Business Days after the Representatives of all the issues of Designated Senior Indebtedness receive notice of such acceleration and, thereafter, may pay the Notes only if the Indenture otherwise permits payment at that time.

The obligations of Parent under the Parent Guaranty and of a Subsidiary Guarantor under its Subsidiary Guaranty are senior subordinated obligations. As such, the rights of noteholders to receive payment by Parent or by a Subsidiary Guarantor pursuant to its Guaranty will be subordinated in right of payment to the rights of holders of Senior Indebtedness of Parent or such Subsidiary Guarantor, as the case may be. The terms of the subordination provisions described above with respect to the Company's obligations under the Notes apply equally to Parent and a Subsidiary Guarantor and the obligations of Parent and such Subsidiary Guarantor under its Guaranty.

By reason of the subordination provisions contained in the Indenture, in the event of a liquidation or insolvency proceeding, creditors of the Company, Parent or a Subsidiary Guarantor who are holders of Senior

Indebtedness of the Company, Parent or a Subsidiary Guarantor, as the case may be, may recover more, ratably, than the holders of the Notes, and creditors of ours who are not holders of Senior Indebtedness may recover less, ratably, than holders of Senior Indebtedness and may recover more, ratably, than the holders of the Notes.

The terms of the subordination provisions described above will not apply to payments from money or the proceeds of U.S. Government Obligations held in trust by the Trustee for the payment of principal of and interest on the Notes pursuant to the provisions described under "--Defeasance," if the foregoing subordination provisions were not violated at the time the respective amounts were deposited pursuant to such defeasance provisions.

Same-Day Payment

The Indenture requires us to make payments in respect of Notes (including

principal, premium and interest) by wire transfer of immediately available funds to the U.S. dollar accounts with banks in the U.S. specified by the holders thereof or, if no such account is specified, by mailing a check to each such holder's registered address.

Registered Exchange Offer; Registration Rights

We have agreed pursuant to the Registration Rights Agreement that we will, subject to certain exceptions,

(1) within 90 days after the Merger Date, file a registration statement (the "Exchange Offer Registration Statement") with the SEC with respect to a registered offer (the "Registered Exchange Offer") to exchange the Notes for new notes of the Company (the "Exchange Notes") having terms substantially identical in all material respects to the Notes (except that the Exchange Notes will not contain terms with respect to transfer restrictions);

(2) use our reasonable best efforts to cause the Exchange Offer Registration Statement to be declared effective under the Securities Act within 180 days after the Merger Date;

(3) as soon as practicable after the effectiveness of the Exchange Offer Registration Statement (the "Effectiveness Date"), offer the Exchange Notes in exchange for surrender of the Notes; and

(4) keep the Registered Exchange Offer open for not less than 20 Business Days (or longer if required by applicable law) after the date notice of the Registered Exchange Offer is mailed to the holders of the Notes.

For each Note tendered to us pursuant to the Registered Exchange Offer, we will issue to the holder of such Note an Exchange Note having a principal amount equal to that of the surrendered Note. Interest on each Exchange Note will accrue from the last interest payment date on which interest was paid on the Note surrendered in exchange therefor, or, if no interest has been paid on such Note, from the date of its original issue.

Under existing SEC interpretations, the Exchange Notes will be freely transferable by holders other than our affiliates after the Registered Exchange Offer without further registration under the Securities Act if the holder of the Exchange Notes represents to us in the Registered Exchange Offer that it is acquiring the Exchange Notes in the ordinary course of its business, that it has no arrangement or understanding with any person to participate in the distribution of the Exchange Notes and that it is not an affiliate of the Company, as such terms are interpreted by the SEC; provided, however, that broker-dealers ("Participating Broker-Dealers") receiving Exchange Notes in the Registered Exchange Offer will have a prospectus delivery requirement with respect to resales of such Exchange Notes. The SEC has taken the position that Participating Broker-Dealers may fulfill their prospectus delivery requirements with respect to Exchange Notes (other than a resale of an unsold allotment from the original sale of the Notes) with the prospectus contained in the Exchange Offer Registration Statement.

Under the Registration Rights Agreement, the Company is required to allow Participating Broker-Dealers and other persons, if any, with similar prospectus delivery requirements to use the prospectus contained in the

Exchange Offer Registration Statement in connection with the resale of such Exchange Notes for 180 days following the effective date of such Exchange Offer Registration Statement (or such shorter period during which Participating Broker-Dealers are required by law to deliver such prospectus).

A holder of Notes (other than certain specified holders) who wishes to exchange such Notes for Exchange Notes in the Registered Exchange Offer will be required to represent that any Exchange Notes to be received by it will be acquired in the ordinary course of its business and that at the time of the commencement of the Registered Exchange Offer it has no arrangement or understanding with any person to participate in the distribution (within the meaning of the Securities Act) of the Exchange Notes and that it is not an "affiliate" of the Company, as defined in Rule 405 of the Securities Act, or if it is an affiliate, that it will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable.

In the event that:

(1) applicable interpretations of the staff of the SEC do not permit us to effect such a Registered Exchange Offer; or

(2) for any other reason we do not consummate the Registered Exchange Offer within 220 days of the Merger Date; or

(3) an Initial Purchaser shall notify us following consummation of the

Registered Exchange Offer that Notes held by it are not eligible to be exchanged for Exchange Notes in the Registered Exchange Offer; or

(4) certain holders are prohibited by law or SEC policy from participating in the Registered Exchange Offer or may not resell the Exchange Notes acquired by them in the Registered Exchange Offer to the public without delivering a prospectus,

then, we will, subject to certain exceptions:

(A) as promptly as practicable, file a shelf registration statement (the "Shelf Registration Statement") with the SEC covering resales of the Notes or the Exchange Notes, as the case may be;

(B) (i) in the case of clause (1) above, use our reasonable best efforts to cause the Shelf Registration Statement to be declared effective under the Securities Act on or prior to the 180th day after the Merger Date and (ii) in the case of clause (2), (3) or (4) above, use our reasonable best efforts to cause the Shelf Registration Statement to be declared effective under the Securities Act on or prior to the 90th day after the date on which the Shelf Registration Statement is required to be filed; and

(C) use our reasonable best efforts to keep the Shelf Registration Statement effective, subject to certain exceptions, until the earliest of (i) the time when the Notes covered by the Shelf Registration Statement can be sold pursuant to Rule 144 without any limitations under clauses (c), (e), (f) and (h) of Rule 144, (ii) two years from the effective date of the Shelf Registration Statement and (iii) the date on which all Notes registered thereunder are disposed of in accordance therewith.

We will, in the event a Shelf Registration Statement is filed, among other things, provide to each holder for whom such Shelf Registration Statement was filed copies of the prospectus which is a part of the Shelf Registration Statement, notify each such holder when the Shelf Registration Statement has become effective and take certain other actions as are required to permit unrestricted resales of the Notes or the Exchange Notes, as the case may be. A holder selling such Notes or Exchange Notes pursuant to the Shelf Registration Statement generally would be required to be named as a selling security holder in the related prospectus and to deliver a prospectus to purchasers, will be subject to certain of the civil liability provisions under the Securities Act in connection with such sales and will be bound by the provisions of the Registration Rights Agreement that are applicable to such holder (including certain indemnification obligations).

We will pay additional cash interest on the applicable Notes and Exchange Notes, subject to certain exceptions:

(1) if the Company fails to file an Exchange Offer Registration Statement with the SEC on or prior to the 90th day after the Merger Date;

(2) if the Exchange Offer Registration Statement is not declared effective by the SEC on or prior to the 180th day after the Merger Date or, if obligated to file a Shelf Registration Statement because applicable interpretation of the SEC staff do not permit us to effect a Registered Exchange Offer, a Shelf Registration Statement is not declared effective by the SEC on or prior to the 180th day after the Merger Date;

(3) if the Exchange Offer is not consummated on or before the 40th day after the Exchange Offer Registration Statement is declared effective;

(4) if obligated to file the Shelf Registration Statement, the Company fails to file the Shelf Registration Statement with the SEC on or prior to the 90th day after the date (the "Shelf Filing Date") on which the obligation to file a Shelf Registration Statement arises;

(5) if obligated to file a Shelf Registration Statement for any reason other than the fact that applicable interpretations of the SEC staff do not permit us to effect a Registered Exchange Offer, the Shelf Registration Statement is not declared effective on or prior to the 90th day after the Shelf Filing Date; or

(6) after the Exchange Offer Registration Statement or the Shelf Registration Statement, as the case may be, is declared effective, such Registration Statement thereafter ceases to be effective or usable (subject to certain exceptions) (each such event referred to in the preceding clauses (1) through (6) a "Registration Default");

from and including the date on which any such Registration Default shall occur to but excluding the date on which all Registration Defaults have been cured.

The rate of the additional interest will be 0.50% per annum for the first

90-day period immediately following the occurrence of a Registration Default, and such rate will increase by an additional 0.50% per annum with respect to each subsequent 90-day period until all Registration Defaults have been cured, up to a maximum additional interest rate of 2.0% per annum. We will pay such additional interest on regular interest payment dates. Such additional interest will be in addition to any other interest payable from time to time with respect to the Notes and the Exchange Notes.

All references in the Indenture, in any context, to any interest or other amount payable on or with respect to the Notes shall be deemed to include any additional interest pursuant to the Registration Rights Agreement.

If we effect the Registered Exchange Offer, we will be entitled to close the Registered Exchange Offer 20 Business Days after the commencement thereof provided that we have accepted all Notes theretofore validly tendered in accordance with the terms of the Registered Exchange Offer.

Change of Control

Upon the occurrence of any of the following events (each a "Change of Control"), each noteholder shall have the right to require that the Company purchase such noteholder's Notes at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date):

(1) prior to the earlier to occur of (A) the first underwritten public offering of common stock of Parent or (B) the first public offering of common stock of the Company, (x) the Permitted Holders cease to be

the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of a majority in the aggregate of the total voting power of the Voting Stock of the Company, whether as a result of issuance of securities of Parent or the Company, any merger, consolidation, liquidation or dissolution of Parent or the Company, or any direct or indirect transfer of securities by Parent or otherwise and (y) RCBA ceases to (i) be the beneficial owner, directly or indirectly, of at least 35% of the total voting power of the Voting Stock of the Company or (ii) have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors (for purposes of this clause (1) and clause (2) below, the Permitted Holders shall be deemed to beneficially own any Voting Stock of a Person (the "specified person") held by any other Person (the "parent entity") so long as the Permitted Holders beneficially own (as so defined), directly or indirectly, (1) in the case of a parent entity that is Parent, in the aggregate at least 35% of the voting power of the Voting Stock of Parent, and have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors or (2) in the case of any other parent entity, in the aggregate a majority of the voting power of the Voting Stock of such parent entity);

(2) any "person"(as such term is used in Sections 13(d) and 14(d) of the Exchange Act), other than one or more Permitted Holders, is or becomes the beneficial owner (as defined in clause (1) above, except that for purposes of this clause (2) such person shall be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time, and except that any Person that is deemed to have beneficial ownership of shares solely as the result of being part of a group pursuant to Rule 13d-5(b)(1) shall be deemed not to have beneficial ownership of any shares held by a Permitted Holder forming a part of such group), directly or indirectly, of more than 35% of the total voting power of the Voting Stock of the Company; provided, however, that the Permitted Holders beneficially own (as defined in clause (1) above, except that in the event the Permitted Holders are part of a group pursuant to Rule 13d-5(b)(1), the Permitted Holders shall be deemed not to have beneficial ownership of any shares held by persons other than Permitted Holders forming a part of such group), directly or indirectly, in the aggregate a lesser percentage of the total voting power of the Voting Stock of the Company than such other person and do not have the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the Board of Directors (for the purposes of this clause (2), such other person shall be deemed to beneficially own any Voting Stock of a specified person held by a parent entity, if such other person is the beneficial owner (as defined in this clause (2)), directly or indirectly, of more than 35% of the voting power of the Voting Stock of such parent entity and the Permitted Holders beneficially own (as defined in clause (1) above), directly or indirectly, in the aggregate a lesser percentage of the voting power of the Voting Stock of such parent entity and do not have

the right or ability by voting power, contract or otherwise to elect or designate for election a majority of the board of directors of such parent entity);

(3) individuals who on the Merger Date constituted the Board of Directors (together with any new directors whose election by such Board of Directors or whose nomination for election by the shareholders of the Company was approved by a vote of a majority of the directors of the Company then still in office who were either directors on the Issue Date or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the Board of Directors then in office;

(4) the adoption of a plan relating to the liquidation or dissolution of the Company; or

(5) the merger or consolidation of the Company with or into another Person or the merger of another Person with or into the Company, or the sale of all or substantially all the assets of the Company (determined on a consolidated basis) to another Person (other than, in all such cases, a Person that is controlled by the Permitted Holders), other than a transaction following which (A) in the case of a merger or consolidation transaction, holders of securities that represented 100% of the Voting Stock of the Company immediately prior to such transaction (or other securities into which such securities are

converted as part of such merger or consolidation transaction) own directly or indirectly at least a majority of the voting power of the Voting Stock of the surviving Person in such merger or consolidation transaction immediately after such transaction and in substantially the same proportion as before the transaction and (B) in the case of a sale of assets transaction, the transferee Person becomes the obligor in respect of the Notes and a Subsidiary of the transferor of such assets.

Within 30 days following any Change of Control, unless we have exercised our option to redeem all the Notes as described under "--Optional Redemption," we will mail a notice to each noteholder with a copy to the Trustee (the "Change of Control Offer") stating:

(1) that a Change of Control has occurred and that such noteholder has the right to require us to purchase such noteholder's Notes at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase, plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of noteholders of record on the relevant record date to receive interest on the relevant interest payment date);

(2) the circumstances and relevant facts regarding such Change of Control (including information with respect to pro forma historical income, cash flow and capitalization, in each case after giving effect to such Change of Control);

(3) the purchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed); and

(4) the instructions, as determined by us, consistent with the covenant described hereunder, that a noteholder must follow in order to have its Notes purchased.

If the terms of the Credit Agreement prohibit the Company from making a Change of Control Offer or from purchasing the Notes pursuant thereto, prior to the mailing of the notice to noteholders described in the preceding paragraph, but in any event within 30 days following any Change of Control, the Company covenants to:

(1) repay in full all indebtedness outstanding under the Credit Agreement or offer to repay in full all such indebtedness and repay the indebtedness of each lender who has accepted such offer; or

(2) obtain the requisite consent under the Credit Agreement to permit the purchase of the Notes as described above.

The Company must first comply with the covenant described above before it will be required to purchase Notes in the event of a Change of Control; provided, however, that the Company's failure to comply with the covenant described in the preceding sentence or to make a Change of Control Offer because of any such failure shall constitute a Default described in clause (4) under "--Defaults" below (and not under clause (2) thereof). As a result of the foregoing, a holder of the Notes may not be able to compel the Company to purchase the Notes unless the Company is able at the time to refinance all indebtedness outstanding under the Credit Agreement or obtain requisite consents under the Credit Agreement.

We will not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by us and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer or if the Company has exercised its option to redeem all the Notes pursuant to the provisions described under "--Optional Redemption."

We will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the purchase of Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with the provisions of the covenant described hereunder, we will comply with the applicable securities laws and regulations and shall not be deemed to have breached our obligations under the covenant described hereunder by virtue of our compliance with such securities laws or regulations.

The Change of Control purchase feature of the Notes may in certain circumstances make more difficult or discourage a sale or takeover of the Company and, thus, the removal of incumbent management. The Change of Control purchase feature is a result of negotiations between the Company and the Initial Purchasers. We have no present intention to engage in a transaction involving a Change of Control, although it is possible that we could decide to do so in the future. Subject to the limitations discussed below, we could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of indebtedness outstanding at such time or otherwise affect our capital structure or credit ratings. Restrictions on our ability to Incur additional Indebtedness are contained in the covenant described under "--Certain Covenants--Limitation on Indebtedness," which limitations may terminate as described under the first paragraph of "--Certain Covenants" below. Such restrictions can only be waived with the consent of the holders of a majority in principal amount of the Notes then outstanding. Except for the limitations contained in such covenant, however, the Indenture will not contain any covenants or provisions that may afford holders of the Notes protection in the event of a highly leveraged transaction.

The Credit Agreement will prohibit us from purchasing any Notes, and will also provide that the occurrence of certain change of control events with respect to the Company would constitute a default thereunder. In the event a Change of Control occurs at a time when we are prohibited from purchasing Notes, we may seek the consent of our lenders to the purchase of Notes or may attempt to refinance the borrowings that contain such prohibition. If we do not obtain such a consent or repay such borrowings, we will remain prohibited from purchasing Notes. In such case, our failure to offer to purchase Notes would constitute a Default under the Indenture, which would, in turn, constitute a default under the Credit Agreement. In such circumstances, the subordination provisions in the Indenture would likely restrict payment to a holder of notes.

Future indebtedness that we may incur may contain prohibitions on the occurrence of certain events that would constitute a Change of Control or require the purchase of such indebtedness upon a Change of Control. Moreover, the exercise by the holders of their right to require us to purchase the Notes could cause a default under such indebtedness, even if the Change of Control itself does not, due to the financial effect of such purchase on us. Finally, our ability to pay cash to the holders of Notes following the occurrence of a Change of Control may be limited by our then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required purchases.

The provisions under the Indenture relative to our obligation to make an offer to purchase the Notes as a result of a Change of Control may be waived or modified with the written consent of the holders of a majority in principal amount of the Notes.

Certain Covenants

Set forth below are certain covenants contained in the Indenture. Following the first day that (a) the ratings assigned to the Notes by both of the Rating Agencies are Investment Grade Ratings and (b) no Default has occurred and is continuing under the Indenture (and notwithstanding that the Company may later cease to have an Investment Grade Rating from either or both Rating Agencies or default under the Indenture), the Company and its Restricted Subsidiaries will not be subject to the provisions of the Indenture described below under "Limitation of Indebtedness," "Limitation on Restricted Payments," "Limitation on Restrictions on Distributions from Restricted Subsidiaries," "Limitation on Sales of Assets and Subsidiary Stock," "Limitation on Affiliate Transactions," "Limitation on the Sale or Issuance of Capital Stock of Restricted Subsidiaries," and clause (3) of the first paragraph under "Merger and Consolidation."

Limitation on Indebtedness

(a) The Company will not, and will not permit any Restricted Subsidiary to, Incur, directly or indirectly, any Indebtedness; provided, however, that the Company and its Restricted Subsidiaries will be entitled to Incur

Indebtedness if, on the date of such Incurrence and after giving effect thereto no Default has occurred and is continuing and the Consolidated Coverage Ratio exceeds 2.25 to 1 if such Indebtedness is Incurred prior to June 1, 2003, or 2.5 to 1 if such Indebtedness is Incurred thereafter.

(b) Notwithstanding the foregoing paragraph (a), the Company and the Restricted Subsidiaries will be entitled to Incur any or all of the following Indebtedness:

(1) Indebtedness Incurred by the Company pursuant to any Revolving Credit Facility; provided, however, that, immediately after giving effect to any such Incurrence, the aggregate principal amount of all Indebtedness Incurred under this clause (1) and then outstanding does not exceed the greater of (A) $100.0 million less the sum of all principal payments with respect to such Indebtedness pursuant to paragraph (a)(3)(A) of the covenant described under "--Limitation on Sales of Assets and Subsidiary Stock" and (B) 80% of the book value of the accounts receivable of the Company and its Restricted Subsidiaries;

(2) Indebtedness Incurred by the Company pursuant to any Term Loan Facility; provided, however, that, after giving effect to any such Incurrence, the aggregate principal amount of all Indebtedness Incurred under this clause (2) and then outstanding does not exceed $225.0 million less the aggregate sum of all principal payments actually made from time to time after the Issue Date with respect to such Indebtedness (other than principal payments made from any Refinancings thereof);

(3) Indebtedness owed to and held by the Company or a Restricted Subsidiary; provided, however, that (A) any subsequent issuance or transfer of any Capital Stock which results in any such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any subsequent transfer of such Indebtedness (other than to the Company or a Restricted Subsidiary) shall be deemed, in each case, to constitute the Incurrence of such Indebtedness by the obligor thereon and (B) if the Company is the obligor on such Indebtedness, such Indebtedness is expressly subordinated to the prior payment in full in cash of all obligations with respect to the Notes;

(4) the Notes and the Exchange Notes (other than any Additional Notes);

(5) Indebtedness of CB Richard Ellis Services and its Subsidiaries outstanding on both the Issue Date and the Merger Date (after giving effect to the Transactions) (other than Indebtedness described in clause (1), (2), (3) or (4) of this covenant);

(6) Indebtedness of a Restricted Subsidiary Incurred and outstanding on or prior to the date on which such Subsidiary was acquired by the Company (other than Indebtedness Incurred in connection with, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of related transactions pursuant to which such Subsidiary became a Subsidiary or was acquired by the Company); provided, however, at the time of such acquisition and after giving effect thereto, the aggregate principal amount of all Indebtedness Incurred pursuant to this clause (6) and then outstanding does not exceed $10.0 million;

(7) Refinancing Indebtedness in respect of Indebtedness Incurred pursuant to paragraph (a) or pursuant to clause (4), (5) or (6) or this clause (7); provided, however, that to the extent such Refinancing Indebtedness directly or indirectly Refinances Indebtedness of a Subsidiary Incurred pursuant to clause (6), such Refinancing Indebtedness shall be Incurred only by such Subsidiary;

(8) Hedging Obligations entered into in the ordinary course of business and not for the purpose of speculation;

(9) obligations in respect of letters of credit, performance, bid and surety bonds, completion guarantees, payment obligations in connection with self-insurance or similar requirements provided by the Company or any Restricted Subsidiary in the ordinary course of business;

(10) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; provided, however, that such Indebtedness is extinguished within five Business

Days of its Incurrence;

(11) any Guarantee (including the Subsidiary Guaranties) by the Company or a Restricted Subsidiary of Indebtedness or other obligations of the Company or any of its Restricted Subsidiaries so long as the Incurrence of such Indebtedness by the Company or such Restricted Subsidiary is permitted under the terms of the Indenture (other than Indebtedness Incurred pursuant to clause (6) above);

(12) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, in each case, Incurred or assumed in connection with the acquisition or disposition of any business, assets or a Subsidiary; provided that (A) such Indebtedness is not reflected in the balance sheet of the Company or any Restricted Subsidiary (contingent obligations referred to in a footnote and footnotes to financial statements and not otherwise reflected on the balance sheet will not be deemed to be reflected on such balance sheet for purposes of this clause (A)) and (B) in the case of a disposition, the maximum liability in respect of such Indebtedness shall at no time exceed the gross proceeds including non-cash proceeds (the fair market value of such non-cash proceeds being determined at the time received and without giving effect to any subsequent changes in value) actually received by the Company or such Restricted Subsidiary in connection with such disposition;

(13) Melody Permitted Indebtedness;

(14) Purchase Money Indebtedness Incurred to finance the acquisition by the Company or any Restricted Subsidiary of any fixed or capital assets in the ordinary course of business in an aggregate principal amount which, when taken together with all other Indebtedness Incurred pursuant to this clause (14) and then outstanding, does not exceed $10.0 million;

(15) Indebtedness of Foreign Restricted Subsidiaries in an aggregate principal amount which, when taken together with all other Indebtedness of Foreign Restricted Subsidiaries Incurred pursuant to this clause (15) and then outstanding, does not exceed $15.0 million; and

(16) Indebtedness of the Company or any Restricted Subsidiary in an aggregate principal amount which, when taken together with all other Indebtedness of the Company and the Restricted Subsidiaries outstanding on the date of such Incurrence (other than Indebtedness permitted by clauses (1) through (15) above or paragraph (a)), does not exceed $30.0 million.

(c) Notwithstanding the foregoing, none of the Company or any Restricted Subsidiary will Incur any Indebtedness pursuant to the foregoing paragraph (b) if the proceeds thereof are used, directly or indirectly, to Refinance any Subordinated Obligations of the Company or any Restricted Subsidiary unless such Indebtedness shall be subordinated to the Notes or the applicable Subsidiary Guaranty to at least the same extent as such Subordinated Obligations.

(d) For purposes of determining compliance with this covenant, (1) in the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described above, the Company, in its sole discretion, will classify such item of Indebtedness at the time of Incurrence and only be required to include the amount and type of such Indebtedness in one of the above clauses (provided that any Indebtedness originally classified as Incurred pursuant to clause (b)(16) above may later be reclassified as having been Incurred pursuant to paragraph (a) above to the extent that such reclassified Indebtedness could be Incurred pursuant to paragraph (a) above at the time of such reclassification) and (2) the Company will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described above.

(e) Notwithstanding paragraphs (a) and (b) above, none of the Company, Parent and any Restricted Subsidiary will incur (1) any Indebtedness if such Indebtedness is subordinate or junior in ranking in any respect to any Senior Indebtedness of such Person, unless such Indebtedness is Senior Subordinated Indebtedness or is expressly subordinated in right of payment to Senior Subordinated Indebtedness of such Person or (2) any Secured Indebtedness that is not Senior Indebtedness of such Person unless contemporaneously therewith such Person makes effective provision to secure the Notes or applicable Guaranty equally and ratably with such Secured Indebtedness for so long as such Secured Indebtedness is secured by a Lien.

(f) For purposes of determining compliance with any U.S. dollar restriction on the Incurrence of Indebtedness where the Indebtedness Incurred is

denominated in a different currency, the amount of such Indebtedness will be the U .S .Dollar Equivalent determined on the date of the Incurrence of such Indebtedness, provided, however, that if any such Indebtedness denominated in a different currency is subject to a Currency Agreement with respect to U.S. dollars covering all principal, premium, if any, and interest payable on such Indebtedness, the amount of such Indebtedness expressed in U.S. dollars will be as provided in such Currency Agreement. The principal amount of any Refinancing Indebtedness Incurred in the same currency as the Indebtedness being Refinanced will be the U.S. Dollar Equivalent of the Indebtedness Refinanced, except to the extent that (1) such U.S. Dollar Equivalent was determined based on a Currency Agreement, in which case the Refinancing Indebtedness will be determined in accordance with the preceding sentence, and (2) the principal amount of the Refinancing Indebtedness exceeds the principal amount of the Indebtedness being Refinanced, in which case the U.S. Dollar Equivalent of such excess will be determined on the date such Refinancing Indebtedness is Incurred.

Limitation on Restricted Payments

(a) The Company will not, and will not permit any Restricted Subsidiary, directly or indirectly, to make a Restricted Payment if at the time the Company or such Restricted Subsidiary makes such Restricted Payment:

(1) a Default shall have occurred and be continuing (or would result therefrom);

(2) the Company is not entitled to Incur an additional $1.00 of Indebtedness pursuant to paragraph (a) of the covenant described under "--Limitation on Indebtedness"; or

(3) the aggregate amount of such Restricted Payment and all other Restricted Payments since the Issue Date would exceed the sum of (without duplication):

(A) 50% of the Consolidated Net Income accrued during the period (treated as one accounting period) from the Merger Date to the end of the most recent fiscal quarter ended for which internal financial statements are available prior to the date of such Restricted Payment (or, in case such Consolidated Net Income shall be a deficit, minus 100% of such deficit); plus

(B) 100% of the aggregate Net Cash Proceeds received by the Company from the issuance or sale of its Capital Stock (other than Disqualified Stock) subsequent to the Issue Date (other than an issuance or sale to a Subsidiary of the Company and other than an issuance or sale to an employee stock ownership plan or to a trust established by the Company or any of its Subsidiaries for the benefit of their employees) and 100% of any cash capital contribution received by the Company from its shareholders subsequent to the Issue Date; plus

(C) the amount by which Indebtedness of the Company is reduced on the Company's balance sheet upon the conversion or exchange (other than by a Subsidiary of the Company) subsequent to the Issue Date of any Indebtedness of the Company convertible or exchangeable for Capital Stock (other than Disqualified Stock) of the Company (less the amount of any cash, or the fair value of any other property, distributed by the Company upon such conversion or exchange); plus

(D) an amount equal to the sum of (x) the net reduction in the Investments (other than Permitted Investments) made by the Company or any Restricted Subsidiary in any Person resulting from repurchases, repayments or redemptions of such Investments by such Person, proceeds realized on the sale of such Investment and proceeds representing the return of capital (excluding dividends and distributions), in each case received by the Company or any Restricted Subsidiary, and (y) to the extent such Person is an Unrestricted Subsidiary, the portion (proportionate to the Company's equity interest in such Subsidiary) of the fair market value of the net assets of such Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary; provided, however, that the foregoing sum shall not exceed, in the case of any such Person or Unrestricted Subsidiary, the amount of Investments (excluding Permitted Investments) previously

made (and treated as a Restricted Payment) by the Company or any Restricted Subsidiary in such Person or Unrestricted Subsidiary.

(b) The preceding provisions will not prohibit:

(1) any Restricted Payment made out of the Net Cash Proceeds of the substantially concurrent sale of, or made by exchange for, Capital Stock of the Company (other than Disqualified Stock and other than

Capital Stock issued or sold to a Subsidiary of the Company or an employee stock ownership plan or to a trust established by the Company or any of its Subsidiaries for the benefit of their employees) or a substantially concurrent cash capital contribution received by the Company from its shareholders; provided, however, that (A) such Restricted Payment shall be excluded in the calculation of the amount of Restricted Payments and (B) the Net Cash Proceeds from such sale or such cash capital contribution (to the extent so used for such Restricted Payment) shall be excluded from the calculation of amounts under clause (3)(B) of paragraph (a) above;

(2) any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Obligations of the Company or a Restricted Subsidiary made by exchange for, or out of the proceeds of the substantially concurrent sale of, Indebtedness which is permitted to be Incurred pursuant to the covenant described under "--Limitation on Indebtedness;" provided, however, that such purchase, repurchase, redemption, defeasance or other acquisition or retirement for value shall be excluded in the calculation of the amount of Restricted Payments;

(3) dividends paid within 60 days after the date of declaration thereof if at such date of declaration such dividend would have complied with this covenant; provided, however, that such dividend shall be included in the calculation of the amount of Restricted Payments;

(4) repurchases of Capital Stock of Parent required under the Company's 401(k) plan as it existed as of the Merger Date; provided, however, that such repurchases shall be excluded from the calculation of the amount of Restricted Payments;

(5) so long as no Default has occurred and is continuing, the repurchase or other acquisition of shares of Capital Stock of Parent or the Company or any of the Company's Subsidiaries from employees (including substantially full-time independent contractors), former employees, directors, former directors or consultants of the Company or any of its Subsidiaries (or permitted transferees of such employees, former employees, directors, former directors or consultants), pursuant to the terms of the agreements (including employment agreements) or plans (or amendments thereto) approved by the Board of Directors under which such individuals purchase or sell or are granted the option to purchase or sell, shares of such Capital Stock; provided, however, that the aggregate amount of such repurchases and other acquisitions shall not exceed the sum of (A) $5.0 million, (B) the Net Cash Proceeds from the sale of Capital Stock to members of management, consultants or directors of the Company and its Subsidiaries that occurs after the Merger Date (to the extent the Net Cash Proceeds from the sale of such Capital Stock have not otherwise been applied to the payment of Restricted Payments by virtue of clause (3)(B) of paragraph (a) above) and (C) the cash proceeds of any "key man" life insurance policies that are used to make such repurchases; provided further, however, that (x) such repurchases and other acquisitions shall be excluded in the calculation of the amount of Restricted Payments and (y) the Net Cash Proceeds from such sale shall be excluded from the calculation of amounts under clause (3)(B) of paragraph (a) above;

(6) Investments made by Melody in connection with the Melody Loan Arbitrage Facility or the Melody Mortgage Warehousing Facility; provided, however, that such Investments shall be excluded in the calculation of the amount of Restricted Payments;

(7) payments required pursuant to the terms of the Merger Agreement to consummate the Merger; provided, however, that such payments shall be excluded in the calculation of the amount of Restricted Payments;

(8) dividends to Parent to be used by Parent solely to pay its franchise taxes and other fees required to maintain its corporate existence and to pay for general corporate and overhead expenses (including salaries and other compensation of the employees) incurred by Parent in the ordinary course of its business; provided, however, that such dividends shall not exceed $1.0 million in any calendar year; provided further, however, that such dividends shall be excluded in the calculation of the amount of Restricted Payments;

(9) payments to Parent in respect of Federal, state and local taxes directly attributable to (or arising as a result of) the operations of the Company and its consolidated Subsidiaries; provided, however, that the amount of such payments in any fiscal year do not exceed the amount that the Company and its consolidated Subsidiaries would be required to pay in respect of Federal, state and local taxes for such fiscal year were the Company to pay such taxes as a stand-alone taxpayer (whether or not all such amounts are actually used by Parent for such purposes);

provided further, however, that such payments shall be excluded in the calculation of the amount of Restricted Payments; and

(10) Restricted Payments in an aggregate amount which, when taken together with all Restricted Payments made pursuant to this clause (10) which have not been repaid, does not exceed $20.0 million; provided, however, that (A) at the time of such Restricted Payments, no Default shall have occurred and be continuing (or result therefrom) and (B) such Restricted Payments shall be excluded in the calculation of the amount of Restricted Payments.

Limitation on Restrictions on Distributions from Restricted Subsidiaries

The Company will not, and will not permit any Restricted Subsidiary to, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to (a) pay dividends or make any other distributions on its Capital Stock to the Company or a Restricted Subsidiary or pay any Indebtedness owed to the Company, (b) make any loans or advances to the Company or (c) transfer any of its property or assets to the Company, except:

(1) with respect to clauses (a), (b) and (c),

(A) any encumbrance or restriction pursuant to an agreement of CB Richard Ellis Services or any of its Subsidiaries in effect at or entered into on the Issue Date or, in the case of the Credit Agreement, as in effect on the Merger Date;

(B) any encumbrance or restriction contained in the terms of any Indebtedness Incurred pursuant to clause (b)(15) of the covenant described under "--Limitation on Indebtedness" or any agreement pursuant to which such Indebtedness was issued if (x) either (i) the encumbrance or restriction applies only in the event of and during the continuance of a payment default or a default with respect to a financial covenant contained in such Indebtedness or agreement or (ii) the Company determines at the time any such Indebtedness is Incurred (and at the time of any modification of the terms of any such encumbrance or restriction) that any such encumbrance or restriction will not materially affect the Company's ability to make principal or interest payments on the Notes and (y) the encumbrance or restriction is not materially more disadvantageous to the holders of the Notes than is customary in comparable financings or agreements (as determined by the Board of Directors in good faith);

(C) any encumbrance or restriction with respect to a Restricted Subsidiary pursuant to an agreement relating to any Indebtedness Incurred by such Restricted Subsidiary on or prior to the date on which such Restricted Subsidiary was acquired by the Company (other than Indebtedness Incurred as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a Restricted Subsidiary or was acquired by the Company) and outstanding on such date;

(D) any encumbrance or restriction pursuant to an agreement effecting a Refinancing of Indebtedness Incurred pursuant to an agreement referred to in clause (A), (B) or (C) of clause (1) of this covenant or this clause (D) or contained in any amendment to an agreement referred to in clause (A), (B) or (C) of clause (1) of this covenant or this clause (D); provided, however, that the encumbrances and restrictions with respect to such Restricted Subsidiary contained in any such refinancing agreement or amendment are no less favorable to the noteholders than encumbrances and restrictions with respect to such Restricted Subsidiary contained in such predecessor agreements; and

(E) any encumbrance or restriction pursuant to applicable law; and

(2) with respect to clause (c) only:

(A) any such encumbrance or restriction consisting of customary nonassignment provisions in leases governing leasehold interests to the extent such provisions restrict the transfer of the lease or the property leased thereunder;

(B) restrictions contained in security agreements or mortgages securing Indebtedness of a Restricted Subsidiary to the extent such restrictions restrict the transfer of the property subject to such security agreements or mortgages;

(C) restrictions on the transfer of assets subject to any Lien permitted under the Indenture imposed by the holder of such Lien; and

(D) any restriction with respect to a Restricted Subsidiary imposed pursuant to an agreement entered into for the sale or disposition of all or substantially all the Capital Stock or assets of such Restricted Subsidiary pending the closing of such sale or disposition.

Limitation on Sales of Assets and Subsidiary Stock

(a) The Company will not, and will not permit any Restricted Subsidiary to, directly or indirectly, consummate any Asset Disposition unless:

(1) the Company or such Restricted Subsidiary receives consideration at the time of such Asset Disposition at least equal to the fair market value (including as to the value of all non-cash consideration), as determined in good faith by the Board of Directors, of the shares and assets subject to such Asset Disposition;

(2) at least 80% of the consideration thereof received by the Company or such Restricted Subsidiary is in the form of cash or cash equivalents; and

(3) an amount equal to 100% of the Net Available Cash from such Asset Disposition is applied by the Company (or such Restricted Subsidiary, as the case may be):

(A) first, to the extent the Company elects (or is required by the terms of any Indebtedness), to prepay, repay, redeem or purchase Senior Indebtedness of the Company or a Subsidiary Guarantor or Indebtedness (other than any Disqualified Stock) of any other Wholly Owned Subsidiary (in each case other than Indebtedness owed to the Company or an Affiliate of the Company) within one year from the later of the date of such Asset Disposition or the receipt of such Net Available Cash;

(B) second, to the extent of the balance of such Net Available Cash after application in accordance with clause (A), to the extent the Company elects, to acquire Additional Assets within one year from the later of the date of such Asset Disposition or the receipt of such Net Available Cash; and

(C) third, to the extent of the balance of such Net Available Cash after application in accordance with clauses (A) and (B), to make an offer to the holders of the Notes (and to holders of other Senior Subordinated Indebtedness of the Company designated by the Company) to purchase Notes (and such other Senior Subordinated Indebtedness of the Company) pursuant to and subject to the conditions contained in the Indenture;

provided, however, that in connection with any prepayment, repayment or purchase of Indebtedness pursuant to clause (A) or (C) above, the Company or such Restricted Subsidiary shall permanently retire such Indebtedness and shall cause the related loan commitment (if any) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid or purchased.

Notwithstanding the foregoing provisions of this covenant, the Company and the Restricted Subsidiaries will not be required to apply any Net Available Cash in accordance with this covenant except to the extent that the aggregate Net Available Cash from all Asset Dispositions which is not applied in accordance with this covenant exceeds $10.0 million. Pending application of Net Available Cash pursuant to this covenant, such Net Available Cash shall be invested in Temporary Cash Investments or applied to temporarily reduce revolving credit indebtedness.

For the purposes of this covenant, the following are deemed to be cash or cash equivalents:

(1) the assumption of Indebtedness of the Company or any Restricted Subsidiary and the release of the Company or such Restricted Subsidiary from all liability on such Indebtedness in connection with such Asset Disposition; and

(2) securities received by the Company or any Restricted Subsidiary from the transferee that are promptly converted by the Company or such Restricted Subsidiary into cash.

(b) In the event of an Asset Disposition that requires the purchase of Notes (and other Senior Subordinated Indebtedness of the Company) pursuant to clause (a)(3)(C) above, the Company will purchase Notes tendered pursuant to an offer by the Company for the Notes (and such other Senior Subordinated Indebtedness of the Company) at a purchase price of 100% of their principal amount (or, in

the event such other Senior Subordinated Indebtedness of the Company was issued with significant original issue discount, 100% of the accreted value thereof) without premium, plus accrued but unpaid interest (or, in respect of such other Senior Subordinated Indebtedness of the Company, such lesser price, if any, as may be provided for by the terms of such Senior Subordinated Indebtedness of the Company) in accordance with the procedures (including prorating in the event of oversubscription) set forth in the Indenture. If the aggregate purchase price of the securities tendered exceeds the Net Available Cash allotted to their purchase, the Company will select the securities to be purchased on a pro rata basis but in round denominations, which in the case of the Notes will be denominations of $1,000 principal amount or multiples thereof. The Company shall not be required to make such an offer to purchase Notes (and other Senior Subordinated Indebtedness of the Company) pursuant to this covenant if the Net Available Cash available therefor is less than $10.0 million (which lesser amount shall be carried forward for purposes of determining whether such an offer is required with respect to the Net Available Cash from any subsequent Asset Disposition).

(c) The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the purchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this clause by virtue of its compliance with such securities laws or regulations.

Limitation on Affiliate Transactions

(a) The Company will not, and will not permit any Restricted Subsidiary to, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property, employee compensation arrangements or the rendering of any service) with, or for the benefit of, any Affiliate of the Company (an "Affiliate Transaction") unless:

(1) the terms of the Affiliate Transaction are no less favorable to the Company or such Restricted Subsidiary than those that could be obtained at the time of the Affiliate Transaction in arm's-length dealings with a Person who is not an Affiliate;

(2) if such Affiliate Transaction involves an amount in excess of $2.5 million, the terms of the Affiliate Transaction are set forth in writing and a majority of the directors of the Company disinterested with respect to such Affiliate Transaction have determined in good faith that the criteria set forth in clause (1) are satisfied and have approved the relevant Affiliate Transaction as evidenced by a resolution of the Board of Directors; and

(3) if such Affiliate Transaction involves an amount in excess of $10.0 million, the Board of Directors shall also have received a written opinion from an Independent Qualified Party to the effect that such Affiliate Transaction is fair, from a financial standpoint, to the Company and its Restricted Subsidiaries or is not less favorable to the Company and its Restricted Subsidiaries than could reasonably be expected to be obtained at the time in an arm's-length transaction with a Person who was not an Affiliate.

(b) The provisions of the preceding paragraph (a) will not prohibit:

(1) any Investment (other than a Permitted Investment) or other Restricted Payment, in each case permitted to be made pursuant to the covenant described under "--Limitation on Restricted Payments";

(2) any issuance of securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment arrangements, stock options and stock ownership plans approved by the Board of Directors;

(3) loans or advances to employees or consultants in the ordinary course of business of the Company or its Restricted Subsidiaries, but in any event not to exceed $3.0 million in the aggregate outstanding at any one time;

(4) the payment of reasonable fees and compensation to, or the provision of employee benefit arrangements and indemnity for the benefit of, directors, officers, employees and consultants of the Company and its Restricted Subsidiaries in the ordinary course of business;

(5) any transaction between or among the Company, any Restricted Subsidiary or joint venture or similar entity which would constitute an Affiliate Transaction solely because the Company or a Restricted Subsidiary owns an equity interest in or otherwise controls such Restricted Subsidiary,

joint venture or similar entity;

(6) the issuance or sale of any Capital Stock (other than Disqualified Stock) of the Company;

(7) the existence of, or the performance by the Company or any of its Restricted Subsidiaries of its obligations under the terms of any stockholders agreement (including any registration rights agreement or purchase agreement related thereto) or warrant agreement to which it is a party as of the Merger Date and any similar agreements which it may enter into thereafter; provided, however, that the existence of, or the performance by the Company or any of its Restricted Subsidiaries of obligations under any future amendment to any such existing agreement or under any similar agreement entered into after the Merger Date shall only be permitted by this clause (7) to the extent that the terms of any such amendment or new agreement are not otherwise disadvantageous to the noteholders in any material respect;

(8) the payment of fees and other expenses to be paid by Parent, the Company or any of its Subsidiaries in connection with the Merger;

(9) any agreement as in effect on the Merger Date and described in this offering circular or any renewals, extensions or amendments of any such agreement (so long as such renewals, extensions or amendments are not less favorable to the Company or the Restricted Subsidiaries) and the transactions evidenced thereby; and

(10) transactions with customers, clients, suppliers or purchasers or sellers of goods or services in each case in the ordinary course of business and otherwise in compliance with the terms of the applicable

Indenture which are fair to the Company or its Restricted Subsidiaries, in the reasonable determination of the Board of Directors of the Company or the senior management thereof, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated party.

Limitation on the Sale or Issuance of Capital Stock of Restricted Subsidiaries

The Company:

(1) will not, and will not permit any Restricted Subsidiary to, sell, lease, transfer or otherwise dispose of any Capital Stock of any Restricted Subsidiary to any Person (other than the Company or a Wholly Owned Subsidiary); and

(2) will not permit any Restricted Subsidiary to issue any of its Capital Stock (other than, if necessary, shares of its Capital Stock constituting directors' or other legally required qualifying shares) to any Person (other than to the Company or a Wholly Owned Subsidiary);

unless

(A) immediately after giving effect to such issuance, sale or other disposition, neither the Company nor any of its Subsidiaries owns any Capital Stock of such Restricted Subsidiary; or

(B) immediately after giving effect to such issuance, sale or other disposition, such Restricted Subsidiary would no longer constitute a Restricted Subsidiary and any Investment in such Person (other than in the case of an Exempt Subsidiary) remaining after giving effect thereto is treated as a new Investment by the Company and such Investment would be permitted to be made under the covenant described under "--Limitation on Restricted Payments" if made on the date of such issuance, sale or other disposition.

Merger and Consolidation

The Company will not consolidate with or merge with or into, or convey, transfer or lease, in one transaction or a series of transactions, directly or indirectly, all or substantially all its assets to, any Person, unless:

(1) the resulting, surviving or transferee Person (the "Successor Company") shall be a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and the Successor Company (if not the Company) shall expressly assume, by an indenture supplemental thereto, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, all the obligations of the Company under the Notes and the Indenture;

(2) immediately after giving pro forma effect to such transaction (and

treating any Indebtedness which becomes an obligation of the Successor Company or any Subsidiary as a result of such transaction as having been Incurred by such Successor Company or such Subsidiary at the time of such transaction), no Default shall have occurred and be continuing;

(3) immediately after giving pro forma effect to such transaction, the Successor Company would be able to Incur an additional $1.00 of Indebtedness pursuant to paragraph (a) of the covenant described under "--Limitation on Indebtedness;" and

(4) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with the Indenture;

provided, however, that clause (3) will not be applicable to (A) a Restricted Subsidiary consolidating with, merging into or transferring all or part of its properties and assets to the Company or (B) the Company merging with an Affiliate of the Company solely for the purpose and with the sole effect of reincorporating the Company in another jurisdiction.

The Successor Company will be the successor to the Company and shall succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture, and the predecessor Company, except in the case of a lease, shall be released from the obligation to pay the principal of and interest on the Notes.

The Company will not permit any Subsidiary Guarantor to consolidate with or merge with or into, or convey, transfer or lease, in one transaction or a series of transactions, all or substantially all of its assets to any Person unless:

(1) except in the case of a Subsidiary Guarantor that has been disposed of in its entirety to another Person (other than to the Company or an Affiliate of the Company), whether through a merger, consolidation or sale of Capital Stock or assets, if in connection therewith the Company provides an Officers' Certificate to the Trustee to the effect that the Company will comply with its obligations under the covenant described under "--Limitation on Sales of Assets and Subsidiary Stock" in respect of such disposition, the resulting, surviving or transferee Person (if not such Subsidiary) shall be a Person organized and existing under the laws of the jurisdiction under which such Subsidiary was organized or under the laws of the United States of America, or any State thereof or the District of Columbia, and such Person shall expressly assume, by a Guaranty Agreement, all the obligations of such Subsidiary, if any, under its Subsidiary Guaranty;

(2) immediately after giving effect to such transaction or transactions on a pro forma basis (and treating any Indebtedness which becomes an obligation of the resulting, surviving or transferee Person as a result of such transaction as having been issued by such Person at the time of such transaction), no Default shall have occurred and be continuing; and

(3) the Company delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such Guaranty Agreement, if any, complies with the Indenture.

Parent will not consolidate with or merge with or into, or convey, transfer or lease, in one transaction or a series of transactions, all or substantially all of its assets to any Person unless:

(1) the resulting, surviving or transferee Person (if not Parent) shall be a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia, and such Person shall expressly assume, by a Guaranty Agreement, all the obligations of Parent, if any, under its Guaranty;

(2) immediately after giving effect to such transaction or transactions on a pro forma basis (and treating any Indebtedness which becomes an obligation of the resulting, surviving or transferee Person as a result of such transaction as having been issued by such Person at the time of such transaction), no Default shall have occurred and be continuing; and

(3) the Company delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such Guaranty Agreement, if any, complies with the Indenture.

Future Guarantors

On the Merger Date, each of our Restricted Subsidiaries that is a guarantor

under the Credit Agreement executed and delivered to the Trustee a Guaranty Agreement pursuant to which such Restricted Subsidiary fully and unconditionally Guaranteed the Notes on a senior subordinated basis.

After the Merger Date, the Company will cause each Restricted Subsidiary that Guarantees any Indebtedness of the Company to, at the same time, execute and deliver to the Trustee a Guaranty Agreement pursuant to which such Restricted Subsidiary will Guarantee payment of the Notes on the same terms and conditions as those set forth in the Indenture.

SEC Reports

Notwithstanding that the Company may not be subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company will file with the SEC and provide the Trustee and noteholders within 15 days after it files them with the SEC with such annual reports and such information, documents and other reports as are specified in Sections 13 and 15(d) of the Exchange Act and applicable to a U.S. corporation subject to such Sections, such information, documents and other reports to be so filed with the SEC at the times specified for the filings of such information, documents and reports under such Sections; provided, however, that the Company shall not be so obligated to file such reports with the SEC if the SEC does not permit such filing, in which event the Company will make available such information to the Trustee and noteholders within 15 days after the time the Company would be required to file such information with the SEC if it were subject to Section 13 or 15(d) of the Exchange Act; provided further, however, that (a) so long as Parent is the Guarantor of the Notes, the reports, information and other documents required to be filed and provided as described hereunder may, at the Company's option, be filed by and be those of Parent rather than the Company and (b) in the event that Parent conducts any business or holds any significant assets other than the capital stock of the Company at the time of filing and providing any such report, information or other document containing financial statements of Parent, Parent shall include in such report, information or other document summarized financial information (as defined in Rule 1-02(bb) of Regulation S-X promulgated by the SEC) with respect to the Company.

In addition, the Company will furnish to the holders of the Notes and to prospective investors, upon the requests of such holders, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act so long as the Notes are not freely transferable under the Securities Act.

Defaults

Each of the following is an Event of Default:

(1) a default in the payment of interest on the Notes when due, continued for 30 days;

(2) a default in the payment of principal of any Note when due at its Stated Maturity, upon redemption, upon required purchase, upon declaration of acceleration or otherwise;

(3) the failure by the Company, Parent or any Subsidiary Guarantor to comply with its obligations under "--Certain Covenants--Merger and Consolidation" above;

(4) the failure by the Company, Parent or any Subsidiary Guarantor, as the case may be, to comply for 30 days after notice with any of its obligations in the covenants described above under "Change of Control" (other than a failure to purchase Notes) or under "--Certain Covenants" under "--Limitation on Indebtedness," "--Limitation on Restricted Payments," "--Limitation on Restrictions on Distributions from Restricted Subsidiaries," "--Limitation on Sales of Assets and Subsidiary Stock" (other than a failure to purchase Notes), "--Limitation on Affiliate Transactions," "--Limitation on the Sale or Issuance of Capital Stock of Restricted Subsidiaries," "--Future Guarantors" or "--SEC Reports";

(5) the failure by the Company, Parent, or any Subsidiary Guarantor to comply for 60 days after notice with its other agreements contained in the Indenture;

(6) Indebtedness of the Company or any Significant Subsidiary is not paid within any applicable grace period after final maturity or is accelerated by the holders thereof because of a default and the total amount of such Indebtedness unpaid or accelerated exceeds $10.0 million (the "cross acceleration provision");

(7) certain events of bankruptcy, insolvency or reorganization of the Company or any Significant Subsidiary (the "bankruptcy provisions");

(8) any judgment or decree for the payment of money (other than judgments

which are covered by enforceable insurance policies issued by solvent carriers) in excess of $10.0 million is entered against

the Company or any Significant Subsidiary, remains outstanding for a period of 60 consecutive days following such judgment and is not discharged, waived or stayed within 10 days after notice (the "judgment default provision"); or

(9) the Parent Guaranty or a Subsidiary Guaranty ceases to be in full force and effect (other than in accordance with the terms of such Guaranty) or a Guarantor denies or disaffirms its obligations under its Guaranty.

However, a default under clauses (4), (5) and (8) will not constitute an Event of Default until the Trustee or the holders of 25% in principal amount of the outstanding Notes notify the Company of the default and the Company does not cure such default within the time specified after receipt of such notice.

If an Event of Default occurs and is continuing, the Trustee or the holders of at least 25% in principal amount of the outstanding Notes may declare the principal of and accrued but unpaid interest on all the Notes to be due and payable; provided, however, that so long as any Bank Indebtedness remains outstanding, no such acceleration shall be effective until the earlier of (1) five Business Days after the giving of written notice to the Company and the administrative agent (or similar agent if there is no administrative agent) under the Credit Agreement and (2) the day on which any Bank Indebtedness is accelerated. Upon such a declaration, such principal and interest shall be due and payable immediately. If an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of the Company occurs and is continuing, the principal of and interest on all the Notes will ipso facto become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holders of the Notes. Under certain circumstances, the holders of a majority in principal amount of the outstanding Notes may rescind any such acceleration with respect to the Notes and its consequences.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the holders of the Notes unless such holders have offered to the Trustee reasonable indemnity or security against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no holder of a Note may pursue any remedy with respect to the Indenture or the Notes unless:

(1) such holder has previously given the Trustee notice that an Event of Default is continuing;

(2) holders of at least 25% in principal amount of the outstanding Notes have requested the Trustee to pursue the remedy;

(3) such holders have offered the Trustee reasonable security or indemnity against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt thereof and the offer of security or indemnity; and

(5) holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

Subject to certain restrictions, the holders of a majority in principal amount of the outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other holder of a Note or that would involve the Trustee in personal liability.

If a Default occurs, is continuing and is known to the Trustee, the Trustee must mail to each holder of the Notes notice of the Default within 90 days after it occurs. Except in the case of a Default in the payment of principal of or interest on any Note, the Trustee may withhold notice if and so long as a committee of its trust

officers determines that withholding notice is not opposed to the interest of the holders of the Notes. In addition, we are required to deliver to the Trustee, within 120 days after the end of each fiscal year, a certificate indicating whether the signers thereof know of any Default that occurred during

the previous year. We are required to deliver to the Trustee, within 30 days after the occurrence thereof, written notice of any event which would constitute certain Defaults, their status and what action we are taking or propose to take in respect thereof.

Amendments and Waivers

Subject to certain exceptions, the Indenture may be amended with the consent of the holders of a majority in principal amount of the Notes then outstanding (including consents obtained in connection with a tender offer or exchange for the Notes) and any past default or compliance with any provisions may also be waived with the consent of the holders of a majority in principal amount of the Notes then outstanding. However, without the consent of each holder of an outstanding Note affected thereby, an amendment or waiver may not, among other things:

(1) reduce the amount of Notes whose holders must consent to an amendment;

(2) reduce the rate of or extend the time for payment of interest on any Note;

(3) reduce the principal of or extend the Stated Maturity of any Note;

(4) reduce the amount payable upon the redemption of any Note or change the time at which any Note may be redeemed as described under "--Optional Redemption" above;

(5) make any Note payable in money other than that stated in the Note;

(6) impair the right of any holder of the Notes to receive payment of principal of and interest on such holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such holder's Notes;

(7) make any change in the amendment provisions which require each holder's consent or in the waiver provisions;

(8) make any change in the ranking or priority of any Note that would adversely affect the noteholders; or

(9) make any change in any Guaranty that would adversely affect the noteholders.

Notwithstanding the preceding, without the consent of any holder of the Notes, the Company, Parent, the Subsidiary Guarantors and Trustee may amend the Indenture:

(1) to cure any ambiguity, omission, defect or inconsistency;

(2) to provide for the assumption by a successor corporation of the obligations of the Company, Parent or any Subsidiary Guarantor under the Indenture;

(3) to provide for uncertificated Notes in addition to or in place of certificated Notes (provided that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code, or in a manner such that the uncertificated Notes are described in Section 163(f)(2)(B) of the Code);

(4) to add guarantees with respect to the Notes, including any Subsidiary Guaranties, or to secure the Notes;

(5) to add to the covenants of the Company, Parent or any Subsidiary Guarantor for the benefit of the holders of the Notes or to surrender any right or power conferred upon the Company, Parent or any Subsidiary Guarantor;

(6) to make any change that does not adversely affect the rights of any holder of the Notes; or

(7) to comply with any requirement of the SEC in connection with the qualification of the Indenture under the Trust Indenture Act.

However, no amendment may be made to the subordination provisions of the Indenture that adversely affects the rights of any holder of Senior Indebtedness of the Company, Parent or a Subsidiary Guarantor then outstanding unless the holders of such Senior Indebtedness (or their Representative) consent to such change.

The consent of the holders of the Notes is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

After an amendment under the Indenture becomes effective, we are required to mail to holders of the Notes a notice briefly describing such amendment. However, the failure to give such notice to all holders of the Notes, or any defect therein, will not impair or affect the validity of the amendment.

Transfer

The Notes will be issued in registered form and will be transferable only upon the surrender of the Notes being transferred for registration of transfer. We may require payment of a sum sufficient to cover any tax, assessment or other governmental charge payable in connection with certain transfers and exchanges.

Defeasance

At any time, we may terminate all our and each Guarantor's obligations under the Notes and the Indenture ("legal defeasance"), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain a registrar and paying agent in respect of the Notes.

In addition, at any time we may terminate our obligations under "--Change of Control" and under the covenants described under "--Certain Covenants" (other than the covenant described under "--Merger and Consolidation"), the operation of the cross acceleration provision, the bankruptcy provisions with respect to Significant Subsidiaries and the judgment default provision described under "--Defaults" above and the limitations contained in clause (3) of the first paragraph under "--Certain Covenants--Merger and Consolidation" above ("covenant defeasance").

We may exercise our legal defeasance option notwithstanding our prior exercise of our covenant defeasance option. If we exercise our legal defeasance option, payment of the Notes and the Guaranties may not be accelerated because of an Event of Default with respect thereto. If we exercise our covenant defeasance option, payment of the Notes may not be accelerated because of an Event of Default specified in clause (4), (6), (7) (with respect only to Significant Subsidiaries) or (8) under "--Defaults" above or because of the failure of the Company to comply with clause (3) of the first paragraph under "--Certain Covenants--Merger and Consolidation" above. If we exercise our legal defeasance option or our covenant defeasance option, each Guarantor will be released from all of its obligations with respect to its Guaranty.

In order to exercise either of our defeasance options, we must irrevocably deposit in trust (the "defeasance trust") with the Trustee money or U.S. Government Obligations for the payment of principal and interest on the Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of an Opinion of Counsel to the effect that holders of the Notes will not recognize income, gain or loss for Federal income tax purposes as a result of such deposit and defeasance and will be subject to Federal income tax on the same amounts and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel must be based on a ruling of the Internal Revenue Service or other change in applicable Federal income tax law).

Concerning the Trustee

State Street Bank and Trust Company of California, N.A. is to be the Trustee under the Indenture. We have appointed State Street Bank and Trust Company of California, N.A. as Registrar and Paying Agent with regard to the Notes.

The Indenture contains certain limitations on the rights of the Trustee, should it become a creditor of the Company, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Trustee will be permitted to engage in other transactions; provided, however, if it acquires any conflicting interest it must either eliminate such conflict within 90 days, apply to the SEC for permission to continue or resign.

The holders of a majority in principal amount of the outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee, subject to certain exceptions. If an Event of Default occurs (and is not cured), the Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. Subject to such provisions, the Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request of any holder of Notes, unless such holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense and then only to the extent required by the terms of the Indenture.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Company or any Subsidiary Guarantor will have any liability for any obligations of the Company or any Subsidiary Guarantor under the Notes, any Subsidiary Guaranty or the Indenture or for any claim based on, in respect of, or by reason of such obligations or their creation. Each holder of the Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver and release may not be effective to waive liabilities under the U.S. federal securities laws, and it is the view of the SEC that such a waiver is against public policy.

Governing Law

The Indenture and the Notes are governed by, and construed in accordance with, the laws of the State of New York.

Certain Definitions

"Additional Assets" means:

(1) any property or other assets (other than Indebtedness and Capital Stock) used in a Related Business;

(2) the Capital Stock of a Person that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Company or another Restricted Subsidiary; or

(3) Capital Stock constituting a minority interest in any Person that at such time is a Restricted Subsidiary;

provided, however, that any such Restricted Subsidiary described in clause (2) or (3) above is primarily engaged in a Related Business.

"Affiliate" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and

the terms "controlling" and "controlled" have meanings correlative to the foregoing. For purposes of the covenants described under "--Certain Covenants--Limitation on Restricted Payments," "--Certain Covenants --Limitation on Affiliate Transactions" and "--Certain Covenants--Limitation on Sales of Assets and Subsidiary Stock" only, "Affiliate" shall also mean any beneficial owner of Capital Stock representing 10% or more of the total voting power of the Voting Stock (on a fully diluted basis) of the Company or of rights or warrants to purchase such Capital Stock (whether or not currently exercisable) and any Person who would be an Affiliate of any such beneficial owner pursuant to the first sentence hereof.

"Asset Disposition" means any sale, lease, transfer or other disposition (or series of related sales, leases, transfers or dispositions) by the Company or any Restricted Subsidiary, including any disposition by means of a merger, consolidation or similar transaction (each referred to for the purposes of this definition as a "disposition"), of:

(1) any shares of Capital Stock of a Restricted Subsidiary (other than directors' qualifying shares or shares required by applicable law to be held by a Person other than the Company or a Restricted Subsidiary);

(2) all or substantially all the assets of any division or line of business of the Company or any Restricted Subsidiary; or

(3) any other assets of the Company or any Restricted Subsidiary outside of the ordinary course of business of the Company or such Restricted Subsidiary

(other than, in the case of clauses (1), (2) and (3) above,

(A) a disposition by a Restricted Subsidiary to the Company or by the Company or a Restricted Subsidiary to a Restricted Subsidiary;

(B) for purposes of the covenant described under "--Certain Covenants--Limitation on Sales of Assets and Subsidiary Stock" only, a disposition that constitutes a Restricted Payment permitted by the covenant described under "--Certain Covenants--Limitation on Restricted Payments" or a Permitted Investment;

(C) the sale by Melody of assets purchased and/or funded pursuant to the

Melody Mortgage Warehousing Facility or the Melody Loan Arbitrage Facility;

(D) any sale of Capital Stock in, or Indebtedness or other securities of, an Unrestricted Subsidiary;

(E) a disposition of Temporary Cash Investments in the ordinary course of business;

(F) the disposition of property or assets that are obsolete, damaged or worn out;

(G) the lease or sublease of office space in the ordinary course of business;

(H) sales by Melody of debt servicing rights not in excess of $5.0 million in the aggregate; and

(I) a disposition of assets with a fair market value of less than $750,000 (a "de minimis disposition"), so long as the sum of such de minimis disposition plus all other de minimis dispositions previously made in the same calendar year does not exceed $3.0 million in the aggregate);

provided, however, that a disposition of all or substantially all the assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by the provisions of the Indenture described above under the caption "--Change of Control" and/or the provisions described above under the caption "--Merger and Consolidation" and not by the provisions described above under the caption "--Limitation on Sales of Assets and Subsidiary Stock" covenant.

"Attributable Debt" in respect of a Sale/Leaseback Transaction means, as at the time of determination, the present value (discounted at the interest rate borne by the Notes, compounded annually) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale/Leaseback

Transaction (including any period for which such lease has been extended); provided, however, that if such Sale/Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of "Capital Lease Obligation."

"Average Life" means, as of the date of determination, with respect to any Indebtedness, the quotient obtained by dividing:

(1) the sum of the products of the number of years from the date of determination to the dates of each successive scheduled principal payment of or redemption or similar payment with respect to such Indebtedness multiplied by the amount of such payment by

(2) the sum of all such payments.

"Bank Indebtedness" means all Obligations pursuant to the Credit Agreement.

"Board of Directors" means the Board of Directors of the Company or any committee thereof duly authorized to act on behalf of such Board.

"Business Day" means each day other than a Saturday, Sunday or a day on which commercial banking institutions are authorized or required by law to close in New York City.

"Capital Lease Obligation" means an obligation that is required to be classified and accounted for as a capital lease for financial reporting purposes in accordance with GAAP, and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with GAAP; and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty.

"Capital Stock" of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"Cash Equity Contributions" shall mean (a) the contribution to Parent of not less than $98,800,000 in cash in the form of equity (it being understood that (i) any contribution to Parent by RCBA of shares of common equity of CB Richard Ellis Services in excess of 2,345,900 shares will be considered a cash contribution by RCBA in an amount equal to $16.00 multiplied by the number of shares constituting such excess and a contribution of such amount from Parent to the Company and (ii) the transfer by designated managers of an aggregate of

up to $2.6 million of deferred compensation plan account balances (currently reflected as cash surrender value of insurance policies, deferred compensation plan in the financial statements of the Company) to stock fund units shall be deemed to be a cash contribution to Parent of the amount of such transfer and a contribution of such amount from Parent to the Company to the extent (x) accounted for as equity of the Company and (y) such transfer of an account balance results in a transfer to the Company of cash from the trust relating to such deferred compensation plan) and (b) the contribution by Parent of the amount so received, together with the net proceeds from its sale of the Parent Senior Notes, to the Company as equity in exchange for Capital Stock (other than Disqualified Stock) of the Company.

"Code" means the Internal Revenue Code of 1986, as amended.

"Consolidated Coverage Ratio" as of any date of determination means the ratio of (x) the aggregate amount of EBITDA for the period of the most recent four consecutive fiscal quarters for which internal financial statements are available ending prior to the date of such determination to (y) Consolidated Interest Expense for such four fiscal quarters; provided, however, that:

(1) if the Company or any Restricted Subsidiary has Incurred any Indebtedness since the beginning of such period that remains outstanding or if the transaction giving rise to the need to calculate the

Consolidated Coverage Ratio is an Incurrence of Indebtedness, or both, EBITDA and Consolidated Interest Expense for such period shall be calculated after giving effect on a pro forma basis to such Indebtedness as if such Indebtedness had been Incurred on the first day of such period;

(2) if the Company or any Restricted Subsidiary has repaid, repurchased, defeased or otherwise discharged any Indebtedness since the beginning of such period or if any Indebtedness is to be repaid, repurchased, defeased or otherwise discharged (in each case other than Indebtedness Incurred under any revolving credit facility unless such Indebtedness has been permanently repaid and has not been replaced) on the date of the transaction giving rise to the need to calculate the Consolidated Coverage Ratio, EBITDA and Consolidated Interest Expense for such period shall be calculated on a pro forma basis as if such discharge had occurred on the first day of such period and as if the Company or such Restricted Subsidiary has not earned the interest income actually earned during such period in respect of cash or Temporary Cash Investments used to repay, repurchase, defease or otherwise discharge such Indebtedness;

(3) if since the beginning of such period the Company or any Restricted Subsidiary shall have made any Asset Disposition, EBITDA for such period shall be reduced by an amount equal to EBITDA (if positive) directly attributable to the assets which are the subject of such Asset Disposition for such period, or increased by an amount equal to EBITDA (if negative), directly attributable thereto for such period and Consolidated Interest Expense for such period shall be reduced by an amount equal to the Consolidated Interest Expense directly attributable to any Indebtedness of the Company or any Restricted Subsidiary repaid, repurchased, defeased or otherwise discharged with respect to the Company and its continuing Restricted Subsidiaries in connection with such Asset Disposition for such period (or, if the Capital Stock of any Restricted Subsidiary is sold, the Consolidated Interest Expense for such period directly attributable to the Indebtedness of such Restricted Subsidiary to the extent the Company and its continuing Restricted Subsidiaries are no longer liable for such Indebtedness after such sale);

(4) if since the beginning of such period the Company or any Restricted Subsidiary (by merger or otherwise) shall have made an Investment in any Restricted Subsidiary (or any person which becomes a Restricted Subsidiary) or an acquisition of assets, including any acquisition of assets occurring in connection with a transaction requiring a calculation to be made hereunder, which constitutes all or substantially all of an operating unit of a business, EBITDA and Consolidated Interest Expense for such period shall be calculated after giving pro forma effect thereto (including the Incurrence of any Indebtedness) as if such Investment or acquisition occurred on the first day of such period; and

(5) if since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Company or any Restricted Subsidiary since the beginning of such period) shall have made any Asset Disposition, any Investment or acquisition of assets that would have required an adjustment pursuant to clause (3) or (4) above if made by the Company or a Restricted Subsidiary during such period, EBITDA and Consolidated Interest Expense for such period shall be calculated after giving pro forma effect thereto as if such Asset Disposition, Investment or acquisition occurred on the first day of such

period.

For purposes of this definition, whenever pro forma effect is to be given to an acquisition of assets, the amount of income or earnings relating thereto and the amount of Consolidated Interest Expense associated with any Indebtedness Incurred in connection therewith, the pro forma calculations shall be determined in good faith by a responsible financial or accounting officer of the Company (and shall include any applicable Pro Forma Cost Savings). If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Interest Rate Agreement applicable to such Indebtedness if such Interest Rate Agreement has a remaining term in excess of 12 months).

"Consolidated Interest Expense" means, for any period, the total interest expense of the Company and its consolidated Restricted Subsidiaries, plus, to the extent not included in such total interest expense, and to the extent incurred by the Company or its Restricted Subsidiaries, without duplication:

(1) interest expense attributable to Capital Lease Obligations and the interest expense attributable to leases constituting part of a Sale/Leaseback Transaction;

(2) amortization of debt discount and debt issuance cost;

(3) capitalized interest;

(4) non-cash interest expense;

(5) commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing;

(6) net payments pursuant to Hedging Obligations in respect of Indebtedness;

(7) Preferred Stock dividends in respect of all Preferred Stock held by Persons other than the Company or a Restricted Subsidiary (other than dividends payable solely in Capital Stock (other than Disqualified Stock) of the issuer of such Preferred Stock);

(8) interest incurred in connection with Investments in discontinued operations;

(9) interest accruing on any Indebtedness of any other Person to the extent such Indebtedness is Guaranteed by (or secured by the assets of) the Company or any Restricted Subsidiary; and

(10) the cash contributions to any employee stock ownership plan or similar trust to the extent such contributions are used by such plan or trust to pay interest or fees to any Person (other than the Company) in connection with Indebtedness Incurred by such plan or trust,

and less, to the extent included in such total interest expense, (A) the amortization during such period of capitalized financing costs associated with the Transactions and (B) the amortization during such period of other capitalized financing costs; provided however, that the aggregate amount of amortization relating to any such other capitalized financing costs deducted in calculating Consolidated Interest Expense shall not exceed 3.5% of the aggregate amount of the financing giving rise to such capitalized financing costs.

"Consolidated Net Income" means, for any period, the sum of (1) the net income of the Company and its consolidated Subsidiaries and (2) to the extent deducted in calculating net income of the Company and its consolidated Subsidiaries, (A) any non-recurring fees, expenses or charges related to the Transactions and (B) any non-recurring charges related to one-time severance or lease termination costs incurred in connection with the Transactions; provided, however, that there shall not be included in such Consolidated Net Income:

(1) any net income of any Person (other than the Company) if such Person is not a Restricted Subsidiary, except that:

(A) subject to the exclusion contained in clause (4) below, the Company's equity in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to the Company or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution paid to a Restricted Subsidiary, to the limitations contained in clause (3) below); and

(B) the Company's equity in a net loss of any such Person to the extent accounted for pursuant to the equity method of accounting for such period shall be included in determining such Consolidated Net Income;

(2) any net income (or loss) of any Person acquired by the Company or a Subsidiary in a pooling of interests transaction for any period prior to the date of such acquisition;

(3) any net income of any Restricted Subsidiary if such Restricted Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions by such Restricted Subsidiary, directly or indirectly, to the Company, except that:

(A) subject to the exclusion contained in clause (4) below, the Company's equity in the net income of any such Restricted Subsidiary for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such Restricted Subsidiary during such period to the Company or another Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution paid to another Restricted Subsidiary, to the limitation contained in this clause); and

(B) the Company's equity in a net loss of any such Restricted Subsidiary for such period shall be included in determining such Consolidated Net Income;

(4) any gain (or loss) realized upon the sale or other disposition of any assets of the Company, its consolidated Subsidiaries or any other Person (including pursuant to any sale-and-leaseback arrangement) which is not sold or otherwise disposed of in the ordinary course of business and any gain (or loss) realized upon the sale or other disposition of any Capital Stock of any Person;

(5) extraordinary gains or losses;

(6) the cumulative effect of a change in accounting principles;

(7) any income or losses attributable to discontinued operations (including operations disposed of during such periods whether or not such operations were classified as discontinued);

(8) any restoration to income of any contingency reserve, except to the extent that provision for such reserve was made out of Consolidated Net Income accrued at any time following the Issue Date; and

(9) if the Successor Company is not the Company, the aggregate net income (or loss) of such Successor Company prior to the consolidation, merger or transfer resulting in such Successor Company.

Notwithstanding the foregoing, for the purposes of the covenant described under "--Certain Covenants--Limitation on Restricted Payments" only, there shall be excluded from Consolidated Net Income any repurchases, repayments or redemptions of Investments, proceeds realized on the sale of Investments or return of capital to the Company or a Restricted Subsidiary to the extent such repurchases, repayments, redemptions, proceeds or returns increase the amount of Restricted Payments permitted under such covenant pursuant to clause (a)(3)(D) thereof.

"Credit Agreement" means the Credit Agreement to be entered into among CB Richard Ellis Services, Parent, as guarantor, the lenders referred to therein, Credit Suisse First Boston, as Administrative Agent, Sole Lead Arranger and Sole Book Manager, and the Syndication Agent and Documentation Agent named therein, together with the related documents thereto (including the term loans and revolving loans thereunder, any guarantees and security documents), as amended, extended, renewed, restated, supplemented or otherwise modified (in whole or in part, and without limitation as to amount, terms, conditions, covenants and other provisions) from time to time, and any agreement (and related document) governing Indebtedness incurred to Refinance, in whole or in part, the borrowings and commitments then outstanding or permitted to be outstanding under such Credit Agreement or a successor Credit Agreement, whether by the same or any other lender or group of lenders.

"Currency Agreement" means in respect of a Person any foreign exchange contract, currency swap agreement or other similar agreement designed to protect such Person against fluctuations in currency values.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Designated Senior Indebtedness" with respect to a Person means:

(1) the Bank Indebtedness; and

(2) any other Senior Indebtedness of such Person which, at the date of determination, has an aggregate principal amount outstanding of, or under which, at the date of determination, the holders thereof are committed to lend up to, at least $25.0 million and is specifically designated by such Person in the instrument evidencing or governing such Senior Indebtedness as "Designated Senior Indebtedness" for purposes of the Indenture.

"Disqualified Stock" means, with respect to any Person, any Capital Stock which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder) or upon the happening of any event:

(1) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise;

(2) is convertible or exchangeable at the option of the holder for Indebtedness or Disqualified Stock; or

(3) is mandatorily redeemable or must be purchased upon the occurrence of certain events or otherwise, in whole or in part;

in each case on or prior to the first anniversary of the Stated Maturity of the Notes; provided, however, that if such Capital Stock is issued to any employee or to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because it may be required to be repurchased by the Company in order to satisfy obligations as a result of such employee's death or disability; and provided further, however, that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to purchase or redeem such Capital Stock upon the occurrence of an "asset sale" or "change of control" occurring prior to the first anniversary of the Stated Maturity of the Notes shall not constitute Disqualified Stock if:

(1) the "asset sale" or "change of control" provisions applicable to such Capital Stock are not more favorable to the holders of such Capital Stock than the terms applicable to the Notes and described under "--Certain Covenants--Limitation on Sales of Assets and Subsidiary Stock" and "--Change of Control"; and

(2) any such requirement only becomes operative after compliance with such terms applicable to the Notes, including the purchase of any Notes tendered pursuant thereto.

The amount of any Disqualified Stock that does not have a fixed redemption, repayment or repurchase price will be calculated in accordance with the terms of such Disqualified Stock as if such Disqualified Stock were redeemed, repaid or repurchased on any date on which the amount of such Disqualified Stock is to be determined pursuant to the Indenture; provided, however, that if such Disqualified Stock could not be required to be redeemed, repaid or repurchased at the time of such determination, the redemption, repayment or repurchase price will be the book value of such Disqualified Stock as reflected in the most recent financial statements of such Person.

"EBITDA" for any period means the sum of Consolidated Net Income, plus the following to the extent deducted in calculating such Consolidated Net Income:

(1) all income tax expense of the Company and its consolidated Restricted Subsidiaries;

(2) Consolidated Interest Expense;

(3) any non-recurring fees, expenses or charges related to any Equity Offering, Permitted Investment, acquisition or Incurrence of Indebtedness permitted to be Incurred by the Indenture (in each case, whether or not successful), including any such fees, expenses or charges related to the Transactions, in each case not exceeding $5.0 million in the aggregate for all such non-recurring fees, expenses and charges attributable to the same transaction or event (or group of related transactions or events);

(4) depreciation and amortization expense of the Company and its consolidated Restricted Subsidiaries (excluding amortization expense attributable to a prepaid operating activity item that was paid in cash in a prior period);

(5) all other non-cash losses, expenses and charges of the Company and its

consolidated Restricted Subsidiaries (excluding any such non-cash loss, expense or charge to the extent that it represents an accrual of or reserve for cash expenditures in any future period); and

(6) any non-recurring charges that are incurred and associated with the restructuring of the operations of the Company and its consolidated Subsidiaries announced prior to the Issue Date and implemented within 90 days after the Merger Date;

in each case for such period. Notwithstanding the foregoing, the provision for taxes based on the income or profits of, and the depreciation and amortization and non-cash charges of, a Restricted Subsidiary shall be added to Consolidated Net Income to compute EBITDA only to the extent (and in the same proportion) that the net income of such Restricted Subsidiary was included in calculating Consolidated Net Income and only if a corresponding amount would be permitted at the date of determination to be dividended to the Company by such Restricted Subsidiary without prior approval (that has not been obtained), pursuant to the terms of its charter and all agreements, instruments, judgments, decrees, orders, statutes, rules and governmental regulations applicable to such Restricted Subsidiary or its stockholders.

"Equity Offering" means any primary offering of Capital Stock of Parent or the Company (other than Disqualified Stock) to Persons who are not Affiliates of the Company other than (1) public offerings with respect to the Company's Common Stock registered on Form S-8 and (2) issuances upon exercise of options by employees of the Company or any of its Restricted Subsidiaries.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Exchange Notes" means the debt securities of the Company issued pursuant to the Indenture in exchange for, and in an aggregate principal amount at maturity equal to, the Notes, in compliance with the terms of the Registration Rights Agreement.

"Exempt Subsidiary" means any Restricted Subsidiary that shall have had aggregate EBITDA of less than $250,000 for the period of the most recent four consecutive fiscal quarters for which internal financial statements are available ending prior to the date of the issuance or sale of its Capital Stock giving rise to such determination; provided, however, that such sale or issuance is pursuant to a plan or program for the sale or issuance of Capital Stock a majority of which is sold to local management or to local strategic investors.

"Facilities" means the Term Loan Facilities and the Revolving Credit Facilities.

"Foreign Restricted Subsidiary" means any Restricted Subsidiary not incorporated or organized under the laws of the United States of America, any State thereof or the District of Columbia.

"Freeman Spogli" means collectively, (1) FS Equity Partners Ill, L.P., (2) FS Equity Partners International L.P., (3) any investment fund that is affiliated with Freeman Spogli & Co. Incorporated and (4) Freeman Spogli & Co. Incorporated and any successor entity thereof controlled by the principals of Freeman Spogli & Co. Incorporated or any entity controlled by, or under common control with, Freeman Spogli & Co. Incorporated.

"GAAP" means generally accepted accounting principles in the United States of America as in effect as of the Issue Date, including those set forth in:

(1) the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants;

(2) statements and pronouncements of the Financial Accounting Standards Board;

(3) such other statements by such other entity as approved by a significant segment of the accounting profession; and

(4) the rules and regulations of the SEC governing the inclusion of financial statements (including pro forma financial statements) in periodic reports required to be filed pursuant to Section 13 of the Exchange Act, including opinions and pronouncements in staff accounting bulletins and similar written statements from the accounting staff of the SEC.

"Guarantee" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any Person and any obligation, direct or indirect, contingent or otherwise, of such Person:

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such Person (whether arising by virtue

of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay or to maintain financial statement conditions or otherwise); or

(2) entered into for the purpose of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part);

provided, however, that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"Guarantor" means Parent and/or a Subsidiary Guarantor.

"Guaranty" means the Parent Guaranty and/or a Subsidiary Guaranty.

"Guaranty Agreement" means a supplemental indenture, in a form satisfactory to the Trustee, pursuant to which a Guarantor guarantees the Company's obligations with respect to the Notes on the terms provided for in the Indenture.

"Hedging Obligations" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement or Currency Agreement or similar agreement.

"Holder" or "noteholder" means the Person in whose name a Note is registered on the Registrar's books.

"Incur" means issue, assume, Guarantee, incur or otherwise become liable for; provided, however, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Person at the time it becomes a Restricted Subsidiary. The term "Incurrence" when used as a noun shall have a correlative meaning. Solely for purposes of determining compliance with "--Certain Covenants--Limitation on Indebtedness," (1) amortization of debt discount or the accretion of principal with respect to a noninterest bearing or other discount security and (2) the payment of regularly scheduled interest in the form of additional Indebtedness of the same instrument or the payment of regularly scheduled dividends on Capital Stock in the form of additional Capital Stock of the same class and with the same terms will not be deemed to be the Incurrence of Indebtedness.

"Indebtedness" means, with respect to any Person on any date of determination (without duplication):

(1) the principal in respect of (A) indebtedness of such Person for money borrowed and (B) indebtedness evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable, including, in each case, any premium on such indebtedness to the extent such premium has become due and payable;

(2) all Capital Lease Obligations of such Person and all Attributable Debt in respect of Sale/Leaseback Transactions entered into by such Person;

(3) all obligations of such Person issued or assumed as the deferred purchase price of property, all conditional sale obligations of such Person and all obligations of such Person under any title retention agreement (but excluding trade accounts payable arising in the ordinary course of business);

(4) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction (other than obligations with respect to letters of credit securing obligations (other than obligations described in clauses (1) through (3) above) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the twentieth Business Day following payment on the letter of credit);

(5) the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase of any Disqualified Stock of such Person or, with respect to any Preferred Stock of any Subsidiary of such Person, the principal amount of such Preferred Stock to be determined in accordance with the Indenture (but excluding, in each case, any accrued dividends);

(6) all obligations of the type referred to in clauses (1) through (5) of other Persons and all dividends of other Persons for the payment of which, in either case, such Person is responsible or liable, directly or indirectly, as obligor, guarantor or otherwise, including by means of any Guarantee;

(7) all obligations of the type referred to in clauses (1) through (6) of other Persons secured by any Lien on any property or asset of such Person (whether or not such obligation is assumed by such Person), the amount of such obligation being deemed to be the lesser of the value of such property or assets and the amount of the obligation so secured; and

(8) to the extent not otherwise included in this definition, Hedging Obligations of such Person.

Notwithstanding the foregoing, in connection with the purchase by the Company or any Restricted Subsidiary of any business, the term "Indebtedness" will exclude post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; provided, however, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid within 30 days thereafter. Indebtedness of any Person shall include all Indebtedness of any partnership or other entity in which such Person is a general partner or other equity holder with unlimited liability other than Indebtedness which by its terms is non-recourse to such Person and its assets.

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability, upon the occurrence of the contingency giving rise to the obligation, of any contingent obligations at such date; provided, however, that the principal amount of any noninterest bearing or other discount security at any date will be the principal amount thereof that would be shown on a balance sheet of such Person dated such date prepared in accordance with GAAP.

"Independent Qualified Party" means an investment banking firm, accounting firm or appraisal firm of national standing; provided, however, that such firm is not an Affiliate of the Company.

"Interest Rate Agreement" means in respect of a Person any interest rate swap agreement, interest rate cap agreement or other financial agreement or arrangement designed to protect such Person against fluctuations in interest rates.

"Investment" in any Person means any direct or indirect advance, loan (other than advances to customers in the ordinary course of business that are recorded as accounts receivable on the balance sheet of the lender) or other extensions of credit (including by way of Guarantee or similar arrangement) or capital contribution to (by

means of any transfer of cash or other property to others or any payment for property or services for the account or use of others), or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by such Person. Except as otherwise provided for herein, the amount of an Investment shall be its fair market value at the time the Investment is made and without giving effect to subsequent changes in value.

For purposes of the definition of "Unrestricted Subsidiary," the definition of "Restricted Payment" and the covenant described under "--Certain Covenants--Limitation on Restricted Payments":

(1) "Investment" shall include the portion (proportionate to the Company's equity interest in such Subsidiary) of the fair market value of the net assets of any Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; provided, however, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary equal to an amount (if positive) equal to (A) the Company's "Investment" in such Subsidiary at the time of such redesignation less (B) the portion (proportionate to the Company's equity interest in such Subsidiary) of the fair market value of the net assets of such Subsidiary at the time of such redesignation; and

(2) any property transferred to or from an Unrestricted Subsidiary shall be valued at its fair market value at the time of such transfer, in each case as determined in good faith by the Board of Directors.

"Investment Grade Rating" means a rating equal to or higher than Baa3 (or the equivalent) and BBB- (or the equivalent) by Moody's Investors Service, Inc. (or any successor to the rating agency business thereof) and Standard & Poor's Ratings Group (or any successor to the rating agency business thereof), respectively.

"Issue Date" means June 7, 2001.

"Lien" means any mortgage, pledge, security interest, encumbrance, lien or

charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

"Melody" means L.J. Melody & Company, a Texas corporation.

"Melody Loan Arbitrage Facility" means a credit facility provided to Melody by any depository bank in which Melody deposits payments relating to mortgage loans for which Melody is servicer prior to distribution of such payments to or for the benefit of the holders of such loans, so long as (1) Melody applies all proceeds of loans made under such credit facility to purchase Temporary Cash Investments and (2) all such Temporary Cash Investments purchased by Melody with the proceeds of loans thereunder (and proceeds thereof and distributions thereon) are pledged to the depository bank providing such credit facility, and such bank has a first priority perfected security interest therein, to secure loans made under such credit facility.

"Melody Mortgage Warehousing Facility" means the credit facility provided by Residential Funding Corporation ("RFC") or any substantially similar facility extended to any Mortgage Banking Subsidiary in connection with any Mortgage Banking Activities, pursuant to which RFC or another lender makes loans to Melody, the proceeds of which loans are applied by Melody (or any Mortgage Banking Subsidiary) to fund commercial mortgage loans originated and owned by Melody (or any Mortgage Banking Subsidiary) subject to an unconditional, irrevocable (subject to customary exceptions) commitment to purchase such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or any other quasi-federal governmental entity so long as loans made by RFC or such other lender to Melody (or any Mortgage Banking Subsidiary) thereunder are secured by a pledge of commercial mortgage loans made by Melody (or any Mortgage Banking Subsidiary) with the proceeds of such loans and RFC or such other lender has a perfected first priority security interest therein, to secure loans made under such credit facility.

"Melody Permitted Indebtedness" means Indebtedness of Melody under the Melody Loan Arbitrage Facility, the Melody Mortgage Warehousing Facility and the Melody Working Capital Facility and Indebtedness

of any Mortgage Banking Subsidiary under the Melody Mortgage Warehousing Facility that is, in all cases, non-recourse to the Company or any of its other Subsidiaries.

"Melody Working Capital Facility" means a credit facility provided by a financial institution to Melody, so long as (1) the proceeds of loans thereunder are applied only to provide working capital to Melody, (2) loans under such credit facility are unsecured, and (3) the aggregate principal amount of loans outstanding under such credit facility at no time exceeds $1.0 million.

"Merger" means the merger of BLUM CB Corp. with and into CB Richard Ellis Services pursuant to the Merger Agreement.

"Merger Agreement" means the second amended and restated agreement and plan of merger dated as of May 31, 2001, among CB Richard Ellis Services, Parent and Merger Sub, as such agreement may be further amended so long as such amendments are not adverse to holders of the Notes, and all other documents entered into or delivered in connection with the Merger Agreement.

"Merger Date" means the date the Merger is consummated.

"Mortgage Banking Activities" means the origination by a Mortgage Banking Subsidiary of mortgage loans in respect of commercial and multi-family residential real property, and the sale or assignment of such mortgage loans and the related mortgages to another person (other than the Company or any of its Subsidiaries) within sixty days after the origination thereof; provided, however, that in each case prior to origination of any mortgage loan, the Company or a Mortgage Banking Subsidiary, as the case may be, shall have entered into a legally binding and enforceable purchase and sale agreement with respect to such mortgage loan with a person that purchases such loans in the ordinary course of business.

"Mortgage Banking Subsidiary" means Melody and its subsidiaries that are engaged in Mortgage Banking Activities.

"Net Available Cash" from an Asset Disposition means cash payments received therefrom (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise and proceeds from the sale or other disposition of any securities received as consideration, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to such properties or assets or received in any other non-cash form), in each case net of:

(1) all legal, accounting, investment banking and brokerage fees, title and

recording tax expenses, commissions and other fees and expenses incurred, and all Federal, state, provincial, foreign and local taxes required to be accrued as a liability under GAAP, as a consequence of such Asset Disposition;

(2) all payments made on any Indebtedness which is secured by any assets subject to such Asset Disposition, in accordance with the terms of any Lien upon or other security agreement of any kind with respect to such assets, or which must by its terms, or in order to obtain a necessary consent to such Asset Disposition, or by applicable law, be repaid out of the proceeds from such Asset Disposition;

(3) all distributions and other payments required to be made to minority interest holders in Restricted Subsidiaries as a result of such Asset Disposition; and

(4) the deduction of appropriate amounts provided by the seller as a reserve, in accordance with GAAP, against any liabilities associated with the property or other assets disposed in such Asset Disposition and retained by the Company or any Restricted Subsidiary after such Asset Disposition.

"Net Cash Proceeds," with respect to any issuance or sale of Capital Stock, means the cash proceeds of such issuance or sale net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts

or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof.

"Obligations" means with respect to any Indebtedness all obligations for principal, premium, interest, penalties, fees, indemnifications, reimbursements, and other amounts payable pursuant to the documentation governing such Indebtedness.

"Parent" means CBRE Holding, Inc.

"Parent Senior Notes" means Parent's 16% Senior Notes Due 2011.

"Parent Guaranty" means the Guarantee by Parent of the Company's obligations with respect to the Notes contained in the Indenture.

"Permitted Co-investment" means any Investment by any Restricted Subsidiary which is formed solely to acquire up to 5% of the Capital Stock of any Person (a "Co-investment Entity") managed by such Restricted Subsidiary whose principal purpose is to invest, directly or indirectly, in commercial real estate; provided, however, that such Restricted Subsidiary is acting in such capacity pursuant to an arrangement substantially similar to arrangements entered into by Restricted Subsidiaries involved in such activities prior to the Issue Date.

"Permitted Holders" means (1) RCBA and Freeman Spogli, (2) any member of senior management of the Company on the Merger Date and (3) DLJ Investment Partners II, L.P. and its affiliates.

"Permitted Investment" means an Investment by the Company or any Restricted Subsidiary in:

(1) the Company, a Restricted Subsidiary or a Person that will, upon the making of such Investment, become a Restricted Subsidiary; provided, however, that (A) the primary business of such Restricted Subsidiary is a Related Business and (B) such Restricted Subsidiary is not restricted from making dividends or similar distributions by contract, operation of law or otherwise;

(2) another Person if as a result of such Investment such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all its assets to, the Company or a Restricted Subsidiary; provided, however, that such Person's primary business is a Related Business;

(3) cash and Temporary Cash Investments;

(4) receivables owing to the Company or any Restricted Subsidiary if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; provided, however, that such trade terms may include such concessionary trade terms as the Company or any such Restricted Subsidiary deems reasonable under the circumstances;

(5) payroll, travel, moving and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as

expenses for accounting purposes and that are made in the ordinary course of business;

(6) loans or advances to employees or independent contractors made in the ordinary course of business consistent with past practices of the Company or such Restricted Subsidiary;

(7) loans or advances to clients and vendors made in the ordinary course of business consistent with past practices of the Company or such Restricted Subsidiary in an aggregate amount outstanding at any time not exceeding $1.5 million;

(8) stock, obligations or securities received in settlement of debts created in the ordinary course of business and owing to the Company or any Restricted Subsidiary or in satisfaction of judgments;

(9) any Person to the extent such Investment represents the non-cash portion of the consideration received for an Asset Disposition as permitted pursuant to the covenant described under "--Certain Covenants--Limitation on Sales of Assets and Subsidiary Stock;"

(10) any Person where such Investment was acquired by the Company or any of its Restricted Subsidiaries (a) in exchange for any other Investment or accounts receivable held by the Company or any such Restricted Subsidiary in connection with or as a result of a bankruptcy, workout, reorganization or recapitalization of the issuer of such other Investment or accounts receivable or (b) as a result of a foreclosure by the Company or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default;

(11) Hedging Obligations entered into in the ordinary course of the Company's or any Restricted Subsidiary's business and not for the purpose of speculation;

(12) any Person to the extent such Investment replaces or refinances an Investment in such Person existing on the Issue Date or on the Merger Date in an amount not exceeding the amount of the Investment being replaced or refinanced; provided, however, the new Investment is on terms and conditions no less favorable than the Investment being renewed or replaced;

(13) Investments in insurance on the life of any participant in any deferred compensation plan of the Company made in the ordinary course of business consistent with past practices of the Company;

(14) Permitted Co-investments in an aggregate amount not exceeding (a) for the period from the day after the Merger Date to December 31, 2001, the excess of $20.0 million over the aggregate amount of all such Investments made in the period from January 1, 2001 to the Merger Date, and (b) $20.0 million in each calendar year thereafter; provided, however, that such Investments made in Co-investment Entities investing in countries that are not members of the Organization for Economic Co-operation and Development shall not exceed $5.0 million in any calendar year; provided further, however, that (x) at the time of such Investment, no Default shall have occurred and be continuing (or result therefrom) and (y) immediately after giving pro forma effect to such Investment, the Company would be able to Incur an additional $1.00 of Indebtedness pursuant to paragraph (a) of the covenant described under "--Limitation on Indebtedness;" and

(15) so long as no Default shall have occurred and be continuing (or result therefrom), any Person in an aggregate amount which, when added together with the amount of all the Investments made pursuant to this clause (15) which at such time have not been repaid through repayments of loans or advances or other transfers of assets, does not exceed $15.0 million (with the fair market value of each Investment being measured at the time made and without giving effect to subsequent changes in value).

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"Preferred Stock," as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"Principal" of a Note means the principal of the Note plus the premium, if

any, payable on the Note which is due or overdue or is to become due at the relevant time.

"Pro Forma Cost Savings" means, with respect to any period, the reduction in costs that were

(1) directly attributable to an asset acquisition and calculated on a basis that is consistent with Regulation S-X under the Securities Act in effect and applied as of the Issue Date, or

(2) implemented by the business that was the subject of any such asset acquisition within six months of the date of the asset acquisition and that are supportable and quantifiable by the underlying accounting records of such business,

as if, in the case of each of clause (1) and (2), all such reductions in costs had been effected as of the beginning of such period.

"Public Equity Offering" means an underwritten primary public offering of common stock of the Company pursuant to an effective registration statement under the Securities Act.

"Purchase Money Indebtedness" means Indebtedness (including Capital Lease Obligations) (1) consisting of the deferred purchase price of property, conditional sale obligations, obligations under any title retention agreement, other purchase money obligations and obligations in respect of industrial revenue bonds or similar Indebtedness, in each case where the maturity of such Indebtedness does not exceed the anticipated useful life of the asset being financed, and (2) Incurred to finance the acquisition by the Company or a Restricted Subsidiary of such asset, including additions and improvements; provided, however, that any Lien arising in connection with any such Indebtedness shall be limited to the specified asset being financed or, in the case of real property or fixtures, including additions and improvements, the real property on which such asset is attached; provided further, however, that such Indebtedness is Incurred within 180 days after such acquisition of such assets by the Company or any Restricted Subsidiary.

"Rating Agencies" means Standard and Poor's Ratings Group and Moody's Investors Service, Inc. or any successor to the respective rating agency business thereof.

"RCBA" means (1) RCBA Strategic Partners, L.P., (2) BLUM Capital Partners, L.P. and its successors and (3) any investment fund that is affiliated with BLUM Capital Partners, L.P. or its successors.

"Refinance" means, in respect of any Indebtedness, to refinance, extend, renew, refund, repay, prepay, redeem, defease or retire, or to issue other Indebtedness in exchange or replacement for, such indebtedness. "Refinanced" and "Refinancing" shall have correlative meanings.

"Refinancing Indebtedness" means Indebtedness that Refinances any Indebtedness of the Company or any Restricted Subsidiary existing on the Merger Date or Incurred in compliance with the Indenture, including Indebtedness that Refinances Refinancing Indebtedness; provided, however, that:

(1) such Refinancing Indebtedness has a Stated Maturity no earlier than the Stated Maturity of the Indebtedness being Refinanced;

(2) such Refinancing Indebtedness has an Average Life at the time such Refinancing Indebtedness is Incurred that is equal to or greater than the Average Life of the Indebtedness being Refinanced; and

(3) such Refinancing Indebtedness has an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) that is equal to or less than the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value) then outstanding or committed (plus fees and expenses, including any premium and defeasance costs) under the Indebtedness being Refinanced;

provided further, however, that Refinancing Indebtedness shall not include (A) Indebtedness of a Restricted Subsidiary that Refinances Indebtedness of the Company or (B) Indebtedness of the Company or a Restricted Subsidiary that Refinances Indebtedness of an Unrestricted Subsidiary.

"Registration Rights Agreement" means the Registration Rights Agreement dated May 31, 2001, among the Company, Parent and Credit Suisse First Boston Corporation.

"Related Business" means any business in which the Company was engaged on the Merger Date and any business related, ancillary or complementary to any business of the Company in which the Company was engaged on the Merger Date.

"Representative" means with respect to a Person any trustee, agent or representative (if any) for an issue of Senior Indebtedness of such Person.

"Restricted Payment" with respect to any Person means:

(1) the declaration or payment of any dividends or any other distributions of any sort in respect of its Capital Stock (including any payment in connection with any merger or consolidation involving such Person) or similar payment to the direct or indirect holders of its Capital Stock (other than dividends or distributions payable solely in its Capital Stock (other than Disqualified Stock) and dividends or distributions payable solely to the Company or a Restricted Subsidiary, and other than pro rata dividends or other distributions made by a Subsidiary that is not a Wholly Owned Subsidiary to minority stockholders (or owners of an equivalent interest in the case of a Subsidiary that is an entity other than a corporation));

(2) the purchase, redemption or other acquisition or retirement for value of any Capital Stock of the Company held by any Person or of any Capital Stock of a Restricted Subsidiary held by any Affiliate of the Company (other than a Restricted Subsidiary), including the exercise of any option to exchange any Capital Stock (other than into Capital Stock of the Company that is not Disqualified Stock);

(3) the purchase, repurchase, redemption, defeasance or other acquisition or retirement for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment of any Subordinated Obligations of such Person (other than the purchase, repurchase or other acquisition of Subordinated Obligations purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such purchase, repurchase or other acquisition); or

(4) the making of any Investment (other than a Permitted Investment) in any Person.

"Restricted Subsidiary" means any Subsidiary of the Company that is not an Unrestricted Subsidiary.

"Revolving Credit Facility" means the revolving credit facility contained in the Credit Agreement and any other facility or financing arrangement that Refinances, in whole or in part, any such revolving credit facility.

"Sale/Leaseback Transaction" means an arrangement relating to property owned by the Company or a Restricted Subsidiary on the Issue Date or thereafter acquired by the Company or a Restricted Subsidiary whereby the Company or a Restricted Subsidiary transfers such property to a Person and the Company or a Restricted Subsidiary leases it from such Person.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Secured Indebtedness" means any Indebtedness of the Company secured by a Lien.

"Senior Indebtedness" means with respect to any Person:

(1) Indebtedness of such Person, whether outstanding on the Issue Date or thereafter Incurred; and

(2) accrued and unpaid interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to such Person whether or not post-filing interest is allowed in such proceeding) in respect of (A) indebtedness of such Person for money borrowed and (B) indebtedness evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable

unless, in the case of clauses (1) and (2), in the instrument creating or evidencing the same or pursuant to which the same is outstanding, it is provided that such obligations are subordinate or pari passu in right of payment to

the Notes or the Guaranty of such Person, as the case may be; provided, however, that Senior Indebtedness shall not include:

(1) any obligation of such Person to any Subsidiary;

(2) any liability for Federal, state, local or other taxes owed or owing by such Person;

(3) any accounts payable or other liability to trade creditors arising in the ordinary course of business (including guarantees thereof or instruments evidencing such liabilities);

(4) any Indebtedness of such Person (and any accrued and unpaid interest in respect thereof) which is subordinate or junior in any respect to any other Indebtedness or other obligation of such Person; or

(5) that portion of any Indebtedness which at the time of Incurrence is Incurred in violation of the Indenture; provided, however, that such Indebtedness shall be deemed not to have been Incurred in violation of the Indenture for purposes of this clause (5) if (x) the holders of such Indebtedness or their representative or the Company shall have furnished to the Trustee an opinion of recognized independent legal counsel, unqualified in all material respects, addressed to the Trustee (which legal counsel may, as to matters of fact, rely upon an Officers' Certificate) to the effect that the Incurrence of such Indebtedness does not violate the provisions of the Indenture or (y) such Indebtedness consists of Bank Indebtedness, and the holders of such Indebtedness or their agent or representative (1) had no actual knowledge at the time of the Incurrence that the Incurrence of such Indebtedness violated the Indenture and (2) shall have received an Officers' Certificate to the effect that the Incurrence of such Indebtedness does not violate the provisions of the Indenture.

"Senior Subordinated Indebtedness" means, with respect to a Person, the Notes (in the case of the Company), the Parent Guaranty (in the case of Parent), a Subsidiary Guaranty (in the case of a Subsidiary Guarantor) and any other Indebtedness of such Person that specifically provides that such Indebtedness is to rank pari passu with the Notes or such Guaranty, as the case may be, in right of payment and is not subordinated by its terms in right of payment to any Indebtedness or other obligation of such Person which is not Senior Indebtedness of such Person.

"Significant Subsidiary" means any Restricted Subsidiary that would be a "Significant Subsidiary" of the Company within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the final payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred).

"Subordinated Obligation" means, with respect to a Person, any Indebtedness of such Person (whether outstanding on the Issue Date or thereafter Incurred) which is subordinate or junior in right of payment to the Notes or a Guaranty of such Person, as the case may be, pursuant to a written agreement to that effect.

"Subsidiary" means, with respect to any Person, any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Voting Stock is at the time owned or controlled, directly or indirectly, by:

(1) such Person;

(2) such Person and one or more Subsidiaries of such Person; or

(3) one or more Subsidiaries of such Person.

"Subsidiary Guarantor" means each Subsidiary of the Company that executes the Indenture as a guarantor on the Merger Date and each other Subsidiary of the Company that thereafter guarantees the Notes pursuant to the terms of the Indenture.

"Subsidiary Guaranty" means a Guarantee by a Subsidiary Guarantor of the Company's obligations with respect to the Notes.

"Temporary Cash Investments" means any of the following:

(1) any investment in direct obligations of the United States of America or any agency thereof or obligations guaranteed by the United States of America or any agency thereof;

(2) investments in time deposit accounts, bankers' acceptances, certificates of deposit and money market deposits maturing within one year of the date of acquisition thereof issued by a bank or trust company which is

organized under the laws of the United States of America, any State thereof or any foreign country recognized by the United States of America, and which bank or trust company has capital, surplus and undivided profits aggregating in excess of $50.0 million (or the foreign currency equivalent thereof) and has outstanding debt which is rated "A" (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) or any money-market fund sponsored by a registered broker-dealer or mutual fund distributor;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above and clauses (4) and (5) below entered into with a bank meeting the qualifications described in clause (2) above;

(4) investments in commercial paper, maturing not more than one year from the date of creation thereof, issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of the United States of America or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is made of "P-1"(or higher) according to Moody's Investors Service, Inc. or "A-1" (or higher) according to Standard and Poor's Ratings Group;

(5) investments in securities with maturities of one year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by Standard & Poor's Ratings Group or "A" by Moody's Investors Service, Inc.; and

(6) other short-term investments utilized by Foreign Restricted Subsidiaries in accordance with normal investment practices for cash management in investments of a type analogous to the foregoing.

"Term Loan Facility" means the term loan facilities contained in the Credit Agreement and any other facilities or financing arrangements that Refinance in whole or in part any such term loan facilities.

"Transactions" shall mean, collectively, the following transactions to occur on or prior to the Merger Date: (a) the consummation of the Merger, (b) the execution and delivery of the Credit Agreement and the initial borrowings thereunder, (c) the execution and delivery of the Indenture relating to the Parent Senior Notes and the issuance of the Parent Senior Notes, (d) the closing of the tender offer for and the receipt of the requisite consents in connection with the consent solicitation in respect of CB Richard Ellis Services' existing 8 7/8% Senior Subordinated Notes Due 2006, (e) the Cash Equity Contribution and (f) the payment of all fees and expenses then due and owing that are required to be paid on or prior to the Merger Date in connection with the offering of the Notes.

"Unrestricted Subsidiary" means:

(1) any Subsidiary of the Company that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors in the manner provided below; and

(2) any Subsidiary of an Unrestricted Subsidiary.

The Board of Directors may designate any Subsidiary of the Company (including any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock or Indebtedness of, or holds any Lien on any property of, the Company or any other Subsidiary of the Company that is not a Subsidiary of the Subsidiary to be so designated; provided, however, that either (A) the Subsidiary to be so designated has total assets of $1,000 or less or (B) if such Subsidiary has assets greater than $1,000, such designation would be permitted under the covenant described under "--Certain Covenants--Limitation on Restricted Payments."

The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided, however, that immediately after giving effect to such designation (A) the Company could Incur $1.00 of additional Indebtedness under paragraph (a) of the covenant described under "--Certain Covenants--Limitation on Indebtedness" and (B) no Default shall have occurred and be continuing. Any such designation by the Board of Directors shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of the Board of Directors giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing provisions.

"U.S. Dollar Equivalent" means with respect to any monetary amount in a

currency other than U.S. dollars, at any time for determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the spot rate for the purchase of U.S. dollars with the applicable foreign currency as published in The Wall Street Journal in the "Exchange Rates" column under the heading "Currency Trading" on the date two Business Days prior to such determination.

Except as described under "--Certain Covenants--Limitation on Indebtedness," whenever it is necessary to determine whether the Company has complied with any covenant in the Indenture or a Default has occurred and an amount is expressed in a currency other than u.s. dollars, such amount will be treated as the U.S. Dollar Equivalent determined as of the date such amount is initially determined in such currency.

"U.S. Government Obligations" means direct obligations (or certificates representing an ownership interest in such obligations) of the United States of America (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States of America is pledged and which are not callable at the issuer's option.

"Voting Stock" of a Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof.

"Wholly Owned Subsidiary" means a Restricted Subsidiary all the Capital Stock of which (other than directors' qualifying shares) is owned by the Company or one or more Wholly Owned Subsidiaries.

BOOK ENTRY; DELIVERY AND FORM

Book-Entry Procedures for the Global Notes

The exchange notes will initially be represented in the form of one or more global notes in definitive, fully-registered book-entry form, without interest coupons that will be deposited with or on behalf of The Depository Trust Company, or DTC, and registered in the name of DTC or its participants.

Except as set forth below, the global notes may be transferred, in whole and not in part, solely to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the global notes may not be exchanged for notes in physical, certificated form except in the limited circumstances described below.

The descriptions of the operations and procedures of DTC set forth below are provided solely as a matter of convenience. These operations and procedures are solely within the control of the settlement system of DTC and are subject to change by DTC from time to time. We take no responsibility for these operations or procedures, and investors are urged to contact DTC or its participants directly to discuss these matters.

DTC has advised us that it is:

- a limited purpose trust company organized under the laws of the State of New York;
- a "banking organization" within the meaning of the New York Banking Law;
- a member of the Federal Reserve System;
- a "clearing corporation" within the meaning of the Uniform Commercial Code, as amended; and
- a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934.

DTC was created to hold securities for its participants and facilitates the clearance and settlement of securities transactions between participants through electronic book-entry changes to the accounts of its participants, which eliminates the need for physical transfer and delivery of certificates. DTC's participants include securities brokers and dealers; banks and trust companies; clearing corporations and specified other organizations. Indirect access to DTC's system is also available to other entities such as banks, brokers, dealers, and trust companies; these indirect participants clear through or maintain a custodial relationship with a participant, either directly or indirectly. Investors who are not participants may beneficially own securities held by or on behalf of DTC only through participants or indirect participants.

So long as DTC or its nominee is the registered owner of a global note, DTC or the nominee, as the case may be, will be considered the sole owner or holder of the notes represented by the global note for all purposes under the

indenture. Except as provided below, owners of beneficial interests in a global note:

- will not be entitled to have notes represented by the global notes registered in their names;
- will not receive or be entitled to receive physical delivery of certificated notes; and
- will not be considered the owners or holders of the notes under the indenture for any purpose, including with respect to the giving of any direction, instruction or approval to the trustee under the indenture.

Accordingly, each holder owning a beneficial interest in a global note must rely on the procedure of DTC and, if the holder is not a participant or an indirect participant, on the procedures of the participant through which the holder owns its interest, to exercise any rights of a holder of notes under the indenture or the global note. We understand that under existing industry practice, if we request any action of holders of notes or a holder that is an owner of a beneficial interest in a global note desires to take any action that DTC, as the holder of the global note, is entitled to take, then DTC would authorize the participants to take the action and the participants would authorize holders owning through participants to take the action or would otherwise act upon the instruction of

the holders. Neither we nor the trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of notes by DTC, or for maintaining, supervising or reviewing any records of DTC relating to the notes.

Payment with respect to the principal of, any premium, any liquidated damages, and interest on any notes represented by a global note registered in the name of DTC or its nominee on the applicable record date will be payable by the trustee to or at the direction of DTC or its nominee, in its capacity as the registered holder of the global note representing the notes under the indenture. Under the terms of the indenture, we and the trustee may treat the persons in whose names the notes, including the global notes, are registered as the owners of the notes for the purpose of receiving payment on the notes and for any and all other purposes whatsoever. Accordingly, neither we nor the trustee has or will have any responsibility or liability for the payment of amounts to owners of beneficial interests in a global note, including principal, any premium, any liquidated damages, and interest. Payments by the participants and the indirect participants to the owners of beneficial interests in a global note will be governed by standing instructions and customary industry practice and will be the responsibility of the participants or the indirect participants and DTC.

Transfers between participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds.

Although DTC has agreed to the above procedures to facilitate transfers of interests in the global notes among its participants, it is under no obligation to perform or to continue to perform the procedures, and the procedures may be discontinued at any time. Neither we nor the trustee will have any responsibility for the performance by DTC or its respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Certificated Notes

If:

- we notify the trustee in writing that DTC is no longer willing or able to act as a depository or DTC ceases to be registered as a clearing agency under the Securities Exchange Act of 1934 and a successor depository is not appointed within 90 days of the notice or cessation;
- we, at our option, notify the trustee in writing that we elect to cause the issuance of notes in definitive form under the indenture; or
- upon the occurrence of specified other events as provided in the indenture;

then, certificated notes will be issued to each person that DTC identifies as the beneficial owner of the notes represented by the global notes upon surrender by DTC of the global notes. Upon the issuance of certificated notes, the trustee is required to register certificated notes in the name of that person or persons, or their nominee, and cause the certified notes to be delivered to those persons.

Neither we nor the trustee will be liable for any delay by DTC or any participant or indirect participant in identifying the beneficial owners of the

related notes and each of those persons may conclusively rely on, and will be protected in relying on, instructions from DTC for all purposes, including with respect to the registration and delivery, and the respective principal amounts, of the notes to be issued.

DESCRIPTION OF OTHER INDEBTEDNESS

In connection with the merger, CBRE Holding issued 16% senior notes due on July 20, 2011 described below and CB Richard Ellis Services entered into a new senior secured credit agreement described below.

16% Senior Notes Due July 20, 2011

In connection with the merger, CBRE Holding issued to DLJ Investment Funding, Inc. and other purchasers an aggregate of 65,000 units, which consisted in the aggregate of $65.0 million in aggregate principal amount of 16% senior notes due July 20, 2011 and 339,820 shares of CBRE Holding Class A common stock. The senior notes are unsecured obligations, senior to all of CBRE Holding's current and future unsecured indebtedness, but are effectively subordinated to all current and future indebtedness of CB Richard Ellis Services. The net proceeds from the units were contributed to CB Richard Ellis Services as equity. The senior notes are governed by an indenture between CBRE Holding and State Street Bank and Trust Company of California, N.A., as trustee, and will mature on July 20, 2011.

Interest accrues on the senior notes at a rate of 16% per year and is payable quarterly in cash in arrears. However, until the fifth anniversary of the issuance of the senior notes, interest in excess of 12% for the senior notes may be paid in kind, and at any time, interest may be paid in kind to the extent that CB Richard Ellis Services' ability to pay us cash dividends is restricted by the terms of its senior secured credit facilities, which are described below. There are no mandatory sinking fund payments for the senior notes.

The senior notes are redeemable at the option of CBRE Holding, in whole at any time or in part from time to time, upon not less than 30 nor more than 60 days' notice. The redemption price, expressed as a percentage of the principal amount, will be as set forth in the table below, plus accrued and unpaid interest, if redeemed during the twelve-month period commencing on the anniversary of the issue date of these notes of the year below:

<TABLE>
<CAPTION>

Year	Percentage
<S>	<C>
2001	116.0%
2002	112.8
2003	109.6
2004	106.4
2005	103.2
2006 and thereafter	100.0

</TABLE>

In the event of a change of control, which is defined in the indenture, CBRE Holding is obligated to make an offer to purchase all outstanding senior notes at a purchase price equal to 101% of the principal amount of the senior notes, plus accrued and unpaid interest, subject to various conditions.

The indenture governing the senior notes contains customary restrictive covenants for high yield securities, including, among others, limitations on the following activities by CBRE Holding and its subsidiaries, including CB Richard Ellis Services:

- payments of dividends or distributions to stockholders or the repurchase of equity or debt that is junior to the senior notes;
- indebtedness and issuance of subsidiary equity;
- consolidation or merger;
- transactions with affiliates;
- liens; and
- disposition of assets.

The holders of the senior notes have registration rights with respect to the senior notes. As a result, CBRE Holding has filed a registration statement with

respect to an offer to exchange the outstanding senior notes for senior notes that have been registered under the Securities Act of 1933.

This summary of the material provisions of CBRE Holding's senior notes is qualified in its entirety by reference to all of the provisions of the indenture governing the senior notes, which has been filed as an exhibit to the registration statement of which this prospectus forms a part. See "Where You Can Find Additional Information About Us."

CB Richard Ellis Services' Senior Secured Credit Facilities

In connection with the merger and related transactions, CB Richard Ellis Services entered into a credit agreement for which Credit Suisse First Boston, or CSFB, serves as the administrative and collateral agent, the bookrunner and the lead arranger. The senior secured credit facilities consist of the following:

- Tranche A term facility of $50.0 million;
- Tranche B term facility of $185.0 million; and
- a revolving line of credit of $90.0 million, including revolving credit loans, letters of credit and a swingline loan subfacility.

The senior secured credit facilities are jointly and severally guaranteed by CBRE Holding and certain of CB Richard Ellis Services' subsidiaries, including future domestic subsidiaries. The lenders also received a pledge of all of the equity interests of CB Richard Ellis Services and its significant domestic subsidiaries, including CB Richard Ellis, Inc., CBRE Investors, L.L.C. and L.J. Melody & Company, and 65% of the voting stock of CB Richard Ellis Services' foreign subsidiaries that are held directly by it or its domestic subsidiaries. Additionally, these lenders generally have a lien on substantially all of CB Richard Ellis Services' accounts receivables, cash, general intangibles, investment property and future acquired material property.

The Tranche A term facility matures on July 20, 2007 and amortizes in equal quarterly installments in the following annual amounts: $7.5 million in years one and two and $8.75 million thereafter. The Tranche B term facility matures on July 20, 2008 and amortizes in equal quarterly installments in an annual amount equal to 1% of the outstanding principal amount of $185.0 million on the closing date, with the balance payable on the maturity date. The revolving line of credit terminates on July 20, 2007.

Borrowings under the senior secured credit facilities bear interest at varying rates based, at CB Richard Ellis Services' option, on either LIBOR plus 3.25% or the alternate base rate plus 2.25%, in the case of Tranche A and the revolving facility, and LIBOR plus 3.75% or the alternate base rate plus 2.75%, in the case of Tranche B. The alternate base rate is the higher of (1) CSFB's prime rate or (2) the effective rate for federal funds plus one-half of one percent. After delivery of CB Richard Ellis Services' consolidated financial statements for the year ended December 31, 2001, the amount added to the LIBOR or the alternate base rate under the Tranche A and revolving facility will vary, from 2.50% to 3.25% for the LIBOR and from 1.50% to 2.25% for the alternate base rate, as determined by reference to our ratios of total debt less available cash to EBITDA.

CB Richard Ellis Services is required to pay to the lenders under the senior secured credit facilities a commitment fee on the average unused portion of the revolving credit facility and a letter of credit fee on each letter of credit outstanding. CB Richard Ellis Services also is required to apply proceeds of sales of assets, issuances of equity, incurrences of debt and excess cash flow to the prepayment of the term loans, subject to limited exceptions, as well as excess cash flow to the lenders under the senior secured credit facilities.

The credit agreement for the senior secured credit facilities contains customary restrictive covenants for a credit agreement, including, among others, limitations on the following activities by CBRE Holding, CB Richard Ellis Services and CB Richard Ellis Services' subsidiaries:

- dividends on, and redemptions and repurchases of, capital stock;
- prepayments, redemptions and repurchases of debt;
- liens and sale-leaseback transactions;
- loans and investments;
- indebtedness;
- mergers, acquisitions and asset sales;
- transactions with affiliates;

- changes in lines of business; and

- capital expenditures.

In addition, the credit agreement contains covenants that require CB Richard Ellis Services to maintain specified financial ratios, including the following ratios:

- total debt less available cash to EBITDA;

- total senior debt less the outstanding principal amount of the 11-1/4% senior subordinated notes and less available cash to EBITDA;

- EBITDA to interest expense plus expense associated with dividends paid to CBRE Holding to pay amounts due under the 16% senior notes due 2011; and

- adjusted EBITDA to interest expense plus expense associated with dividends paid to CBRE Holding to pay amounts due under the 16% senior notes due 2011.

The credit agreement also includes events of default that are typical for senior credit facilities and appropriate in the context of the merger and related transactions, including nonpayment of principal, interest, fees or reimbursement obligations with respect to letters of credit, violation of covenants, inaccuracy of representations and warranties in any material respect, cross default and cross-acceleration to certain other indebtedness and agreements, bankruptcy and insolvency events, material judgments and liabilities, defaults or judgments under ERISA and change of control. The occurrence of any of the events of default could result in acceleration of our obligations under the credit agreement and foreclosure on the collateral securing the obligations, which could have material adverse results to holders of the exchange and outstanding notes.

This summary of the material provisions of the new credit agreement is qualified in its entirety by reference to all of the provisions of the credit agreement, which has been filed as an exhibit to the registration statement of which this prospectus forms a part. See "Where You Can Find Additional Information About Us."

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of certain U.S. federal income tax consequences of participation in the exchange offer and of the ownership and disposition of exchange notes as of the date of this prospectus. Except where noted, this summary deals only with exchange notes that are held as capital assets and does not deal with taxpayers subject to special treatment under the U.S. federal income tax laws, including if you are one of the following:

- a dealer in securities or currencies;

- a financial institution;

- an insurance company;

- a tax exempt organization;

- a person holding exchange notes as part of a hedging, integrated or conversion transaction, constructive sale or straddle;

- a trader in securities that has elected the mark-to-market method of accounting for your securities;

- a person liable for alternative minimum tax; or

- a United States person whose "functional currency" is not the U.S. dollar.

If a partnership holds exchange notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding exchange notes, you should consult your own tax advisors.

The discussion below is based upon the provisions of the Internal Revenue Code of 1986 and regulations, rulings and judicial decisions as of the date of this prospectus. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those discussed below.

If you are considering the acquisition of exchange notes, you should consult your own tax advisors concerning the federal income tax consequences to you and

any consequences arising under the laws of any other taxing jurisdiction.

Consequences of the Exchange

The exchange of the outstanding notes for the exchange notes in the exchange offer will not constitute a taxable event to you. As a result:

- you will not realize any gain or loss upon receipt of an exchange note;
- the holding period of the exchange note will include the holding period of the outstanding note exchanged for the exchange note; and
- the adjusted basis of the exchange note will be the same as the adjusted tax basis of the outstanding note exchanged for the exchange note immediately before the exchange.

Consequences to U.S. Holders

The following is a summary of certain U.S. federal tax consequences that will apply to you if you are a U.S. holder of exchange notes.

"U.S. holder" means a beneficial owner of an exchange note that is:

- a citizen or resident of the United States;

- a corporation or partnership created or organized in or under the laws of the United States or any political subdivision of the United States;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source;
- a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more United States persons or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

A "non-U.S. holder" is a beneficial owner of an exchange note that is not a U.S. holder. The material consequences to non-U.S. holders with respect to the exchange notes are described under "Consequences to Non-U.S. Holders" below.

Payments of Interest

Except as set forth below, interest on an exchange note will generally be taxable to you as ordinary income at the time it is paid or accrued in accordance with your method of accounting for tax purposes.

Market Discount

If you purchased an outstanding note for an amount that is less than its stated redemption price at maturity, the amount of the difference will be treated as "market discount" for U.S. federal income tax purposes, unless that difference is less than a specified de minimis amount. Under the market discount rules, you will be required to treat any payment, other than qualified stated interest, on, or any gain on the sale, exchange, retirement or other disposition of, an exchange note as ordinary income to the extent of the market discount that you have not previously included in income and are treated as having accrued on the exchange note at the time of its payment or disposition. In addition, you may be required to defer, until the maturity of the exchange note or its earlier disposition in a taxable transaction, the deduction of all or a portion of the interest expense on any indebtedness attributable to the exchange note.

Any market discount will be considered to accrue ratably during the period from the date of acquisition to the maturity date of the exchange note, unless you elect to accrue on a constant interest method. You may elect to include market discount in income currently as it accrues, on either a ratable or constant interest method, in which case the rule described above regarding deferral of interest deductions will not apply. Your election to include market discount in income currently, once made, applies to all market discount obligations acquired by you on or after the first taxable year to which your election applies and may not be revoked without the consent of the IRS. You should consult your own tax advisor before making this election.

Amortizable Premium

If you purchased an outstanding note for an amount in excess of the sum of all amounts payable on the note after the purchase date, other than qualified stated interest, you will be considered to have purchased the outstanding note at a "premium." You generally may elect to amortize the premium over the remaining term of the exchange note on a constant yield method as an offset to interest when includible in income under your regular accounting method. Because the exchange notes are subject to redemption at the option of CB

Richard Ellis Services on or after June 15, 2006, premium on the exchange notes will be calculated by assuming that CB Richard Ellis Services will exercise its option in a manner that maximizes your yield. If you do not elect to amortize premium, that premium will decrease the gain or increase the loss you would otherwise recognize on disposition of the exchange note. Your election to amortize premium on a constant yield method will also apply to all debt obligations held or subsequently acquired by you on or after the first day of the first taxable year to which the election applies. You may not revoke the election without the consent of the IRS. You should consult your own tax advisor before making this election.

Sale, Exchange and Retirement of Exchange Notes

When you sell, exchange, retire or otherwise dispose of an exchange note, you will recognize gain or loss equal to the difference between the amount you realize upon the sale, exchange, retirement or other disposition (less an amount equal to any accrued qualified stated interest that you did not previously include in income, which will be taxable as such) and the adjusted tax basis of the exchange note. Except as described above with respect to market discount, that gain or loss will be capital gain or loss. Capital gains of individuals derived in respect of capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

Consequences to Non-U.S. Holders

The following is a summary of certain U.S. federal income tax consequences that will apply to you if you are a non-U.S. holder of exchange notes. This summary does not represent a detailed description of the federal tax consequences to you in light of your particular circumstances. In addition, it does not deal with non-U.S. holders that are subject to special treatment under the U.S. federal income tax laws, including if you are a United States expatriate, a controlled foreign corporation, a passive foreign investment company, a foreign personal holding company or a corporation that accumulates earnings to avoid federal income tax.

U.S. Federal Withholding Tax

The 30% U.S. federal withholding tax will not apply to any payment of principal or interest on the exchange notes provided that:

- you do not actually, or constructively, own 10% or more of the total combined voting power of all classes of our voting stock within the meaning of the Code and applicable U.S. Treasury regulations;
- you are not a controlled foreign corporation that is related to us through stock ownership;
- you are not a bank whose receipt of interest on the exchange notes is described in section 881(c)(3)(A) of the Code; and
- (a) you provide your name and address on an Internal Revenue Service Form W-8BEN or successor form, and certify, under penalty of perjury, that you are not a United States person or (b) you hold the exchange notes through certain foreign intermediaries or certain foreign partnerships, and the certification requirements of applicable U.S. Treasury regulations are satisfied; special certification rules apply to certain non-U.S. holders that are entities rather than individuals.

If you cannot satisfy the requirements described above, payments of interest made to you will be subject to U.S. federal withholding tax, unless you provide us with a properly executed (1) Internal Revenue Service Form W-8BEN or successor form claiming an exemption from, or reduction in, withholding under the benefit of an applicable tax treaty or (2) Internal Revenue Service Form W-8ECI or successor form stating that interest paid on an exchange note is not subject to withholding tax because it is effectively connected with your conduct of a trade or business in the United States.

The 30% U.S. federal withholding tax generally will not apply to any gain that you realize on the sale, exchange, retirement or other disposition of an exchange note.

U.S. Federal Estate Tax

Your estate will not be subject to U.S. federal estate tax on exchange notes beneficially owned by you at the time of your death, provided that you are not a United States citizen or resident, as specially defined for U.S. federal estate tax purposes, and (1) you do not own 10% or more of the total combined voting power of all classes of our voting stock, within the meaning of the Code and the U.S. Treasury regulations, and (2) interest on

the exchange notes would not have been, if received at the time of your death, effectively connected with the conduct by you of a trade or business in the United States.

U.S. Federal Income Tax

If you are engaged in a trade or business in the United States and interest on the exchange notes is effectively connected with the conduct of that trade or business, you will be subject to U.S. federal income tax on that interest on a net income basis in the same manner as if you were a United States person as defined under the Code. In addition, if you are a foreign corporation, you may be subject to a branch profits tax equal to 30%, or lower applicable treaty rate, of your earnings and profits for the taxable year, subject to certain adjustments. For this purpose, interest on the exchange notes will be included in earnings and profits.

Any gain realized on the disposition of an exchange note generally will not be subject to U.S. federal income tax unless:

- the gain is effectively connected with the conduct by you of a trade or business in the United States; or
- you are an individual who is present in the United states for 183 days or more in the taxable year of that disposition, and other conditions are met.

Information Reporting and Backup Withholding

In general, you will not be subject to backup withholding or information reporting with respect to payments that we make to you provided that we do not have actual knowledge or reason to know that you are a United States person and we have received from you the statement described above under "Consequences to Non-U.S. Holders--U.S. Federal Withholding Tax," or you otherwise qualify for an exemption.

In addition, you will not be subject to backup withholding or information reporting with respect to the proceeds of the sale of an exchange note within the United States or conducted through U.S.-related financial intermediaries, if the payor receives the statement described above and does not have actual knowledge or reason to know that you are a United States person, as defined under the Code, or you otherwise qualify for an exemption.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your U.S. federal income tax liability provided the required information is furnished to the Internal Revenue Service.

PLAN OF DISTRIBUTION

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding notes where the outstanding notes were acquired as a result of market-making activities or other trading activities. We have agreed that, for a period of 180 days after the day the registered exchange offer expires, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any resale.

We will not receive any proceeds from any sale of exchange notes by broker-dealers. Exchange notes received by broker-dealers for their own accounts pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the exchange notes or a combination of these methods of resale, at market prices prevailing at the time of resale, at prices related to the prevailing market prices or negotiated prices. Any resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any broker-dealer or the purchasers of any exchange notes. Any broker-dealer that resells exchange notes that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of the exchange notes may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any resale of exchange notes and any commissions or concessions received by these persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of 180 days after the day the registered exchange offer

expires, we will promptly send additional copies of this prospectus and any amendment or supplement to this prospectus to any broker-dealer that requests the documents in the letter of transmittal. We have agreed to pay all expenses incident to the exchange offer, including the expenses of one counsel for the holders of the outstanding notes, other than commissions or concessions of any brokers or dealers and will indemnify the holders of outstanding notes, including any broker-dealers, against certain liabilities, including liabilities under the Securities Act.

LEGAL MATTERS

The validity of the exchange notes and the guarantees will be passed upon for us Simpson Thacher & Bartlett, Palo Alto, California.

EXPERTS

The consolidated financial statements and schedule of CB Richard Ellis Services, Inc. as of December 31, 2000 and 1999 and for each of the three years in the period ended December 31, 2000 and the consolidated balance sheet of CBRE Holding, Inc. as of February 20, 2001 included in this offering circular, have been audited by Arthur Andersen LLP, independent public accountants, as stated in their report appearing herein.

WHERE YOU CAN FIND MORE INFORMATION

We and the guarantors have filed with the Securities and Exchange Commission a registration statement on Form S-4, which includes amendments, exhibits, schedules and supplements, under the Securities Act of 1933 and the rules and regulations under the Securities Act, for the registration of the exchange notes and offered by this prospectus and the guarantees of the exchange notes. Although this prospectus, which forms a part of the registration statement, contains all material information included in the registration statement, parts of the registration statement have been omitted from this prospectus as permitted by the rules and regulations of the SEC. For further information with respect to us and the guarantors and the exchange notes offered by this prospectus, please refer to the registration statement.

Both CBRE Holding and CB Richard Ellis Services are currently subject to the information requirements of the Securities Exchange Act of 1934. Accordingly, each company files reports and other information with the SEC, unless and until it obtains an exemption from the requirement to do so. The registration statements and other reports or information can be inspected, and copies may be obtained, at the Public Reference Room of the SEC, 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates, and at the regional public reference facility maintained by the SEC located at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661-2511. Information on the operation of the Public Reference Room of the SEC may be obtained by calling the SEC at 1-800-SEC-0330. The SEC also maintains a website at http://www.sec.gov that contains reports, proxy and information statements and other information that CBRE Holding and CB Richard Ellis Services have filed electronically with the SEC.

Furthermore, we have agreed that, even if we are not required to file periodic reports and other information with the SEC, for so long as any of the notes remain outstanding we will furnish to you and the trustee for the exchange notes the information that would be required to be furnished by us under Sections 13 and 15(d) of the Exchange Act.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULE

<TABLE>
<CAPTION>

CB RICHARD ELLIS SERVICES, INC.

CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except share and per share data)

	June 30, 2001 (Unaudited)	December 31, 2000
	<C>	<C>
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 18,548	$ 20,854
Receivables, less allowance for doubtful accounts of $11,993 and $12,631 at June 30, 2001 and December 31, 2000	149,811	176,908
Prepaid expenses	9,693	8,017
Deferred taxes, net	13,023	11,139
Other current assets	9,132	6,127
Total current assets	200,207	223,045
Property and equipment, net	77,590	75,992
Goodwill, net of accumulated amortization of $63,726 and $56,417 at June 30, 2001 and December 31, 2000	412,379	423,975
Other intangible assets, net of accumulated amortization of $293,670 and $289,038 at June 30, 2001 and December 31, 2000	42,526	46,432
Cash surrender value of insurance policies, deferred compensation plan	69,508	53,203
Investment in and advances to unconsolidated subsidiaries	43,064	41,325

Deferred taxes, net	35,305	32,327
Prepaid pension costs	24,089	25,235
Other assets	42,131	41,571
Total assets	$946,799	$963,105

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:		
Accounts payable and accrued expenses	$ 68,929	$ 83,673
Compensation and employee benefits payable	64,291	79,801
Accrued bonus and profit sharing	31,049	107,878
Income taxes payable	6,377	28,260
Short-term borrowings	12,017	9,215
Current maturities of long-term debt	1,129	1,378
Total current liabilities	183,792	310,205
Long-term debt:		
Senior subordinated notes, less unamortized discount of $1,542 and $1,664 at June 30, 2001 and December 31, 2000	173,458	173,336
Revolving credit facility	225,000	110,000
Other long-term debt	18,014	20,235
Total long-term debt	416,472	303,571
Deferred compensation liability	87,680	80,503
Other liabilities	28,407	29,739
Total liabilities	716,351	724,018
Minority interest	2,817	3,748
Commitments and contingencies		
Stockholders' Equity:		
Preferred stock, $0.01 par value; 8,000,000 shares authorized; no shares issued or outstanding	--	--
Common stock, $0.01 par value; 100,000,000 shares authorized; 20,732,049 and 20,605,023 shares outstanding at June 30, 2001 and December 31, 2000	218	217
Additional paid-in capital	367,685	364,168
Notes receivable from sale of stock	(11,636)	(11,847)
Accumulated deficit	(93,464)	(89,097)
Accumulated other comprehensive loss	(19,328)	(12,258)
Treasury stock at cost, 1,072,155 shares at June 30, 2001 and December 31, 2000	(15,844)	(15,844)
Total stockholders' equity	227,631	235,339
Total liabilities and stockholders' equity	$946,799	$963,105

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

CB RICHARD ELLIS SERVICES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(dollars in thousands, except share and per share data)

<TABLE>
<CAPTION>

	Three Months Ended June 30		Six Months Ended June 30	
	2001	2000	2001	2000
<S>	<C>	<C>	<C>	<C>
Revenue:				
Leases	$ 112,980	$ 140,451	$ 216,146	$ 240,204
Sales	72,693	85,673	146,536	159,954
Property and facilities management fees	28,501	25,640	56,373	50,925
Consulting and referral fees	17,970	19,515	34,337	35,829
Appraisal fees	19,709	19,082	38,545	35,366
Loan origination and servicing fees	16,124	13,777	30,936	23,040
Investment management fees	11,705	9,818	20,254	17,155
Other	5,167	3,928	14,220	16,330
Total revenue	284,849	317,884	557,347	578,803
Costs and Expenses:				
Commissions, fees and other incentives	134,805	153,852	259,203	267,815
Operating, administrative and other	129,535	130,756	263,614	257,904
Depreciation and amortization	11,446	10,731	23,142	21,300
Merger-related and other nonrecurring charges	5,608	--	5,608	--
Operating income	3,455	22,545	5,780	31,784
Interest income	692	92	1,492	581
Interest expense	9,358	10,985	18,413	20,670
(Loss) income before (benefit) provision for income tax	(5,211)	11,652	(11,141)	11,695
(Benefit) provision for income tax	(3,690)	6,175	(6,774)	6,198
Net (loss) income	$ (1,521)	$ 5,477	$ (4,367)	$ 5,497
Basic (loss) earnings per share	$ (0.07)	$ 0.26	$ (0.20)	$ 0.26
Weighted average shares outstanding for basic (loss) earnings per share	21,328,247	20,879,218	21,318,949	20,849,244
Diluted (loss) earnings per share	$ (0.07)	$ 0.26	$ (0.20)	$ 0.26
Weighted average shares outstanding for diluted (loss) earnings per share	21,328,247	20,906,117	21,318,949	20,879,026

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

CB RICHARD ELLIS SERVICES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(in thousands)

<TABLE>
<CAPTION>

	Six Months Ended June 30	
	2001	2000
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss) income	$ (4,367)	$ 5,497
Adjustments to reconcile net (loss) income to net cash used in operating activities:		
Depreciation and amortization excluding deferred financing costs	23,142	21,300
Gain on sale of properties, businesses and servicing rights	(9,728)	(5,027)
Deferred compensation deferrals	15,127	13,999

Decrease in receivables	20,254	20,661
Increase in cash surrender value of insurance policies, deferred compensation plan...	(16,305)	(17,240)
Decrease in compensation and employee benefits payable and accrued bonus and profit sharing	(89,893)	(62,448)
Decrease in accounts payable and accrued expenses	(13,393)	(16,644)
Decrease in income taxes payable	(25,695)	(10,245)
Decrease in other liabilities	(6,732)	(1,005)
Other	336	135
Net cash used in operating activities	(107,254)	(51,017)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(14,628)	(11,451)
Proceeds from sale of properties, businesses and servicing rights	9,191	11,601
Purchase of investments	(5,484)	(11,311)
Other investing activities, net	353	(956)
Net cash used in investing activities	(10,568)	(12,117)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from revolving credit facility	185,000	134,000
Repayment of revolving credit facility	(70,000)	(72,000)
Proceeds from (repayment of) senior notes and other loans, net	1,315	(3,499)
Other financing activities, net	602	(3,163)
Net cash provided by financing activities	116,917	55,338
Net decrease in cash and cash equivalents	(905)	(7,796)
Cash and cash equivalents, at beginning of period	20,854	27,844
Effect of exchange rate changes on cash	(1,401)	(853)
Cash and cash equivalents, at end of period	$ 18,548	$ 19,195
SUPPLEMENTAL DATA:		
Cash paid during the period for:		
Interest (none capitalized)	$ 17,202	$ 21,501
Income taxes, net	$ 18,719	$ 15,441

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Organization

CB Richard Ellis Services, Inc. (the Company) is a holding company that conducts its worldwide operations through approximately 75 direct and indirect subsidiaries. Approximately 76.8% of the Company's revenues are from the United States (US) and 23.2% from the rest of the world. Effective July 20, 2001, the Company was acquired by CBRE Holding, Inc. (CB Holding) pursuant to an Amended and Restated Agreement and Plan of Merger with CB Holding and Blum CB Corporation, a wholly owned subsidiary of CB Holding. CB Holding is controlled by an affiliate of the Company's director Richard Blum. Additionally, other directors of the Company and certain of the Company's senior officers collectively have a significant interest in CB Holding. The merger was approved by the Company's stockholders on July 18, 2001.

2. Basis of Preparation

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and include all information and footnotes required for interim financial statement presentation. In the Company's opinion, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. The preparation of financial statements in conformity with accounting principles generally accepted in the US requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ materially from those estimates. All significant intercompany transactions and balances have been eliminated and certain reclassifications have been made to prior periods' consolidated financial statements to conform to current period presentation. The results of operations for the six months ended June 30, 2001 are not necessarily indicative of the results of operations to be expected for the year ending

December 31, 2001.

The consolidated financial statements and notes to the consolidated financial statements, along with management's discussion and analysis of financial condition, results of operations, liquidity and capital resources should be read in conjunction with the Company's recent filing on Form 10-K, which contains the latest available audited consolidated financial statements and notes thereto, as of and for the period ended December 31, 2000.

3. Investments in and Advances to Unconsolidated Subsidiaries

Condensed Statement of Operations (unaudited) for the unconsolidated subsidiaries accounted for using the equity method is as follows (in thousands):

<TABLE>
<CAPTION>

	Three Months Ended June 30		Six Months Ended June 30	
	2001	2000	2001	2000
<S>	<C>	<C>	<C>	<C>
Revenues	$66,380	$60,800	$136,029	$109,295
Income from operations	10,187	5,584	22,876	18,803
Net (loss) income	(15)	(599)	7,831	8,358

</TABLE>

4. Debt

At June 30, 2001, the Company had a revolving credit facility of $270.0 million and outstanding Senior Subordinated Notes (Subordinated Notes) due on June 1, 2006. Effective July 20, 2001, the revolving credit facility and Subordinated Notes were paid off in their entirety.

The Company has short-term borrowings of $12.0 million and $9.2 million with related weighted average interest rates of 6.4% and 7.3% as of June 30, 2001 and December 31, 2000, respectively.

A subsidiary of the Company has a credit agreement with Residential Funding Corporation (RFC). The credit agreement provides for a revolving line of credit of up to $175.0 million, and bears interest at 1.00% per annum over LIBOR. The agreement expires on August 31, 2001. During the quarter, the Company had a maximum of $160.1 million revolving line of credit principal outstanding. At June 30, 2001, the Company had $1.4 million revolving line of credit principal outstanding, which is included in short-term borrowings in the accompanying Consolidated Balance Sheets.

5. Commitments and Contingencies

Between November 12 and December 6, 2000, five putative class actions were filed in the Court of Chancery of the State of Delaware in and for New Castle County by various of the Company's stockholders against the Company, its directors and the buying group which has proposed to take the Company private. A similar action was also filed on November 17, 2000 in the Superior Court of the State of California in and for the County of Los Angeles. These actions all alleged that the offering price for the going private transaction was unfair and inadequate and sought injunctive relief or rescission of the transaction and, in the alternative, money damages.

The five Delaware actions have been consolidated. As of February 23, 2001, the parties to the Delaware litigation entered into a memorandum of understanding in which they agreed in principle to a settlement. The memorandum provides, among other things:

- that the defendants admit no liability or wrongdoing whatsoever;
- that the members of the buying group acknowledge that the pendency and prosecution of the Delaware litigation were positive contributing factors to its decision to increase the merger consideration;
- for the certification of a settlement class and the entry of a final judgment granting a full release of the defendants; and
- for attorneys' fees in an amount not to exceed $380,000.

There are numerous conditions to the settlement proposed by the memorandum including the closing of the merger.

The merger closed on July 20, 2001 and the memorandum became final, subject to the approval of the Court.

In December 1996, GMH Associates, Inc. (GMH) filed a lawsuit against Prudential Realty Group (Prudential) and the Company in the Superior Court of Pennsylvania, Franklin County, alleging various contractual and tort claims against Prudential, the seller of a large office complex, and the Company, its agent in the sale, contending that Prudential breached its agreement to sell the property to GMH, breached its duty to negotiate in good faith, conspired with the Company to conceal from GMH that Prudential was negotiating to sell the property to another purchaser and that Prudential and the Company misrepresented that there were no other negotiations for the sale of the property. Following a non-jury trial, the court rendered a decision in favor of GMH and against Prudential and the Company, awarding GMH $20.3 million in compensatory damages, against Prudential and the Company jointly and severally, and $10.0 million in punitive damages, allocating the punitive damage award $7.0 million as against Prudential and $3.0 million as against the Company. Following the denial of motions by Prudential and the Company for a new trial, a judgment was entered on December 3, 1998. Prudential and the Company filed an appeal of the judgment. On March 3, 2000, the appellate court in Pennsylvania reversed all of the trial courts' decisions finding that liability was not supported on any theory claimed by GMH and directed that a judgment be entered in favor of the defendants including the Company. The

plaintiff filed an appeal with the Pennsylvania Supreme Court, which was denied. The plaintiff has exhausted all appeal possibilities and judgment has been entered in favor of all defendants.

In August 1993, a former commissioned sales person of the Company filed a lawsuit against the Company in the Superior Court of New Jersey, Bergen County, alleging gender discrimination and wrongful termination by the Company. On November 20, 1996, a jury returned a verdict against the Company, awarding $1.5 million in general damages and $5.0 million in punitive damages to the plaintiff. Subsequently, the trial court awarded the plaintiff $0.6 million in attorneys' fees and costs. Following denial by the trial court of the Company's motions for new trial, reversal of the verdict and reduction of damages, the Company filed an appeal of the verdict and requested a reduction of damages. On March 9, 1999 the appellate court ruled in the Company's favor, reversed the trial court's decision and ordered a new trial. On February 16, 2000, the Supreme Court of New Jersey reversed the decision of the appellate court, concluded that the general damage award in the trial court should be sustained and returned the case to the appellate court for a determination as to whether a new trial should be ordered on the issue of punitive damages. In April 2000, the Company settled the compensatory damages claim, including interest, and all claims to date with respect to attorneys fees by paying to the plaintiff the sum of $2.75 million leaving only the punitive damage claim for resolution. The plaintiff also agreed with very limited exceptions, that no matter what the outcome of the punitive damage claim, the Company would not be responsible for more than 50% of the plaintiff's future attorney fees. In February 2001, the Company settled all remaining claims for the sum of $2.0 million and received a comprehensive release.

The Company is a party to a number of pending or threatened lawsuits arising out of, or incident to, its ordinary course of business. Based on available cash and anticipated cash flows, the Company believes that the ultimate outcome will not have an impact on the Company's ability to carry on its operations. Management believes that any liability that may result from disposition of these lawsuits will not have a material effect on the Company's consolidated financial position or results of operations.

An important part of the strategy for the Company's investment management business involves investing its own capital in certain real estate investments with its clients. As of June 30, 2001, the Company had committed $37.6 million to fund future co-investments.

6. Comprehensive Loss

Comprehensive loss consists of net (loss) income and other comprehensive loss. Accumulated other comprehensive loss consists of foreign currency translation adjustments. For the six months ended June 30, 2001, total comprehensive loss was $11.4 million, which consists of foreign currency translation loss of $7.0 million and a net loss of $4.4 million. For the six months ended June 30, 2000, total comprehensive loss was $2.4 million, which consists of foreign currency translation loss of $7.9 million and net income of

$5.5 million.

7. Per Share Information

Basic (loss) earnings per share was computed by dividing net (loss) income by the weighted average number of common shares outstanding of 21,328,247 and 20,879,218 for the three months ended June 30, 2001 and 2000, respectively, and 21,318,949 and 20,849,244 for the six months ended June 30, 2001 and 2000, respectively. As a result of operating losses incurred for the three and six months ended June 30, 2001, diluted weighted average shares outstanding do not give effect to common stock equivalents, as to do so would be anti-dilutive. For the three and six months ended June 30, 2000, the computation of diluted earnings per share further assumes the dilutive effect of 26,899 and 29,782 common stock equivalents, respectively, which consisted principally of stock options.

8. Industry Segments

The Company reports its operations through three business segments: Transaction Management, Financial Services and Management Services. The Company has a number of lines of business which are aggregated, reported and managed through these three segments. The Transaction Management segment is the Company's largest generator of revenue and includes Brokerage Services, Corporate Services and Investment Property activities. Brokerage Services includes activities that provide sales, leasing and consulting services in connection with commercial real estate and is the Company's primary revenue source. Corporate Services focuses on building relationships with large corporate clients which generate recurring revenue. Investment Property activities provide brokerage services for commercial real property marketed for sale to institutional and private investors. The current year results of the Transaction Management segment include merger-related and other nonrecurring charges of $1.8 million. The Financial Services segment provides commercial mortgage, valuation, investment management and consulting and research services. The current year results of Financial Services include a nonrecurring pre-tax gain of $5.6 million from the sale of mortgage fund management contracts and the current quarter includes a $3.3 million pre-tax gain on the sale of loan servicing rights. Also included in the current year results are merger-related and other nonrecurring charges of $3.3 million. The Management Services segment provides facility management services to corporate real estate users and property management and related services to owners. Current year results include merger-related and other nonrecurring charges of $0.5 million. Prior year results include a $4.7 million nonrecurring pre-tax gain on the sale of certain non-strategic assets. The following unaudited table summarizes the revenue, cost and expenses, and operating income (loss) by operating segment for the periods ended June 30, 2001 and 2000:

<TABLE>
<CAPTION>

	Three Months Ended June 30		Six Months Ended June 30	
	2001	2000	2001	2000
	(Dollars in thousands)			
<S>	<C>	<C>	<C>	<C>
Revenue				
Transaction Management	$190,338	$232,094	$370,319	$410,553
Financial Services	57,111	49,503	113,030	90,900
Management Services	37,400	36,287	73,998	77,350
	$284,849	$317,884	$557,347	$578,803
Operating income (loss)				
Transaction Management	$ 1,519	$ 18,344	$ (2,611)	$ 22,975
Financial Services	1,087	4,578	7,936	5,383
Management Services	849	(377)	455	3,426
	$ 3,455	$ 22,545	$ 5,780	$ 31,784
Interest income	692	92	1,492	581
Interest expense	9,358	10,985	18,413	20,670
(Loss) income before (benefit) provision for income tax	$ (5,211)	$ 11,652	$(11,141)	$ 11,695

Geographic Information

Revenue				
Americas				
United States	$216,877	$245,700	$427,886	$444,200
Canada, South and Central America	9,037	11,061	20,541	20,260
	225,914	256,761	448,427	464,460
Pacific	11,279	11,678	18,969	19,692
Asia	10,128	10,141	19,143	19,874
Europe, Middle East and Africa	37,528	39,304	70,808	74,777
	$284,849	$317,884	$557,347	$578,803

</TABLE>

9. Nonrecurring Charges

During the second quarter of 2001, the Company recorded merger-related and other nonrecurring pre-tax charges totaling $5.6 million. This included merger-related costs of $1.3 million, the write-off of an e-business investment of $2.9 million, as well as severance costs of $1.4 million related to the Company's cost reduction program instituted in May 2001.

10. Guarantor and Nonguarantor Financial Statements

In connection with the planned acquisition by BLUM CB Corp., and as part of the related proposed financing, the Company plans to issue an aggregate of $229.0 million in senior subordinated notes due 2011 (the Notes). These Notes will be unsecured and will rank equally in right of payment with any of the Company's future senior subordinated unsecured indebtedness. The Notes will be effectively subordinated to indebtedness and other liabilities of the Company's subsidiaries that are not guarantors of the Notes. The Notes are guaranteed on a full, unconditional, joint and several basis by the Company's wholly-owned domestic subsidiaries.

The following condensed consolidating financial information includes:

(1) Condensed consolidating balance sheets as of June 30, 2001 and December 31, 2000; condensed consolidating statements of income for the three months and six months ended June 30, 2001 and June 30, 2000; and condensed consolidating statements of cash flows for the six months ended June 30, 2001 and June 30, 2000 of (a) CB Richard Ellis Services, Inc., the parent; (b) the guarantor subsidiaries; (c) the nonguarantor subsidiaries; and (d) the Company on a consolidated basis; and

(2) Elimination entries necessary to consolidate CB Richard Ellis Services, Inc., the parent, with guarantor and nonguarantor subsidiaries.

Investments in consolidated subsidiaries are presented using the equity method of accounting. The principal elimination entries eliminate investments in consolidated subsidiaries and intercompany balances and transactions.

CONSOLIDATED BALANCE SHEETS
As of June 30, 2001

(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Consolidated Total
<S>	<C>	<C>	<C>	<C>	<C>
Current assets:					
Cash and cash equivalents	$ 228	$ 9,800	$ 8,520	$ --	$ 18,548
Receivables, less allowance for doubtful accounts	595	74,830	74,386	--	149,811
Prepaid and other current assets	10,973	7,882	12,993	--	31,848

Total current assets	11,796	92,512	95,899	--	200,207
Property and equipment, net	--	57,912	19,678	--	77,590
Goodwill, net	--	208,864	203,515	--	412,379
Intangible assets, net	4,933	34,473	3,120	--	42,526
Cash surrender value of insurance policies, deferred compensation	69,508	--	--	--	69,508
Investments in and advances to unconsolidated subsidiaries	3,970	33,857	5,237	--	43,064
Investment in consolidated subsidiaries	189,296	175,124	--	(364,420)	--
Inter-company loan receivable	396,899	--	--	(396,899)	--
Deferred taxes, net	40,639	--	--	(5,334)	35,305
Prepaid pension costs	--	--	24,089	--	24,089
Other assets	4,102	31,702	6,327	--	42,131
Total assets	$721,143	$634,444	$357,865	$(766,653)	$946,799
Current liabilities:					
Accounts payable and accrued expenses	$ 1,926	$ 31,319	$ 35,684	$ --	$ 68,929
Compensation and employee benefits	--	44,431	19,860	--	64,291
Reserve for bonus and profit sharing	--	23,868	7,181	--	31,049
Income taxes payable	3,948	--	2,429	--	6,377
Short-term borrowings	--	2,187	9,830	--	12,017
Current maturities of long-term debt	--	505	624	--	1,129
Total current liabilities	5,874	102,310	75,608	--	183,792
Long-term debt:					
Senior subordinated notes, less unamortized discount	173,458	--	--	--	173,458
Revolving credit facilities	225,000	--	--	--	225,000
Other long-term debt	1,500	15,399	1,115	--	18,014
Inter-company loan payable	--	312,453	84,446	(396,899)	--
Total long-term debt	399,958	327,852	85,561	(396,899)	416,472
Deferred compensation liability	87,680	--	--	--	87,680
Other liabilities	--	14,986	18,755	(5,334)	28,407
Total liabilities	493,512	445,148	179,924	(402,233)	716,351
Minority interest	--	--	2,817	--	2,817
Commitments and contingencies					
Stockholders' Equity	227,631	189,296	175,124	(364,420)	227,631
Total liabilities and stockholders' equity	$721,143	$634,444	$357,865	$(766,653)	$946,799

</TABLE>

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)
(Unaudited)

CONSOLIDATED BALANCE SHEETS
As of December 31, 2000

(in thousands)

<TABLE>
<CAPTION>

Consolidated	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Total
<S>	<C>	<C>	<C>	<C>	<C>
Current assets:					
Cash and cash equivalents	$ 62	$ 7,558	$ 13,234	$ --	$ 20,854
Receivables, less allowance for doubtful accounts	637	85,173	91,098	--	176,908
Inter-company receivables	--	8,448	--	(8,448)	--
Prepaid and other current assets	9,269	7,138	8,876	--	25,283
Total current assets	9,968	108,317	113,208	(8,448)	223,045
Property and equipment, net	--	55,100	20,892	--	75,992
Goodwill, net	--	213,131	210,844	--	423,975
Intangible assets, net	5,964	36,267	4,201	--	46,432
Cash surrender value of insurance policies, deferred compensation	53,203	--	--	--	53,203
Investments in and advances to unconsolidated subsidiaries	3,695	32,511	5,119	--	41,325

Investment in consolidated subsidiaries	222,590	192,544	--	(415,134)	--
Inter-company loan receivable	293,111	--	--	(293,111)	--
Deferred taxes, net	38,047	--	--	(5,720)	32,327
Prepaid pension costs	--	--	25,235	--	25,235
Other assets	4,741	30,752	6,078	--	41,571
Total assets	$631,319	$668,622	$385,577	$(722,413)	$963,105
Current liabilities:					
Accounts payable and accrued expenses	$ 2,720	$ 33,730	$ 47,223	$ --	$ 83,673
Inter-company payable	--	--	8,448	(8,448)	--
Compensation and employee benefits	--	94,916	33,233	--	128,149
Reserve for bonus and profit sharing	--	38,360	21,170	--	59,530
Income taxes payable	26,679	--	1,581	--	28,260
Short-term borrowings	--	2,269	6,946	--	9,215
Current maturities of long-term debt	--	473	905	--	1,378
Total current liabilities	29,399	169,748	119,506	(8,448)	310,205
Long-term debt:					
Senior subordinated notes, less unamortized discount	173,336	--	--	--	173,336
Revolving credit facilities	110,000	--	--	--	110,000
Other long-term debt	2,742	16,111	1,382	--	20,235
Inter-company loan payable	--	234,923	58,188	(293,111)	--
Total long-term debt	286,078	251,034	59,570	(293,111)	303,571
Deferred compensation liability	80,503	--	--	--	80,503
Other liabilities	--	15,162	20,297	(5,720)	29,739
Total liabilities	395,980	435,944	199,373	(307,279)	724,018
Minority interest	--	--	3,748	--	3,748
Commitments and contingencies					
Stockholders' equity	235,339	232,678	182,456	(415,134)	235,339
Total liabilities and stockholders' equity (deficit)	$631,319	$668,622	$385,577	$(722,413)	$963,105

</TABLE>

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)
(Unaudited)

CONSOLIDATED STATEMENT OF INCOME
For the Quarter Ended June 30, 2001

(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Consolidated Total
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$ --	$216,878	$67,971	$ --	$284,849
Costs and expenses:					
Commissions, fees and other incentives	--	107,707	27,098	--	134,805
Operating, administrative and other	558	91,643	37,334	--	129,535
Depreciation and amortization	--	7,518	3,928	--	11,446
Merger -- related and other nonrecurring charges	--	5,608	--	--	5,608
Operating income (loss)	(558)	4,402	(389)	--	3,455
Interest income	7,803	493	199	(7,803)	692
Interest expense	8,500	6,820	1,841	(7,803)	9,358
Equity earnings (losses) of consolidated subsidiaries	(3,063)	(1,138)	--	4,201	--
Loss before provision for income tax	(4,318)	(3,063)	(2,031)	4,201	(5,211)
Benefit for income tax	(2,797)	--	(893)	--	(3,690)
Net loss	$(1,521)	$ (3,063)	$(1,138)	$ 4,201	$ (1,521)

EBITDA	$ (558)	$ 17,528	$ 3,539	$ --	$ 20,509

</TABLE>

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)
(Unaudited)

CONSOLIDATED STATEMENT OF INCOME
For the Six Months Ended June 30, 2001

(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Consolidated Total
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$ --	$427,887	$129,460	$ --	$557,347
Costs and expenses:					
Commissions, fees and other incentives	--	203,990	55,213	--	259,203
Operating, administrative and other	137	189,567	73,910	--	263,614
Depreciation and amortization	--	15,370	7,772	--	23,142
Merger -- related and other nonrecurring charges	--	5,608	--	--	5,608
Operating (loss) income	(137)	13,352	(7,435)	--	5,780
Interest income	14,896	931	561	(14,896)	1,492
Interest expense	16,352	13,287	3,670	(14,896)	18,413
Equity losses of consolidated subsidiaries	(3,947)	(4,943)	--	8,890	--
Loss income before (benefit) provision for income tax	(5,540)	(3,947)	(10,544)	8,890	(11,141)
(Benefit) Provision for income tax	(1,173)	--	(5,601)	--	(6,774)
Net loss	$(4,367)	$ (3,947)	$ (4,943)	$ 8,890	$ (4,367)
EBITDA	$ (137)	$ 34,330	$ 337	$ --	$ 34,530

</TABLE>

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)
(Unaudited)

CONSOLIDATED STATEMENT OF INCOME
For the Quarter Ended June 30, 2000

(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Consolidated Total
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$ --	$245,702	$72,182	$ --	$317,884
Costs and expenses:					
Commissions, fees and other incentives	--	124,955	28,897	--	153,852
Operating, administrative and other	39	92,010	38,707	--	130,756
Depreciation and amortization	--	6,642	4,089	--	10,731
Merger-related and other nonrecurring charges	--	--	--	--	--
Operating income (loss)	(39)	22,095	489	--	22,545
Interest income	8,979	17	2	(8,906)	92
Interest expense	10,153	7,981	1,757	(8,906)	10,985
Equity earnings (losses) of consolidated subsidiaries	14,091	(40)	--	(14,051)	--
Income (loss) before provision (benefit) for income tax	12,878	14,091	(1,266)	(14,051)	11,652
Provision (benefit) for income tax	7,401	--	(1,226)	--	6,175
Net income (loss)	$ 5,477	$ 14,091	$ (40)	$(14,051)	$ 5,477

EBITDA	$ (39)	$ 28,737	$ 4,578	$ --	$ 33,276

</TABLE>

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)
(Unaudited)

CONSOLIDATED STATEMENT OF INCOME
For the Six Months Ended June 30, 2000

(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Consolidated Total
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$ --	$444,199	$134,604	$ --	$578,803
Costs and expenses:					
Commissions, fees and other incentives	--	213,032	54,783	--	267,815
Operating, administrative and other	590	182,072	75,242	--	257,904
Depreciation and amortization	--	12,979	8,321	--	21,300
Merger-related and other nonrecurring charges	--	--	--	--	--
Operating (loss) income	(590)	36,116	(3,742)	--	31,784
Interest income	17,563	356	79	(17,417)	581
Interest expense	19,110	15,779	3,198	(17,417)	20,670
Equity earnings (losses) of consolidated subsidiaries	17,207	(3,486)	--	(13,721)	--
Income (loss) before provision (benefit) for income tax	15,070	17,207	(6,861)	(13,721)	11,695
Provision (benefit) for income tax	9,573	--	(3,375)	--	6,198
Net income (loss)	$ 5,497	$ 17,207	$ (3,486)	$(13,721)	$ 5,497
EBITDA	$ (590)	$ 49,095	$ 4,579	$ --	$ 53,084

</TABLE>

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)
(Unaudited)

CONDENSED STATEMENT OF CASH FLOWS
For the Six Months ended June 30, 2001

(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Consolidated
<S>	<C>	<C>	<C>	<C>
CASH FLOWS (USED IN) PROVIDED BY OPERATING ACTIVITIES	$(33,725)	$(49,756)	$(23,773)	$(107,254)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property and equipment	--	(11,441)	(3,187)	(14,628)
Proceeds from sale of properties, businesses and servicing rights	--	8,763	428	9,191
Purchase of investments	--	(2,500)	(2,984)	(5,484)
Other investing activities, net	209	195	(51)	353
Net cash provided by (used in) investing activities	209	(4,983)	(5,794)	(10,568)
CASH FLOWS FROM FINANCING ACTIVITIES:				

Proceeds from revolving credit facility	185,000	--	--	185,000
Repayment of revolving credit facility	(70,000)	--	--	(70,000)
Decrease (increase) in intercompany receivables, net	(81,454)	58,702	22,752	--
Other financing activities, net	136	(1,721)	3,502	1,917
Net cash provided by (used in) financing activities	33,682	56,981	26,254	116,917
Net (decrease) increase in cash and cash equivalents	166	2,242	(3,313)	(905)
Cash and cash equivalents, at beginning of period	62	7,558	13,234	20,854
Effect of exchange rates changes on cash	--	--	(1,401)	(1,401)
CASH AND CASH EQUIVALENTS, AT END OF PERIOD	$ 228	$ 9,800	$ 8,520	$ 18,548
SUPPLEMENTAL DATA:				
Cash paid during the period for:				
Interest (none capitalized)	$ 16,131	$ 997	$ 74	$ 17,202
Federal and local income taxes	$ 14,678	$ --	$ 4,041	$ 18,719

CONDENSED STATEMENT OF CASH FLOWS
For the Six Months Ended June 30, 2000

(in thousands)

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidated
CASH FLOWS (USED IN) PROVIDED BY OPERATING ACTIVITIES	$(29,257)	$(10,024)	$(11,736)	$(51,017)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property and equipment	--	(9,275)	(2,176)	(11,451)
Proceeds from sale of properties, businesses and servicing rights	--	11,501	100	11,601
Purchase of investments	--	(9,000)	(2,311)	(11,311)
Other investing activities, net	(114)	207	(1,049)	(956)
Net cash used in investing activities	(114)	(6,567)	(5,436)	(12,117)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from revolving credit facility	134,000	--	--	134,000
Repayment of revolving credit facility	(72,000)	--	--	(72,000)
Decrease (increase) in intercompany receivables, net	(31,575)	21,114	10,461	--
Other financing activities, net	(1,786)	(2,516)	(2,360)	(6,662)
Net cash provided by (used in) financing activities	28,639	18,598	8,101	55,338
Net increase in cash and cash equivalents	(732)	2,007	(9,071)	(7,796)
Cash and cash equivalents, at beginning of period	864	6,287	20,693	27,844
Effect of exchange rates changes on cash	--	--	(853)	(853)
CASH AND CASH EQUIVALENTS, AT END OF PERIOD	$ 132	$ 8,294	$ 10,769	$ 19,195
SUPPLEMENTAL DATA:				
Cash paid during the period for:				
Interest (none capitalized)	$ 17,662	$ 1,337	$ 2,502	$ 21,501
Federal and local income taxes	$ 11,051	$ --	$ 4,390	$ 15,441

11. Subsequent Events

Effective July 20, 2001, the Company was acquired by CB Holding which is controlled by an affiliate of the Company's director Richard Blum. Additionally, other directors of the Company and certain of the Company's senior officers collectively have a significant interest in CB Holding. The merger was approved by the Company's stockholders on July 18, 2001. Pursuant to the merger, each share of the Company's common stock, other than those held by members of the buying group, has been converted into the right to receive $16.00. As a result of the merger, the Company's shares are no longer listed on the New York Stock Exchange.

The Company has also successfully completed a tender offer and consent solicitation for all of the outstanding principal amount of its 8 7/8% Senior Subordinated Notes due 2006 (the Notes). The Notes were purchased at $1,079.14 for each $1,000 principal amount of Notes, which includes the consent payment of $30.00 per $1,000 principal amount of Notes. The Company also repaid the outstanding balance of its revolving credit facility.

As part of the merger transaction, the Company assumed $229.0 million in aggregate principal amount of 11 1/4% Senior Subordinated Notes due 2011 for $225.6 million. The Company also entered into a senior credit facility with Credit Suisse First Boston (CSFB) and other lenders. This includes the Tranche A term facility of up to $50.0 million, maturing in 2007; the Tranche B term facility of up to $185.0 million, maturing in 2008; and the revolving line of credit of up to $90.0 million, including revolving credit loans, letters of credit and a swingline loan subsidiary, maturing in 2007. The Company had an outstanding balance on the revolving line of credit of $40.0 million at the close of the merger.

Borrowings under the senior secured credit facilities will bear interest at varying rates based on the Company's option, on either LIBOR plus 3.25% or the alternate base rate plus 2.25%, in the case of Tranche A and the revolving facility, and LIBOR plus 3.75% or the alternate base rate plus 2.75%, in the case of Tranche B. The alternate base rate is the higher of (1) CSFB's prime rate or (2) the Federal Funds Effective Rate plus one-half of one percent. After delivery of the Company's consolidated financial statements for the year ending December 31, 2001, the amount added to the LIBOR rate or the alternate base rate under the Tranche A and revolving facility will vary, from 2.50% to 3.25% for LIBOR and from 1.50% to 2.25% for the alternate base rate, as determined by reference to the Company's ratios of total debt less available cash to EBITDA. EBITDA represents earnings before net interest expense, income taxes, depreciation and amortization and merger-related and other nonrecurring charges.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Stockholders and Board of Directors of CB Richard Ellis Services, Inc.:

We have audited the accompanying consolidated balance sheets of CB Richard Ellis Services, Inc. (a Delaware corporation) as of December 31, 2000, and 1999, and the related consolidated statements of operations, stockholders' equity, comprehensive income and cash flows for each of the three years in the period ended December 31, 2000. These financial statements and the schedule referred to below are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CB Richard Ellis Services, Inc. as of December 31, 2000, and 1999, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2000, in conformity with accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule listed in the index to consolidated financial statements is presented for purposes of complying with the Securities and Exchange Commission's rules and is not a required part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to

the basic financial statements taken as a whole.

ARTHUR ANDERSEN LLP

Los Angeles, California
February 24, 2001

(Except with respect to the information
included in Notes 12 and 13, as to which
the date is May 31, 2001.)

CB RICHARD ELLIS SERVICES, INC.

CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except share and per share data)

<TABLE>
<CAPTION>

	December 31	
	2000	1999
<S>	<C>	<C>
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 20,854	$ 27,844
Receivables, less allowance for doubtful accounts of $12,631 and $15,560 at December 31, 2000 and 1999	176,908	168,276
Prepaid expenses	8,017	8,370
Deferred taxes, net	11,139	11,758
Other current assets	6,127	10,596
Total current assets	223,045	226,844
Property and equipment, net	75,992	70,149
Goodwill, net of accumulated amortization of $56,417 and $41,008 at December 31, 2000 and 1999	423,975	445,010
Other intangible assets, net of accumulated amortization of $289,038 and $279,156 at December 31, 2000 and 1999	46,432	57,524
Cash surrender value of insurance policies, deferred compensation plan	53,203	20,442
Investment in and advances to unconsolidated subsidiaries	41,325	38,514
Deferred taxes, net	32,327	28,190
Prepaid pension costs	25,235	26,323
Other assets	41,571	16,487
Total assets	$963,105	$ 929,483
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	$ 83,673	$ 81,068
Compensation and employee benefits	79,801	84,357
Accrued bonus and profit sharing	107,878	81,394
Income taxes payable	28,260	18,429
Current maturities of long-term debt	10,593	6,765
</TABLE>

Total current liabilities	310,205	272,013
Long-term debt:		
Senior subordinated notes, less unamortized discount of $1,664 and $1,892 at December 31, 2000 and 1999	173,336	173,108
Revolving credit facility	110,000	160,000
Other long-term debt	20,235	24,764
Total long-term debt	303,571	357,872
Deferred compensation liability	80,503	47,202
Other liabilities	29,739	38,787
Total liabilities	724,018	715,874
Minority interest	3,748	3,872
Commitments and contingencies		
Stockholders' Equity:		
Preferred stock, $0.01 par value; 8,000,000 shares authorized; no shares issued or outstanding	--	--
Common stock, $0.01 par value; 100,000,000 shares authorized; 20,605,023 and 20,435,692 shares issued and outstanding at December 31, 2000 and 1999	217	213
Additional paid-in capital	364,168	355,893
Notes receivable from sale of stock	(11,847)	(8,087)
Accumulated deficit	(89,097)	(122,485)
Accumulated other comprehensive loss	(12,258)	(1,928)
Treasury stock at cost, 1,072,155 and 885,100 shares at December 31, 2000 and 1999	(15,844)	(13,869)
Total stockholders' equity	235,339	209,737
Total liabilities and stockholders' equity	$963,105	$ 929,483

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

CB RICHARD ELLIS SERVICES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(dollars in thousands, except share and per share data)

<TABLE>
<CAPTION>

	Year Ended December 31		
	2000	1999	1998
<S>	<C>	<C>	<C>
Revenue:			
Leases	$ 539,419	$ 448,091	$ 371,300
Sales	389,745	394,718	357,718
Property and facilities management fees	110,654	110,111	86,379
Consulting and referral fees	78,714	73,569	72,586
Appraisal fees	75,055	71,050	48,082
Loan origination and servicing fees	58,190	45,940	39,402
Investment management fees	42,475	28,929	33,145
Other	29,352	40,631	25,891
Total revenue	1,323,604	1,213,039	1,034,503

Costs and Expenses:			
Commissions, fees and other incentives	634,639	559,289	458,463
Operating, administrative and other	538,481	536,381	448,794
Merger-related and other nonrecurring charges	--	--	16,585
Depreciation and amortization	43,199	40,470	32,185
Operating income	107,285	76,899	78,476
Interest income	2,554	1,930	3,054
Interest expense	41,700	39,368	31,047
Income before provision for income tax	68,139	39,461	50,483
Provision for income tax	34,751	16,179	25,926
Net income	$ 33,388	$ 23,282	$ 24,557
Deemed dividend on preferred stock	$ --	$ --	$ 32,273
Net income (loss) applicable to common stockholders	$ 33,388	$ 23,282	$ (7,716)
Basic earnings (loss) per share	$ 1.60	$ 1.11	$ (0.38)
Weighted average shares outstanding for basic earnings (loss) per share	20,931,111	20,998,097	20,136,117
Diluted earnings (loss) per share	$ 1.58	$ 1.10	$ (0.38)
Weighted average shares outstanding for diluted earnings (loss) per share	21,097,240	21,072,436	20,136,117

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

CB RICHARD ELLIS SERVICES, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	Year Ended December 31		
	2000	1999	1998
<S>	<C>	<C>	<C>
Cash flows from operating activities:			
Net income	$ 33,388	$ 23,282	$ 24,557
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization excluding deferred financing costs	43,199	40,470	32,185
Amortization of deferred financing costs	2,069	1,696	1,184
Deferred compensation deferrals	43,557	25,932	14,738
(Gain) loss on sale of properties, businesses and servicing rights	(10,184)	(9,865)	2,058
Equity interest in earnings of unconsolidated subsidiaries	(7,112)	(7,528)	(3,443)
Minority interest	607	2,016	730
Provision for litigation, doubtful accounts and other	5,125	4,724	5,185
Deferred income tax (benefit) provision	(4,083)	(12,688)	14,394
Increase in receivables	(12,545)	(37,640)	(24,846)
Increase in cash surrender value of insurance policies, deferred compensation plan	(32,761)	(20,442)	--
Increase in compensation and employee benefits payable and accrued bonus and profit share	24,418	37,339	7,782
(Decrease) increase in accounts payable and accrued expenses	(3,201)	1,346	2,615
Increase in income taxes payable	11,074	16,696	8,913
(Decrease) increase in other liabilities	(9,553)	7,583	(9,536)

Net change in other operating assets and liabilities	114	1,090	98
Net cash provided by operating activities	84,112	74,011	76,614
Cash flows from investing activities:			
Purchases of property and equipment	(26,921)	(35,130)	(29,715)
Proceeds from sale of inventoried property	--	7,355	--
Proceeds from sale of properties, businesses and servicing rights	17,495	12,072	--
Purchase of investments	(23,413)	(1,019)	--
Increase in intangible assets and goodwill	(3,119)	(5,331)	(14,595)
Acquisition of businesses including net assets acquire intangibles and goodwill	(3,442)	(8,931)	(189,895)
Other investing activities, net	3,678	4,217	10,685
Net cash used in investing activities	(35,722)	(26,767)	(223,520)
Cash flows from financing activities:			
Proceeds from revolving credit facility	179,000	165,000	315,000
Repayment of revolving credit facility	(229,000)	(172,000)	(268,000)
Proceeds from senior subordinated term loan	--	--	172,788
Repayment of inventoried property loan	--	(7,093)	(377)
Proceeds from (repayment of) senior notes and other loans, net	588	(12,402)	(14,324)
Payment of dividends payable	--	--	(5,000)
Repurchase of preferred stock	--	--	(72,331)
Repurchase of common stock	(2,018)	(4,986)	(8,883)
Repayment of capital leases	(1,373)	(1,340)	(1,655)
Minority interest payments	(2,180)	(3,801)	(2,902)
Other financing activities, net	1,460	(1,099)	5,122
Net cash (used in) provided by financing activities	(53,523)	(37,721)	119,438
Net (decrease) increase in cash and cash equivalents	(5,133)	9,523	(27,468)
Cash and cash equivalents, at beginning of period	27,844	19,551	47,181
Effect of exchange rate changes on cash	(1,857)	(1,230)	(162)
Cash and cash equivalents, at end of period	$ 20,854	$ 27,844	$ 19,551
Supplemental data:			
Cash paid during the period for:			
Interest (none capitalized)	$ 38,352	$ 36,997	$ 27,528
Income taxes, net	$ 27,607	$ 12,689	$ 3,395

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)

<TABLE>
<CAPTION>

	Preferred Stock	Common Stock	Additional Paid-in capital	Notes receivable from sale of stock	Accumulated deficit	Accumulated other comprehensive income (loss)	Treasury stock	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance, December 31, 1997.....	$ 40	$188	$333,981	$ (5,956)	$(170,324)	$ (158)	$ --	$157,771
Net income.....	--	--	--	--	24,557	--	--	24,557
Common stock issued for incentive plans.....	--	1	962	(962)	--	--	--	1
Contributions, deferred compensation plan.....	--	--	5,361	--	--	--	--	5,361
Collection on, net of cancellation of notes receivable from employee stock incentive plan.....	--	--	(646)	1,264	--	--	--	618
Common stock issued for REI and HP acquisitions.....	--	15	58,486	--	--	--	--	58,501
Shares issued for Capital Accumulation Plan.....	--	--	2,889	--	--	--	--	2,889
Common stock options exercised.....	--	7	8,835	--	--	--	--	8,842
Amortization of cheap stock.....	--	--	312	--	--	--	--	312
Tax deduction from issuance of stock.....	--	--	11,907	--	--	--	--	11,907
Foreign currency translation gain.....	--	--	--	--	--	1,297	--	1,297
Purchase of preferred stock.....	(40)	--	(72,291)	--	--	--	--	(72,331)
Purchase of common stock.....	--	--	--	--	--	--	(8,883)	(8,883)
Balance, December 31, 1998.....	--	211	349,796	(5,654)	(145,767)	1,139	(8,883)	190,842
Net income.....	--	--	--	--	23,282	--	--	23,282
Common stock issued for incentive plans.....	--	2	2,534	(2,534)	--	--	--	2
Contributions, deferred compensation plan.....	--	--	2,094	--	--	--	--	2,094
Collection on, net of cancellation of notes receivable from employee stock incentive plan.....	--	--	--	101	--	--	--	101
Common stock options exercised.....	--	--	449	--	--	--	--	449
Amortization of cheap stock.....	--	--	312	--	--	--	--	312
Tax deduction from issuance of stock.....	--	--	708	--	--	--	--	708
Foreign currency translation loss.....	--	--	--	--	--	(3,067)	--	(3,067)
Purchase of common stock.....	--	--	--	--	--	--	(4,986)	(4,986)
Balance, December 31, 1999.....	--	213	355,893	(8,087)	(122,485)	(1,928)	(13,869)	209,737
Net income.....	--	--	--	--	33,388	--	--	33,388
Common stock issued for incentive plans.....	--	4	4,310	(4,310)	--	--	--	4
Contributions, deferred compensation								

plan	--	--	2,729	--	--	--	--
2,729							
Deferred compensation plan co-match	--	--	907	--	--	--	--
907							
Collection on, net of cancellation of notes receivable from employee stock incentive plan	--	--	(550)	550	--	--	--
--							
Amortization of cheap and restricted stock	--	--	342	--	--	--	--
342							
Tax deduction from issuance of stock	--	--	580	--	--	--	--
580							
Foreign currency translation loss	--	--	--	--	--	(10,330)	--
(10,330)							
Purchase of common stock	--	--	(43)	--	--	--	(1,975)
(2,018)							
Balance, December 31, 2000	$ --	$217	$364,168	$(11,847)	$ (89,097)	$(12,258)	$(15,844)
$235,339							

The accompanying notes are an integral part of these consolidated financial statements.

CB RICHARD ELLIS SERVICES, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Year Ended December 31		
	2000	1999	1998
<S>	<C>	<C>	<C>
Net income	$ 33,388	$23,282	$24,557
Other comprehensive (loss) income net of tax	(10,330)	(3,067)	1,297
Comprehensive income	$ 23,058	$20,215	$25,854

The accompanying notes are an integral part of these consolidated financial statements.

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of CB Richard Ellis Services, Inc. (the Company) and majority owned and controlled subsidiaries. The equity attributable to minority shareholders' interests in subsidiaries is shown separately in the balance sheets. All significant intercompany accounts and transactions have been eliminated in consolidation.

The Company's investments in unconsolidated subsidiaries in which it has the ability to exercise significant influence over operating and financial policies, but does not control, are accounted for by using the equity method. Accordingly, the Company's share of the earnings of these equity basis companies is included in consolidated net income. All other investments held on a long-term basis are valued at cost less any permanent impairment in value.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and highly liquid investments with

an original maturity of less than three months. The Company controls certain cash and cash equivalents as agent for its investment and property management clients. These amounts are not included in the consolidated balance sheets.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price of an acquisition over the Company's interest in the fair value of the net identifiable assets acquired. Goodwill is carried at cost less accumulated amortization and amortized on a straight-line basis. Net goodwill at December 31, 2000 consisted of $405.7 million related to the 1995 through 2000 acquisitions which is being amortized over an estimated useful life of 30 years and $18.3 million related to the Company's original acquisition in 1989 which is being amortized over an estimated useful life of 40 years.

Net other intangible assets at December 31, 2000 included $6.0 million of deferred financing costs and $40.4 million of intangibles stemming from the 1995 through 2000 acquisitions. These are amortized on a straight-line basis over the estimated useful lives of the assets up to 12 years.

The Company periodically evaluates the recoverability of the carrying amount of goodwill and other intangible assets. In this assessment, the Company considers macro market conditions and trends in the Company's relative market position, its capital structure, lender relationships and the estimated undiscounted future cash flows associated with these assets. If any of the significant assumptions inherent in this assessment materially change due to market, economic and/or other factors, the recoverability is assessed based on the revised assumptions and resultant undiscounted cash flows. If the analysis indicates impairment, it would be recorded in the period the changes occur based on the fair value of the goodwill and other intangible assets.

Property, Plant and Equipment

The Company capitalizes expenditures that materially increase the life of the related assets and charges the cost of maintenance and repairs to expense. Upon sale or retirement, the capitalized costs and related accumulated depreciation or amortization are eliminated from the respective accounts, and the resulting gain or loss is included in operating income.

Depreciation is computed primarily using the straight line method over estimated useful lives ranging from 3 to 10 years. Leasehold improvements are amortized over the term of the respective leases, excluding options to

renew. Equipment under capital leases is depreciated over the related term of the leases. The Company periodically reviews property, plant and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If any of the significant assumptions inherent in this assessment materially change due to market, economics, and/or other factors, the recoverability is assessed based on the revised assumptions. If this analysis indicates that such assets are considered to be impaired, the impairment is recognized in the period the changes occur and is measured by the amount in which the carrying value exceeds the fair value of the asset.

Income Recognition

Real estate commissions on sales are recorded as income upon close of escrow or upon transfer of title. Real estate commissions on leases are generally recorded as income once the Company satisfies all obligations under the commission agreement, which generally occurs upon the earlier of the date of occupancy or cash receipt, if cash is received prior to occupancy. The existence of any significant future contingencies will result in the delay of recognition of income until such contingency is satisfied. If, for example, the tenant has a free rent period, lease revenue is not recorded until the first month's rent is paid. Investment management fees and management fees are recognized when earned under the provisions of the related agreements. Appraisal fees are recorded after services have been rendered. Loan origination fees are recognized at the time the loan closes and the Company has no significant remaining obligations for performance in connection with the loan transaction, while loan servicing fees are recorded as principal and interest payments are collected from mortgagors. Other commissions and fees are recorded as income at the time the related services have been performed unless significant future contingencies exist. The adoption of Staff Accounting Bulletin No. 101, "Revenue Recognition in Financial Statements," did not have a material effect on our operations or financial position.

Foreign Currencies

The financial statements of subsidiaries located outside the United States (US) are generally measured using the local currency as the functional currency. The assets and liabilities of these subsidiaries are translated at the rates of exchange at the balance sheet date and income and expenses are translated at the average monthly rate. The currency effects of translating the financial statements of these non-US operations of the Company are included in the "Accumulated other comprehensive income (loss)" component of stockholders' equity. Gains and losses resulting from foreign currency transactions are included in the results of operations. The aggregate transaction gains and losses included in the consolidated statements of operations are a $3.1 million loss, $1.1 million gain and $0.2 million loss for 2000, 1999 and 1998, respectively.

Comprehensive Income

Comprehensive income consists of net income and other comprehensive income (loss). Accumulated other comprehensive income (loss) consists of foreign currency translation adjustments.

Accounting for Transfers and Servicing

The Company follows Statement of Financial Accounting Standards (SFAS) No. 125, Accounting for Transfers and Servicing of Financial Assets and Extinguishments in accounting for loan sales and acquisition of servicing rights. Under SFAS No. 125, the Company is required to recognize, at fair value, financial and servicing assets it has acquired control over and related liabilities it has incurred and amortize them over the period of estimated net servicing income or loss. Write-off of the asset is required when control is surrendered. The fair value of these servicing rights resulted in a gain, which is reflected in the Consolidated Statements of Operations, with a corresponding servicing asset of approximately $0.7 million and $0.8 million, at December 31, 2000 and 1999, respectively, which is reflected in the Consolidated Balance Sheets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the US requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of certain revenues and expenses during the reporting periods. Actual results could differ from those estimates. Management believes that these estimates provide a reasonable basis for the fair presentation of its financial condition and results of operations.

Stock Based Compensation

The Company has elected to apply the provisions of Accounting Principles Board (APB) Opinion No. 25 and provide the pro forma disclosure requirements of SFAS No. 123, Accounting for Stock Based Compensation in the footnotes to its consolidated financial statements. SFAS No. 123 requires pro forma disclosure of net income and, if presented, earnings per share, as if the fair-value based method of accounting defined in this statement had been applied. APB Opinion No. 25 and related interpretations require accounting for stock compensation awards based on their intrinsic value as of the grant date.

Income Taxes

Income taxes are accounted for under the asset and liability method in accordance with SFAS 109, Accounting for Income Taxes. Deferred tax assets and liabilities are determined based on temporary differences between financial reporting and tax basis of assets and liabilities and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured by applying enacted tax rates and laws to taxable income in the years in which the temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

New Accounting Pronouncements

In September 2000, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities. SFAS 140 revises the standards for accounting for securitizations and other transfers of financial assets and collateral established by SFAS 125. In

addition, this statement is effective for recognition and reclassification of collateral and for disclosures relating to securitization transactions and collateral for fiscal years ending after December 15, 2000. The Company does not perform these types of transactions. This statement is effective for all transfers and servicing of financial assets and extinguishments of liabilities occurring after March 31, 2001. The Company is evaluating the impact of SFAS 140 on its results of operation and financial position for these types of transactions.

In June 2000, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 138, Accounting for Certain Derivative Instruments and Certain Hedging Activities--an Amendment of FASB Statement No. 133. SFAS No. 138 amends the accounting and reporting for certain derivative instruments and hedging activities and is effective for all fiscal quarters of all fiscal years beginning after June 15, 2000. SFAS 138 is not expected to have a material impact on earnings or other components of comprehensive income of the Company.

In June 1999, the FASB issued SFAS No. 137, Accounting for Derivative Instruments and Hedging Activities--Deferral of the Effective Date of FASB Statement No. 133, which deferred the effective date of SFAS No. 133 for one year. SFAS No. 137 is effective for all fiscal quarters of all fiscal years beginning after June 15,

2000. SFAS No. 137 is not anticipated to have a material impact on earnings or other components of comprehensive income as the Company had no derivatives outstanding at December 31, 2000.

In June 1998, the FASB issued SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities. SFAS No. 133 establishes accounting and reporting standards requiring that every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value. SFAS No. 133 requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows a derivative's gains and losses to offset related results on the hedged item in the income statement, and requires that a company must formally document, designate, and assess the effectiveness of transactions that receive hedge accounting. SFAS No. 133 is not expected to have a material impact on earnings or other components of comprehensive income as the Company had no derivatives outstanding at December 31, 2000.

Reclassifications

Some reclassifications, which do not have an effect on net income, have been made to the 1999 and 1998 financial statements to conform to the 2000 presentation.

2. Acquisitions and Dispositions

During 2000, the Company acquired five companies with an aggregate purchase price of approximately $3.4 million in cash, $0.7 million in notes, plus additional payments over the next five years based on acquisition earnout agreements. These payments will supplement the purchase price and be recorded as additional goodwill. The most significant acquisition in 2000 was the purchase of Boston Mortgage Capital Corporation (Boston Mortgage), through L.J. Melody, for approximately $2.1 million, plus supplemental payments based on an acquisition earnout agreement. Boston Mortgage provides further mortgage banking penetration into the northeast. It services approximately $1.8 billion in loans covering roughly 175 commercial properties throughout New England, New York and New Jersey.

In February 2000, the Company sold certain non-strategic assets for cash proceeds of $8.4 million, resulting in a pre-tax gain of $4.7 million.

During 1999, the Company acquired four companies with an aggregate purchase price of approximately $13.8 million. The two significant acquisitions were Eberhardt Company which was acquired in September 1999 through L.J. Melody for approximately $7.0 million and Profi Nordic which was acquired in February 1999 through CBRE Profi Acquisition Corp. (formerly Koll Tender III) for approximately $5.5 million.

During 1999, the Company sold five of its smaller non-strategic offices (Bakersfield and Fresno, California; Albuquerque, New Mexico; Reno, Nevada; and Salt Lake City, Utah) for a total of approximately $7.0 million received in cash and notes. It also sold an insurance operation which was used to help

property management and other clients with complex insurance problems for $3.0 million in receivables. These sales resulted in a pre-tax gain of $8.7 million.

On October 20, 1998 the Company, through L.J. Melody, purchased Carey, Brumbaugh, Starman, Phillips, and Associates, Inc., a regional mortgage banking firm for approximately $5.6 million in cash and approximately $2.4 million in notes bearing interest at 9.0% with three annual payments which began in October 1999. Approximately $0.2 million of the $2.4 million notes was accounted for as deferred cash compensation to select key executives. The acquisition was accounted for as a purchase. The purchase price has largely been allocated to

intangibles and goodwill which are amortized on a straight line basis over their estimated useful lives of 7 and 30 years, respectively.

On October 1, 1998 the Company purchased the remaining ownership interests that it did not already own in the Richard Ellis Australia and New Zealand businesses. The costs for the remaining interest was $20.0 million in cash. Virtually all of the revenue of these locations is derived from brokerage and appraisal services. The acquisition was accounted for as a purchase. The purchase price has largely been allocated to intangibles and goodwill which are amortized on a straight line basis over their estimated useful lives ranging up to 30 years.

On September 22, 1998 the Company purchased the approximately 73.0% interest that it did not already own in CB Commercial Real Estate Group of Canada, Inc. The Company acquired the remaining interest for approximately $14.3 million in cash. The acquisition was accounted for as a purchase. The purchase price has been largely allocated to intangibles and goodwill which are amortized on a straight line basis over their estimated useful lives ranging up to 30 years.

On July 7, 1998 the Company acquired the business of Hillier Parker May and Rowden, now known as CB Hillier Parker Limited (HP), a commercial property services partnership operating in the United Kingdom (UK). The acquisition was accounted for as a purchase. The purchase price for HP included approximately $63.6 million in cash and $7.1 million in shares of the Company's common stock. In addition, the Company assumed a contingent payout plan for key HP employees with a potential payout over three years of approximately $13.9 million and assumed various annuity obligations of approximately $15.0 million. The purchase price has largely been allocated to goodwill which is amortized on a straight line basis over its estimated useful life of 30 years.

On July 1, 1998 the Company increased its ownership percentage in CB Commercial/Arnheim & Neely, an existing partnership formed in September 1996, which then combined with the Galbreath Company Mid-Atlantic to form CB Richard Ellis/Pittsburgh, LP. The total purchase price of the Company's 50% interest in the combined enterprise is $5.7 million.

On May 31, 1998 the Company acquired Mathews Click and Associates, a property sales, leasing, and management firm, for approximately $10.0 million in cash and potential supplemental payments of $1.9 million which were contingent upon operating results, payable to the sellers over a period of two years. The acquisition was accounted for as a purchase. The total purchase price including potential supplemental payments was allocated to intangibles and goodwill which are amortized on a straight line basis over their estimated useful lives of 7 and 30 years, respectively.

Effective May 1, 1998 the Company, through L.J. Melody, acquired Shoptaw-James, Inc. (Shoptaw-James), a regional mortgage banking firm, for approximately $6.3 million in cash and approximately $2.7 million in notes bearing interest at 9.0% with three annual payments which began in May 1999. The acquisition was accounted for as a purchase. Approximately $0.3 million of the $2.7 million notes are being accounted for as compensation over the term of the notes as the payment of these notes are contingent upon select key executives' and producers' continued employment with the Company. Approximately $2.4 million of the $2.7 million is being accounted for as supplemental payments to the sellers over a period of three years. The purchase price and supplemental payments have largely been allocated to intangibles and goodwill which are amortized on a straight line basis over their estimated useful lives of 7 and 30 years, respectively.

On April 17, 1998 the Company purchased all of the outstanding shares of CB Commercial Limited, formerly known as REI Limited (REI), an international commercial real estate services firm operating under the name Richard Ellis in major commercial real estate markets worldwide (excluding the UK). The acquisition was accounted for as a purchase. The purchase price has largely been allocated to goodwill, which is amortized on a

straight line basis over an estimated useful life of 30 years. The purchase price for REI was approximately $104.8 million of which approximately $53.3 million was paid in cash and notes and approximately $51.5 million was paid in shares of the Company's common stock. In addition, the Company assumed approximately $14.4 million of long-term debt and minority interest. The Company incurred a one-time charge of $3.8 million associated with the integration of REI's operations and systems into the Company's.

On February 1, 1998 the Company, through L.J. Melody, acquired all of the issued and outstanding stock of Cauble and Company of Carolina, a regional mortgage banking firm for approximately $2.2 million, including cash payments of approximately $1.8 million and a note payable of approximately $0.4 million bearing interest at 9.0% with principal payments starting in April 1998. The acquisition was accounted for as a purchase. The purchase price has been largely allocated to intangibles and goodwill, which are amortized on a straight line basis over their estimated useful lives of 7 and 30 years, respectively.

On January 31, 1998 the Company, through L.J. Melody, acquired certain assets of North Coast Mortgage Company, a regional mortgage banking firm for cash payments of approximately $3.0 million and approximately $0.9 million in notes. Approximately $0.3 million of the $0.9 million notes have been accounted for as supplemental payments to the sellers and approximately $0.6 million as deferred compensation to certain key executives and producers payable in three annual installments which began in February 1999. The acquisition was accounted for as a purchase. The purchase price and supplemental payments have largely been allocated to intangibles and goodwill, which are amortized on a straight line basis over their estimated useful lives of 7 and 30 years, respectively. The $0.6 million of deferred cash compensation is being accounted for as compensation over the term of the agreements as the payment of the compensation is contingent upon select key executives' and producers' continued employment with the Company.

The assets and liabilities of certain acquired companies, along with the related goodwill, intangibles and indebtedness, are reflected in the accompanying consolidated financial statements at December 31, 2000. The results of operations of the acquired companies are included in the consolidated results from the dates they were acquired. The unaudited pro forma results of operations of the Company for the year ended December 31, 1998, assuming the REI acquisition had occurred on January 1, 1998, would have been as follows (amounts in thousands, except per share data):

<TABLE>
<CAPTION>

	Year Ended December 31, 1998
<S>	<C>
Revenue	$1,051,114
Net income	15,586
Net loss applicable to common stockholders	(16,687)
Loss per share	
Basic	(0.81)
Diluted	(0.81)

</TABLE>

For the year ended December 31, 1998, net loss applicable to common stockholders includes a deemed dividend of $32.3 million on the repurchase of the Company's preferred stock. The pro forma results do not necessarily represent results which would have occurred if the acquisitions had taken place on the date assumed above, nor are they indicative of the results of future combined operations. The amounts are based upon certain assumptions and estimates, and do not reflect any benefit from economies which might be achieved from combined operations. Further, REI historical results for the first three months of 1998 include certain nonrecurring adjustments.

3. Property and Equipment

Property and equipment is stated at cost and consists of the following (in thousands):

	December 31	
	2000	1999
Buildings and improvements	$ 17,354	$ 19,273
Furniture and equipment	128,678	111,840
Equipment under capital leases	28,765	29,800
	174,797	160,913
Accumulated depreciation and amortization	(98,805)	(90,764)
Property and equipment, net	$ 75,992	$ 70,149

The Company sold its headquarters building in downtown Los Angeles, California, in September 1999 and a small office building in Phoenix, Arizona in October 1999, both at a minimal loss. Depreciation expense was $19.2 million, $17.1 million and $14.8 million during 2000, 1999 and 1998, respectively.

4. Investments in and Advances to Unconsolidated Subsidiaries

Investments in and advances to unconsolidated subsidiaries as of December 31, 2000 and 1999 are as follows (in thousands):

		December 31	
	Interest	2000	1999
CB Commercial/Whittier Partners, LP	50.0%	$10,173	$ 9,646
CBRE Pittsburgh	50.0%	6,261	5,853
Ikoma CB Richard Ellis K.K.	20.0%	3,695	2,523
Strategic Partners (CBRE Investors)	3.4%	3,659	--
Building Technology Engineers	49.9%	2,595	--
CBRE Corp Partners, LLC	9.1%	2,510	1,453
Other	*	12,432	19,039
		$41,325	$38,514

* Various interests with varying ownership rates.

Unaudited combined condensed financial information for the entities accounted for using the equity method is as follows (in thousands):

Consolidated Statement of Operations Information

	Year Ended December 31		
	2000	1999	1998
		(Unaudited)	
Net revenue	$241,902	$172,365	$72,911
Income from operations	59,936	43,088	27,921
Net income	50,183	32,795	23,678

Condensed Balance Sheet Information:

<CAPTION>

	December 31	
	2000	1999
	(Unaudited)	
<S>	<C>	<C>
Current assets	$153,942	$ 62,579
Noncurrent assets	777,718	689,286
Current liabilities	94,507	34,076
Noncurrent liabilities	302,530	249,546
Minority interest	519	1,115

</TABLE>

5. Employee Benefit Plans

Option Plans. In conjunction with the North Coast Mortgage Company acquisition, options for 25,000 shares were granted with an exercise price representing the fair market value at date of grant of $32.50 per share. On December 15, 1998, the option holders elected to change the exercise price to $20.00 per share, which was above market value on the date of election, and simultaneously reduce the number of shares by 20%. The options vest over five years at a rate of 20% per year, expiring in February 2008. Options for 20,000 shares under the North Coast Mortgage Company acquisition were outstanding at December 31, 2000.

In conjunction with the Shoptaw-James acquisition, options for 25,000 shares were granted with an exercise price representing a fair market value of $37.32 per share on the date of grant. On December 15, 1998 the option holders elected to change the exercise price to $20.00 per share, which was above market value on the date of election, and simultaneously reduce the number of shares by 20%. The options vest over five years at a rate of 20% per year, expiring in May 2008. Options for 20,000 shares under the Shoptaw-James acquisition were outstanding at December 31, 2000.

In October 1998, in conjunction with the Carey, Brumbaugh acquisition, options for 25,000 shares were granted with an exercise price representing a fair market of $19.44 per share on the grant date. The options vest over five years at a rate of 20% per year, expiring in September 2008. Options for 25,000 shares under the Carey, Brumbaugh acquisition were outstanding at December 31, 2000.

In April 1998, in conjunction with the REI acquisition, the Company approved the assumption of the options outstanding under the REI Limited Stock Option Plan. These options for 46,115 shares of common stock were issued and exercised immediately at $14.95 per share in exchange for existing REI options. Also in conjunction with the REI acquisition, the Company granted options for 475,677 shares at an exercise price equal to fair market value at date of grant of $33.76 per share. On December 15, 1998 select holders of stock options elected to change the exercise price of their options to $20.00 per share, which was above market value on the date of election, and simultaneously reduce the number of shares by 20%. During 2000, the Company granted options for 58,000 shares of common stock at an exercise price of $12.88 per share. All options were granted at an exercise price equal to fair market value at date of grant. The vesting periods of these options range from three to five years and they expire at various dates through August 2010. Options for 492,984 shares were outstanding under the REI Limited Stock Option Plan at December 31, 2000.

A total of 700,000 shares of common stock have been reserved for issuance under the Company's 1997 Employee Stock Option Plan. On December 15, 1998, select holders of stock options with an exercise price in excess of $20.00 per share elected to change the exercise price of their options to $20.00 per share, which was above market value on the date of election and simultaneously reduce the number of shares by 20%. During 2000, the Company granted options for 105,000 shares of common stock at exercise prices ranging from $10.38

to $12.85 per share. All options were granted at an exercise price equal to fair market value at date of grant. The vesting periods for these options range from approximately four to five years and they expire at various dates through August 2010. Options for 692,060 shares were outstanding under the 1997 Employee Stock Option Plan at December 31, 2000.

In August 1997, in conjunction with the Koll acquisition, the Company approved the assumption of the options outstanding under the KMS Holding Company Amended 1994 Stock Option Plan (now known as the CBC Substitute Option Plan (CBCSP)) and the Koll Acquisition Stock Option Plan (KASOP). Under the CBCSP, 407,087 stock options were issued with exercise prices ranging from

$12.89 to $18.04 per share in exchange for existing Koll options. These options were immediately exercisable and expire at various dates through April 2006. All options were granted at an exercise price equal to fair market value at date of grant. At December 31, 2000, 231,941 options were outstanding. Under the KASOP, options for 550,000 shares were approved for issuance to former senior executives of Koll who became employees or directors of the Company. These options have exercise prices ranging from $14.25 to $36.75 per share and vesting periods ranging from immediate to three years. During 2000, the Company granted options for 20,000 shares of common stock under the KASOP at an exercise price of $12.88 per share. These options expire at various dates through August 2010. Options for 550,000 shares were outstanding for the KASOP at December 31, 2000.

In August 1997, in conjunction with the Koll acquisition, the Company approved the issuance of warrants to purchase 599,967 shares. Of the outstanding warrants, 42,646 are attached to common stock obtainable under the CBC Substitute Option Plan and 555,741 are attached to shares of outstanding common stock. Each warrant is exercisable into one share of common stock at an exercise price of $30.00 commencing in August 2000 and expiring in August 2004. At December 31, 2000, 598,387 warrants issued were outstanding.

A total of 90,750 shares of common stock have been reserved for issuance under the L.J. Melody Acquisition Stock Option Plan, which was adopted by the Board of Directors in September 1996 as part of the July 1996 acquisition of L.J. Melody. Options for all these shares have been issued at an exercise price of $10.00 per share and vest over a period of five years at the rate of 5% per quarter and these options expire in June 2006. Options for 90,750 shares of common stock under the L.J. Melody Acquisition Stock Option Plan were outstanding at December 31, 2000.

A total of 600,000 shares of common stock have been reserved for issuance under the Company's 1991 Service Providers Stock Option Plan. In various years, options were granted below market price to select directors as partial payment for director fees. On December 15, 1998 select holders of stock options with an exercise price in excess of $20.00 per share elected to change the exercise price of their options to $20.00 per share, which was above market value on the date of election and simultaneously reduce the number of shares by 20%. During 2000, options for 39,000 shares were granted to select directors and executive officers at an exercise price equal to fair market value at date of grant ranging from $11.81 to $12.88 per share. These options vest from a zero to a five year period and expire at various dates through August 2010. Options for 583,888 shares were outstanding under the 1991 Service Providers Stock Option Plan at December 31, 2000.

A total of 1,000,000 shares of common stock have been reserved for issuance under the Company's 1990 Stock Option Plan. All options vest over a four year period, expiring at various dates through November 2006. Options for 35,000 shares under the 1990 Stock Option Plan were outstanding at December 31, 2000.

The Company completed the 1999 stock repurchase program on January 5, 2000. A total of 397,450 shares of common stock were purchased for a total of $5.0 million. In 1998, a total of 488,900 shares of common stock were purchased for $8.8 million. The shares purchased in 1999 and 1998 will be used to minimize the dilution caused by the exercise of stock options and the grant of stock purchase rights.

A summary of the status of the Company's option plans at December 31, 2000, 1999 and 1998 and changes during the years then ended is presented in the table and narrative below:

<TABLE>
<CAPTION>

	2000		1999		1998	
Stock Options and Warrants	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Outstanding beginning of the year.....	3,075,356	$20.71	2,937,085	$23.18	3,284,381	$22.43
Granted.....	487,710	24.81	628,611	15.17	1,885,944	25.94
Exercised.....	--	--	(58,000)	10.00	(824,385)	10.73
Forfeited/Expired.....	(223,056)	19.84	(432,340)	31.64	(1,408,855)	32.42
Outstanding end of year.....	3,340,010	$21.25	3,075,356	20.71	2,937,085	$23.18

Exercisable at end of year.....	1,824,665	$23.90	770,756	$21.86	830,289	$21.94
Weighted average fair value of options granted during the year.....		$ 6.72		$ 8.84		$12.27

Significant option and warrant groups outstanding at December 31, 2000 and related weighted average price and life information is presented below:

	Outstanding Options and Warrants			Exercisable Options and Warrants	
Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$00.38-$10.38.....	167,594	5.32 yrs.	$ 7.44	143,519	$ 6.97
$11.81-$19.44.....	985,941	7.69 yrs.	14.48	327,141	14.48
$20.00-$23.75.....	1,273,754	6.84 yrs.	20.52	488,218	20.79
$30.00-$36.75.....	912,721	4.64 yrs.	32.11	865,787	32.02
	3,340,010		$21.25	1,824,665	$23.90

Deferred Compensation Plan (the DCP). In 1994, the Company implemented the DCP. Under the DCP, a select group of management and highly compensated employees can defer the payment of all or a portion of their compensation (including any bonus). The DCP permits participating employees to make an irrevocable election at the beginning of each year to receive amounts deferred at a future date either in cash, which is an unsecured long-term liability of the Company, or in shares of common stock of the Company which elections are recorded as additions to stockholders' equity. In May 2000, the Company began repurchasing stock from the open market in order to minimize the dilutive effect of issuing stock pursuant to the DCP. As of December 31, 2000, the Company has repurchased 185,800 shares of common stock for $2.0 million, which is reported as an increase in treasury stock. In 1999, the Company revised the DCP to add insurance products which function like mutual funds as an investment alternative and to fund the Company's obligation for deferrals invested in these insurance products. Prior to July 1, 2000, cash payments to purchase additional insurance products were made on the third business day of the month following the related DCP participant deferral. Currently, payments are made twice a month. For the year ended December 31, 2000, $43.6 million was deferred and mainly allocated to the other investment products. The accumulated non-stock liability at December 31, 2000 was $80.5 million and the assets (in the form of insurance proceeds) set aside to cover the liability was $53.2 million. The total liability of $92.0 million, including $11.5 million deferred in stock, was charged to expense in the period of deferral and classified as deferred compensation plan liability, except for stock which is included in stockholders' equity. On July 17, 2000, the Company announced a match of the stock portion of the DCP for the Plan Year 1999 in the

amount of $4.5 million, equivalent to 437,880 shares of common stock at a market price of $10.38 per share. The vesting period is over five years with 20% vesting each year at December 31, 2000 through 2004. The related compensation expense will be amortized over the vesting period. The Company charged to compensation expense a total of $0.9 million for the year ended December 31, 2000. The weighted average fair value of the shares granted during the year is $5.90. In October 2000, the Company added the "Retention Program" and the "Recruitment Program" to the DCP, with the awards being effective January 2001. Under the Retention Program, the 125 best sales professionals were credited with 5,700, 4,500 or 3,000 stock units under the DCP (each unit is the equivalent of one share of stock). The stock units do not vest for four years and in the case of those sales professionals who were credited with 5,700 or 4,500 stock units, there was a requirement to execute a long-term covenant not to compete. Under the Recruitment Program, the Company credited either stock units or cash to experienced new hires for sales professional jobs. The share awards ranged from 750 to 4,500 and the cash awards ranged from $30 thousand to $100 thousand.

As allowed under the provisions of SFAS No. 123, Accounting for Stock-Based Compensation, the Company has elected to follow Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, and related

interpretations in accounting for its employee stock based compensation plans. Under this method the Company does not recognize compensation expense for options that were granted at or above the market price of the underlying stock on the date of grant. Had compensation expense been determined consistent with SFAS No. 123, the Company's net income and per share information would have been reduced to the following pro forma amounts (in thousands except per share data):

<TABLE>
<CAPTION>

	2000	1999	1998
<S>	<C>	<C>	<C>
Net Income:			
As Reported	$33,388	$23,282	$24,557
Pro Forma	30,393	19,039	20,396
Basic EPS:			
As Reported	1.60	1.11	(0.38)
Pro Forma	1.45	0.91	(0.59)
Diluted EPS:			
As Reported	1.58	1.10	(0.38)
Pro Forma	1.44	0.91	(0.59)

</TABLE>

Because the SFAS 123 method of accounting has not been applied to options granted prior to January 1, 1995, the resulting pro forma compensation cost may not be representative of that to be expected in future years.

The fair value of each option grant and DCP company match is estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants:

<TABLE>
<CAPTION>

	2000	1999	1998
<S>	<C>	<C>	<C>
Risk free interest rate	6.52%	5.55%	4.95%
Expected volatility	58.06%	61.83%	48.16%
Expected life	5.00 years	5.00 years	5.00 years

</TABLE>

Dividend yield is excluded from the calculation since it is the present intention of the Company to retain all earnings.

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options which have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions including the expected stock price volatility. Because the Company's employee stock options have characteristics significantly different from those of traded options, and because

changes in the subjective input assumptions can materially affect the fair value estimate, the Company believes the Black-Scholes model does not necessarily provide a reliable single measure of the fair value of its employee stock options.

Stock Purchase Plans. The Company has restricted stock purchase plans covering select key executives including senior management. A total of 500,000 and 550,000 shares of common stock have been reserved for issuance under the Company's 1999 and 1996 Equity Incentive Plans, respectively. The shares may be issued to senior executives for a purchase price equal to the greater of $18.00 and $10.00 per share or fair market value, respectively. Under the 1999 and 1996 Equity Incentive Plans, the Company issued 285,000 and 50,000 shares in 2000, and 415,833 and 441,937 shares were outstanding at December 31, 2000, respectively. The purchase price for these shares must be paid either in cash or by delivery of a full recourse promissory note. The related promissory notes are also included in the Consolidated Statements of Stockholders' Equity.

In October 1998, the Company offered all employees under the 1990 Stock Option Plan who held options that expired in April 1999 a loan equal to 100% of the total exercise price plus 40% of the difference between the current market value of the shares and the exercise price. Loan proceeds were applied towards the total exercise price and payroll withholding taxes. The loans are evidenced by full recourse promissory notes having a maturity of five years at an interest rate of 6.0%. Interest is due annually, while the principal is due the earlier of five years or upon sale of the shares. The shares issued under this

offering may not be sold until after 18 months from the date of issuance. A total of 415,000 shares were issued under this offering. The related promissory notes of $4.7 million and $4.9 million are included in other assets in the Consolidated Balance Sheets at December 31, 2000 and 1999, respectively.

Bonuses. The Company has bonus programs covering select key employees, including senior management. Awards are based on the position and performance of the employee and the achievement of pre-established financial, operating and strategic objectives. The amounts charged to expense for bonuses were $49.8 million, $44.3 million and $33.7 million for the years ended December 31, 2000, 1999, and 1998, respectively.

Capital Accumulation Plan (the Cap Plan). The Cap Plan is a defined contribution profit sharing plan under Section 401(k) of the Internal Revenue Code and is the Company's only such plan. Under the Cap Plan, each participating employee may elect to defer a portion of his or her earnings and the Company may make additional contributions from the Company's current or accumulated net profits to the Cap Plan in these amounts as determined by the Board of Directors. The Company expensed, in connection with the Cap Plan, $2.2 million and $1.6 million for the years ended December 31, 2000 and 1999. No expense, in connection with the Cap Plan, was incurred for the year ended December 31, 1998.

Employee Stock Purchase Plan. In May 2000, the Company amended and restated, effective July 1, 2000, its 1998 employee stock purchase plan designed exclusively for employees who earn less than $100,000 in total annual compensation. Under the plan, the eligible employees may purchase common stock by means of contributions to the Company at a price equal to 90% of the fair market value of the share on the last trading day of the purchase period. The plan provides for purchases by employees up to an aggregate of 150,000 shares each year for 2000, 2001 and 2002. This program was discontinued effective October 2000.

Pension Plan. The Company, through the acquisition of Hillier Parker, maintains a contributory defined benefit pension plan to provide retirement benefits to existing and former Hillier Parker employees participating in the plan. It is the Company's policy to fund the minimum annual contributions required by applicable regulations. Pension expense totaled $0.9 million, $1.9 million and $0.9 million in 2000, 1999 and 1998, respectively.

The following sets forth a reconciliation of benefit obligation, plan assets, plan's funded status and amounts recognized in the accompanying Consolidated Balance Sheets:

<TABLE>
<CAPTION>

	Year Ended December 31	
	2000	1999
	(in thousands)	
<S>	<C>	<C>
Change in benefit obligation		
Benefit obligation at beginning of year	$ 72,146	$ 73,190
Service cost	5,728	5,350
Interest cost	4,026	4,175
Plan participants' contributions	671	804
Actuarial gain	(4,680)	(7,495)
Benefits paid	(1,343)	(1,760)
Currency gain	(5,472)	(2,118)
Benefit obligation at end of year	$ 71,076	$ 72,146
Change in plan assets		
Fair value of plan assets at beginning of year	$115,039	$ 95,731
Actual return on plan assets	(3,340)	22,666
Company contributions	1,257	786
Plan participants' contributions	671	419
Benefits paid	(1,343)	(1,760)
Currency loss	(8,596)	(2,803)
Fair value of plan assets at end of year	$103,688	$115,039

Funded status	$ 32,612	$ 42,893
Unrecognized net actuarial gain	(7,941)	(16,570)
Company contributions in the post-measurement period	564	--
Prepaid benefit cost	$ 25,235	$ 26,323

</TABLE>

Weighted-average assumptions used in developing the projected benefit obligation were as follows:

<TABLE>
<CAPTION>

	December 31	
	2000	1999
<S>	<C>	<C>
Discount rate	6.00%	5.75%
Expected return on plan assets	7.75%	7.75%
Rate of compensation increase	5.00%	5.00%

Net periodic pension cost consisted of the following:

<CAPTION>

	Year Ended December 31	
	2000	1999
	(in thousands)	
<S>	<C>	<C>
Employer service cost	$ 5,728	$ 5,350
Interest cost on projected benefit obligation	4,026	4,175
Expected return on plan assets	(8,395)	(7,636)
Unrecognized net gain	(425)	--
Net periodic benefit cost	$ 934	$ 1,889

</TABLE>

6. Long-term Debt

Long-term debt consists of the following (in thousands):

<TABLE>
<CAPTION>

	December 31	
	2000	1999
<S>	<C>	<C>
Senior Subordinated Notes, less unamortized discount of $1.7 million and $1.9 million at December 31, 2000 and 1999, respectively, with fixed interest at 8.9% due in 2006	$173,336	$173,108
Revolving Credit Facility, with interest ranging from 8.5% to 9.0%, due in 2003	110,000	160,000
Westmark Senior Notes, with interest ranging from 9.0% to 10.0% through December 31, 2004 and at variable rates depending on the Company's credit facility rate thereafter, due from 2001 through 2010	15,502	16,502
Euro cash pool loan, with interest at 6.91% and no stated maturity date	6,946	--
REI Senior Notes, with variable interest rates based on Sterling LIBOR minus 1.5%, due in 2002	2,742	2,965
Shoptaw-James Senior Notes, with fixed interest at 9.0%, due in 2001	810	1,620
Carey, Brumbaugh Senior Notes, with fixed interest at 9.0%, due in 2001	720	1,440
Eberhardt Acquisition Obligations, with fixed interest at 8.0%, due from 2001 through 2002	600	900
Capital lease obligations, mainly for autos and telephone equipment, with interest ranging from 6.8% to 8.9%, due through 2004	2,302	3,554
Other	1,206	4,548
Total	314,164	364,637
Less current maturities	10,593	6,765
Total long-term debt	$303,571	$357,872

</TABLE>

Annual aggregate maturities of long-term debt at December 31, 2000 are as follows (in thousands): 2001--$10,593; 2002--$4,536; 2003--$110,512; 2004--$128; 2005--$20; and $188,375 thereafter.

In October 1999, the Company executed an amendment to the revolving credit facility, eliminating the mandatory reduction on December 31, 1999, and revising some of the restrictive covenants. The new amendment is also subject to mandatory reductions of the facility by $80.0 million and $70.0 million on December 31, 2000 and 2001, respectively. This reduced the facility from $350.0 million to $270.0 million at December 31, 2000. The amount outstanding under this facility was $110.0 million at December 31, 2000. Interest rate alternatives include Bank of America's reference rate plus 1.00% and LIBOR plus 2.00%. The weighted average rate on amounts outstanding at December 31, 2000 was 8.79%.

The revolving credit facility contains numerous restrictive covenants that, among other things, limit the Company's ability to incur or repay other indebtedness, make advances or loans to subsidiaries and other entities, make capital expenditures, incur liens, enter into mergers or effect other fundamental corporate transactions, sell its assets, or declare dividends. In addition, the Company is required to meet certain ratios relating to its adjusted net worth, level of indebtedness, fixed charges and interest coverage.

The Company has outstanding Senior Subordinated Notes (Subordinated Notes) due on June 1, 2006. The Subordinated Notes are redeemable in whole or in part after June 1, 2002 at 104.438% of par on that date and at declining prices thereafter. On or before June 1, 2001, up to 35.0% of the issued amount may be redeemed at 108.875% of par plus accrued interest solely with the proceeds from an equity offering.

The Company has a credit agreement with Residential Funding Corporation (RFC). The credit agreement provides for a revolving line of credit, which bears interest at 1.25% per annum over LIBOR. On July 19, 2000, the Company executed an amendment to the revolving line of credit, increasing the line of credit from $50.0 million to $100.0 million, decreasing the interest rate from 1.25% to 1.00% per annum over LIBOR and extending the expiration date from August 31, 2000 to August 31, 2001. In addition, on November 8, 2000, the Company obtained a temporary line of credit increase of $52.0 million, resulting in a total line of credit equaling $152.0 million. This temporary line of credit increase expired on November 30, 2000. During the year, the Company had a maximum of $151.3 million revolving line of credit principal outstanding. At December 31, 2000, the Company had $0.4 million revolving line of credit principal outstanding.

7. Commitments and Contingencies

In December 1996, GMH Associates, Inc. (GMH) filed a lawsuit against Prudential Realty Group (Prudential) and the Company in the Superior Court of Pennsylvania, Franklin County, alleging various contractual and tort claims against Prudential, the seller of a large office complex, and the Company, its agent in the sale, contending that Prudential breached its agreement to sell the property to GMH, breached its duty to negotiate in good faith, conspired with the Company to conceal from GMH that Prudential was negotiating to sell the property to another purchaser and that Prudential and the Company misrepresented that there were no other negotiations for the sale of the property. Following a non-jury trial, the court rendered a decision in favor of GMH and against Prudential and the Company, awarding GMH $20.3 million in compensatory damages, against Prudential and the Company jointly and severally, and $10.0 million in punitive damages, allocating the punitive damage award $7.0 million as against Prudential and $3.0 million as against the Company. Following the denial of motions by Prudential and the Company for a new trial, a judgment was entered on December 3, 1998. Prudential and the Company filed an appeal of the judgment. On March 3, 2000, the appellate court in Pennsylvania reversed all of the trial courts' decisions finding that liability was not supported on any theory claimed by GMH and directed that a judgment be entered in favor of the defendants including the Company. The plaintiff filed an appeal with the Pennsylvania Supreme Court which was denied. The plaintiff has exhausted all appeal possibilities and judgment is expected to be entered shortly in favor of all defendants.

In August 1993, a former commissioned sales person of the Company filed a lawsuit against the Company in the Superior Court of New Jersey, Bergen County, alleging gender discrimination and wrongful termination by the Company. On

November 20, 1996, a jury returned a verdict against the Company, awarding $1.5 million in general damages and $5.0 million in punitive damages to the plaintiff. Subsequently, the trial court awarded the plaintiff $0.6 million in attorneys' fees and costs. Following denial by the trial court of the Company's motions for new trial, reversal of the verdict and reduction of damages, the Company filed an appeal of the verdict and requested a reduction of damages. On March 9, 1999, the appellate court ruled in the Company's favor, reversed the trial court decision and ordered a new trial. On February 16, 2000, the Supreme Court of New Jersey reversed the decision of the appellate court, concluded that the general damage award in the trial court should be sustained and returned the case to the appellate court for a determination as to whether a new trial should be ordered on the issue of punitive damages. In April 2000, the Company settled the compensatory damages claim (including interest) and all claims to date with respect to attorneys fees by paying to the plaintiff the sum of $2.75 million leaving only the punitive damage claim for resolution (the plaintiff also agreed, with very limited exceptions, that no matter what the outcome of the punitive damage claim the Company would not be responsible for more than 50% of the plaintiff's future attorney fees). In February 2001, the Company settled all remaining claims for the sum of $2.0 million and received a comprehensive release.

The Company is a party to a number of pending or threatened lawsuits arising out of, or incident to, its ordinary course of business. Based on available cash and anticipated cash flows, the Company believes that the ultimate outcome will not have an impact on the Company's ability to carry on its operations. Management

believes that any liability to the Company that may result from disposition of these lawsuits will not have a material effect on the consolidated financial position or results of operations of the Company.

The following is a schedule by years of future minimum lease payments for noncancelable leases as of December 31, 2000 (in thousands):

<TABLE>
<CAPTION>

	Capital Leases	Operating Leases
<S>	<C>	<C>
2001	$1,167	$ 48,299
2002	895	40,686
2003	518	33,316
2004	10	25,967
2005	--	22,195
Thereafter	--	97,674
Total minimum payments required	$2,590	$268,137

</TABLE>

The interest portion of capital lease payments represents the amount necessary to reduce net minimum lease payments to present value calculated at the Company's incremental borrowing rate at the inception of the leases. This totaled $0.3 million at December 31, 2000, resulting in a present value of net minimum lease payments of $2.3 million. At December 31, 2000, $0.9 million and $1.4 million are included in the current portion of long-term debt and long-term debt, respectively. In addition, the total minimum payments for noncancelable operating leases have not been reduced by the minimum sublease rental income of $42.9 million due in the future under noncancelable subleases.

Substantially all leases require the Company to pay maintenance costs, insurance and property taxes, and generally may be renewed for five year periods. The composition of total rental expense under noncancelable operating leases consisted of the following (in thousands):

<TABLE>
<CAPTION>

	December 31,		
	2000	1999	1998
<S>	<C>	<C>	<C>
Minimum rentals	$56,243	$51,467	$33,126
Less sublease rentals	(1,387)	(928)	(706)
	$54,856	$50,539	$32,420

	=======	=======	=======

</TABLE>

In 1999, the Company entered into an agreement with Fannie Mae in which the Company agreed to fund the purchase of a $103.6 million loan portfolio from proceeds from its RFC line of credit, which was temporarily increased to $140.0 million in 2000. In December 2000, the Company entered into an agreement with Fannie Mae in which the Company agreed to fund the purchase of an additional $7.5 million loan from proceeds from its RFC line of credit. A 100% participation in both the original and additional loan portfolio was subsequently sold to Fannie Mae with the Company retaining the credit risk on the first 2% of loss incurred on the underlying commercial mortgage loans. The Company has collateralized a portion of its obligation to cover the first 2% of losses for both the $103.6 million loan portfolio and the additional $7.5 million loan portfolio by increasing a letter of credit in favor of Fannie Mae to total $1.1 million.

The Company has a participation agreement with RFC whereby RFC agrees to purchase a 99% participation interest in any eligible multifamily mortgage loans owned by the Company and outstanding at quarter-end. This participation agreement, which originally expired on August 31, 2000, has been extended to August 31, 2001.

An important part of the strategy for the Company's investment management business involves investing the Company's own capital in certain real estate investments with its clients. As of December 31, 2000, the Company had committed an additional $37.7 million to fund future co-investments.

8. Income Taxes

The tax provision (benefit) for the years ended December 31, 2000, 1999 and 1998 consisted of the following (in thousands):

<TABLE>
<CAPTION>

	Year Ended December 31		
	2000	1999	1998
<S>	<C>	<C>	<C>
Federal:			
Current	$24,924	$14,403	$ 4,265
Deferred tax	921	(1,417)	14,469
Reduction of valuation allowances	(3,000)	(6,347)	--
	22,845	6,639	18,734
State:			
Current	6,895	5,627	3,470
Deferred tax	(1,243)	(1,411)	(75)
	5,652	4,216	3,395
Foreign:			
Current	7,015	8,837	3,797
Deferred tax	(761)	(3,513)	--
	6,254	5,324	3,797
	$34,751	$16,179	$25,926

</TABLE>

The following is a reconciliation, stated as a percentage of pre-tax income, of the US statutory federal income tax rate to the Company's effective tax rate on income from operations:

<TABLE>
<CAPTION>

	Year Ended December 31		
	2000	1999	1998
<S>	<C>	<C>	<C>
Federal statutory tax rate	35%	35%	35%
Permanent differences, including goodwill, meals, entertainment and other	11	15	8

State taxes, net of federal benefit	6	9	4
Foreign income taxes	4	4	4
Reduction of valuation allowances	(5)	(22)	--
Effective tax rate	51%	41%	51%

</TABLE>

The domestic component of income before provision for income tax included in the consolidated statement of operations was $63.2 million, $32.0 million and $45.6 million, for 2000, 1999 and 1998, respectively. The international component of income before provision for income tax was $4.9 million, $7.4 million and $4.9 million, for 2000, 1999 and 1998, respectively.

Cumulative tax effects of temporary differences are shown below at December 31, 2000 and 1999 (in thousands):

<TABLE>
<CAPTION>

	December 31	
	2000	1999
<S>	<C>	<C>
Asset (Liability)		
Property and equipment	$ 11,910	$ 5,820
Bad debts and other reserves	12,832	15,940
Intangible amortization	(15,736)	(16,533)
Bonus, unexercised restricted stock, deferred compensation	35,343	23,990
Partnership income	6,950	7,092
Net operating loss (NOL) and alternative minimum tax credit carryforwards	6,134	23,086
Unconsolidated affiliates	1,010	(1,167)
All other, net	1,853	2,040
Net deferred tax asset before valuation allowances	60,296	60,268
Valuation allowances	(16,830)	(20,320)
Net deferred tax asset	$ 43,466	$ 39,948

</TABLE>

The Company had federal income tax NOLs of approximately $16.3 million at December 31, 2000, corresponding to $5.7 million of the Company's $60.3 million in net deferred tax assets before valuation allowances.

The ability of the Company to utilize NOLs was limited in 1998 and will be in subsequent years as a result of the Company's 1996 public offering, the 1997 Koll acquisition and the 1998 repurchase of preferred stock which cumulatively caused a more than 50.0% change of ownership within a three year period. As a result of the limitation, the Company's ability to utilize its existing NOLs is limited to $26.0 million on an annual basis. It is anticipated that the Company will utilize the remaining NOLs in 2001.

A deferred US tax liability has not been provided on the unremitted earnings of foreign subsidiaries because it is the intent of the Company to permanently reinvest these earnings. Undistributed earnings of foreign subsidiaries, which have been or are intended to be permanently invested in accordance with APB No. 23, Accounting for Income Taxes--Special Areas, aggregated $27.7 million at December 31, 2000.

9. Earnings Per Share Information

Basic earnings (loss) per share was computed by dividing net income (loss), less preferred dividend requirements as applicable, by the weighted average number of common shares outstanding during each period. The computation of diluted earnings (loss) per share further assumes the dilutive effect of stock options, stock warrants and other stock-based compensation programs, as well as the conversion of the preferred stock during periods when preferred stock was outstanding and was dilutive.

In January 1998, the Company repurchased all 4.0 million shares of its outstanding convertible preferred stock. The portion of the purchase price in excess of the carrying value represents the deemed dividend charge to net income applicable to common shareholders when computing basic and diluted

earnings (loss) per share for the year ended December 31, 1998.

The following is a calculation of earnings (loss) per share for the years ended December 31 (in thousands, except share and per share data):

	2000			1999			1998		
	Income	Shares	Per-Share Amount	Income	Shares	Per-Share Amount	Income	Shares	Per-Share Amount
Basic earnings (loss) per share:									
Net income	$33,388			$23,282			$ 24,557		
Deemed dividend on preferred stock repurchase	--			--			(32,273)		
Net income (loss) applicable to common stockholders	$33,388	20,931,111	$1.60	$23,282	20,998,097	$1.11	$ (7,716)	20,136,117	$(0.38)
Diluted earnings (loss) per share:									
Net income (loss) applicable to common stockholders	$33,388	20,931,111		$23,282	20,998,097		$ (7,716)	20,136,117	
Diluted effect of exercise of options outstanding		35,594			74,339			--	
Diluted effect of stock-based compensation programs		130,535			--			--	
Net income (loss) applicable to common stockholders	$33,388	21,097,240	$1.58	$23,282	21,072,436	$1.10	$ (7,716)	20,136,117	$(0.38)

The following items were not included in the computation of diluted earnings per share because their effect in the aggregate was anti-dilutive for the years ended December 31,

	2000	1999	1998
Stock options			
Outstanding	2,574,029	2,008,659	2,337,118
Price ranges	$11.81-$36.75	$16.38-$36.75	$0.30-$37.31
Expiration ranges	6/8/04-8/31/10	6/8/04-5/31/09	4/18/99-7/22/08
Stock warrants			
Outstanding	598,387	599,967	599,967
Price	$30.00	$30.00	$30.00
Expiration date	8/28/04	8/28/04	8/28/04

10. Disclosures About Fair Value of Financial Instruments

Long-term Debt. Based on dealer's quote, the estimated fair value of the Company's $173.3 million Senior Subordinated Note, discussed in Note 6, is $155.8 million.

Estimated fair values for the Revolving Credit Facilities and the remaining long-term debts are not presented because the Company believes that it is not materially different from book value, primarily because the majority of the Company's debt is based on variable rates.

11. Industry Segments

In July 1999, the Company undertook a reorganization to streamline its US operations which resulted in a change in its segment reporting from four to three segments. The Company has a number of lines of business which are aggregated, reported and managed through these three segments: Transaction Management, Financial Services and Management Services. The Transaction Management segment is our largest generator of revenue and operating income and includes Brokerage Services, Corporate Services and Investment Property activities. Brokerage Services includes activities that provide sales, leasing and consulting services in connection with commercial real estate and is the Company's primary revenue source. Corporate Services focuses on building relationships with large corporate clients which generate recurring revenue. Investment Property activities provide brokerage services for commercial real property marketed for sale to institutional and private investors. The Financial Services segment provides commercial mortgage, valuation, investment management and consulting and research services. The Management Services segment provides facility management services to corporate real estate users and property management and related services to owners. The following table summarizes the revenue, cost and expenses, and operating income (loss) by operating segment for the year ended December 31, 2000, 1999 and 1998 (in thousands):

<TABLE>
<CAPTION>

	Year Ended December 31		
	2000	1999	1998
<S>	<C>	<C>	<C>
Revenue:			
Transaction Management			
Leases	$ 510,287	$ 426,108	$ 352,811
Sales	378,486	383,726	330,206
Other consulting and referral fees(1)	61,479	71,095	79,934
Total revenue	950,252	880,929	762,951
Financial Services			
Appraisal fees	72,861	69,007	48,090
Loan origination and servicing fees	58,188	45,938	39,402
Investment management fees	40,433	27,323	32,591
Other(1)	42,622	35,059	25,167
Total revenue	214,104	177,327	145,250
Management Services			
Property management fees	83,251	79,994	67,300
Facilities management fees	23,069	25,597	17,219
Other(1)	52,928	49,192	41,783
Total revenue	159,248	154,783	126,302
Consolidated revenues	$1,323,604	$1,213,039	$1,034,503
Operating income (loss)			
Transaction Management	$ 83,305	$ 68,382	$ 81,232
Financial Services	17,712	7,113	6,849
Management Services	6,268	1,404	6,980
Merger-related and other nonrecurring charges	--	--	(16,585)
	107,285	76,899	78,476
Interest income	2,554	1,930	3,054
Interest expense	41,700	39,368	31,047
Income before provision for income taxes	$ 68,139	$ 39,461	$ 50,483

</TABLE>

<TABLE>
<CAPTION>

	Year Ended December 31		
	2000	1999	1998
<S>	<C>	<C>	<C>
Depreciation and amortization			
Transaction Management	$21,342	$20,676	$13,722
Financial Services	12,001	10,719	11,025
Management Services	9,856	9,075	7,438

	$43,199	$40,470	$32,185

</TABLE>

<TABLE>
<CAPTION>

	Year Ended December 31		
	2000	1999	1998
<S>	<C>	<C>	<C>
Capital expenditures			
Transaction Management	$15,435	$15,830	$12,669
Financial Services	6,674	11,030	10,179
Management Services	4,812	8,270	6,867
	$26,921	$35,130	$29,715
Equity interest in earnings of unconsolidated subsidiaries			
Transaction Management	$ 3,930	$ 2,542	$ 315
Financial Services	1,162	4,030	706
Management Services	2,020	956	2,422
	$ 7,112	$ 7,528	$ 3,443

</TABLE>

---

(1)Revenue is allocated by material line of business specific to each segment. "Other" includes types of revenue that have not been broken out separately due to their immaterial balances and/or nonrecurring nature within each segment. Certain revenue types disclosed on the consolidated statements of operations may not be derived directly from amounts shown in this table.

<TABLE>
<CAPTION>

	December 31	
	2000	1999
<S>	<C>	<C>
Identifiable assets		
Transaction Management	$477,268	$444,422
Financial Services	261,682	246,151
Management Services	159,835	171,118
Corporate	64,320	67,792
	$963,105	$929,483

</TABLE>

Identifiable assets by industry segment are those assets used in the Company operations in each segment. Corporate identified assets are principally made up of cash and cash equivalents and deferred taxes.

<TABLE>
<CAPTION>

	December 31	
	2000	1999
<S>	<C>	<C>
Investment in and advances to unconsolidated subsidiaries		
Transaction Management	$14,208	$11,352
Financial Services	15,199	18,587
Management Services	11,918	8,575
	$41,325	$38,514

</TABLE>

Geographic Information:

<TABLE>
<CAPTION>

	Year Ended December 31

	2000	1999	1998
<S>	<C>	<C>	<C>
Revenue			
Americas			
United States	$1,027,359	$ 940,341	$ 884,304
Canada, South and Central America	46,721	42,112	16,473
	1,074,080	982,453	900,777
Asia Pacific	84,985	79,420	46,528
Europe, Middle East and Africa	164,539	151,166	87,198
	$1,323,604	$1,213,039	$1,034,503

</TABLE>

<TABLE>
<CAPTION>

	December 31	
	2000	1999
<S>	<C>	<C>
Long-Lived assets		
United States	$55,100	$51,064
All other countries	20,892	19,085
	$75,992	$70,149

</TABLE>

Long lived assets include property, plant and equipment.

12. Guarantor and Nonguarantor Financial Statements

In connection with the planned acquisition by BLUM CB Corp., and as part of the related proposed financing, the Company plans to issue an aggregate of $229.0 million in senior subordinated notes due 2011 (the Notes). These Notes will be unsecured and will rank equally in right of payment with any of the Company's future senior subordinated unsecured indebtedness. The Notes will be effectively subordinated to indebtedness and other liabilities of the Company's subsidiaries that are not guarantors of the Notes. The Notes are guaranteed on a full, unconditional, joint and several basis by the Company's wholly-owned domestic subsidiaries.

The following condensed consolidating financial information, which is subject to change based on the issuance of the Notes, includes:

(1) Condensed consolidating balance sheets as of December 31, 2000 and 1999 and the related statements of income and cash flows for each of the three years in the period ended December 31, 2000 of (a) CB Richard Ellis Services, Inc., the parent; (b) the guarantor subsidiaries; (c) the nonguarantor subsidiaries; and (d) the Company on a consolidated basis; and

(2) Elimination entries necessary to consolidate CB Richard Ellis Services, Inc., the parent, with guarantor and nonguarantor subsidiaries.

Investments in consolidated subsidiaries are presented using the equity method of accounting. The principal elimination entries eliminate investments in consolidated subsidiaries and intercompany balances and transactions. Merger-related and other nonrecurring charges reported in 1998 were not pushed down to the various subsidiaries.

CONSOLIDATED BALANCE SHEETS
FOR THE YEAR ENDED DECEMBER 31, 2000
(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Consolidated Total
<S>	<C>	<C>	<C>	<C>	<C>
Current assets:					
Cash and cash equivalents	$ 62	$ 7,558	$ 13,234	$ --	$ 20,854
Receivables, less allowance for					

doubtful accounts	637	85,173	91,098	--	176,908
Inter-company receivables	--	8,448	--	(8,448)	--
Prepaid and other current assets	9,269	7,138	8,876	--	25,283
Total current assets	9,968	108,317	113,208	(8,448)	223,045
Property and equipment, net	--	55,100	20,892	--	75,992
Goodwill, net	--	213,131	210,844	--	423,975
Intangible assets, net	5,964	36,267	4,201	--	46,432
Cash surrender value of insurance policies, deferred compensation	53,203	--	--	--	53,203
Investments in and advances to unconsolidated subsidiaries	3,695	32,511	5,119	--	41,325
Investment in consolidated subsidiaries	222,590	192,544	--	(415,134)	--
Inter-company loan receivable	293,111	--	--	(293,111)	--
Deferred taxes, net	38,047	--	--	(5,720)	32,327
Prepaid pension costs	--	--	25,235	--	25,235
Other assets	4,741	30,752	6,078	--	41,571
Total assets	$631,319	$668,622	$385,577	$(722,413)	$963,105
Current Liabilities:					
Accounts payable and accrued expenses	$ 2,720	$ 33,730	$ 47,223	$ --	$ 83,673
Inter-company payable	--	--	8,448	(8,448)	--
Compensation and employee benefits	--	94,916	33,233	--	128,149
Reserve for bonus and profit sharing	--	38,360	21,170	--	59,530
Income taxes payable	26,679	--	1,581	--	28,260
Current maturities of long-term debt	--	2,742	7,851	--	10,593
Total current liabilities	29,399	169,748	119,506	(8,448)	310,205
Long-term debt:					
Senior subordinated notes, less unamortized discount	173,336	--	--	--	173,336
Revolving credit facilities	110,000	--	--	--	110,000
Other long-term debt	2,742	16,111	1,382	--	20,235
Inter-company loan payable	--	234,923	58,188	(293,111)	--
Total long-term debt	286,078	251,034	59,570	(293,111)	303,571
Deferred compensation liability	80,503	--	--	--	80,503
Other liabilities	--	15,162	20,297	(5,720)	29,739
Total liabilities	395,980	435,944	199,373	(307,279)	724,018
Minority interest	--	--	3,748	--	3,748
Commitments and contingencies					
Stockholders' Equity:					
Preferred stock, $.01 par value	--	--	--	--	--
Common stock, $.01 par value	217	--	--	--	217
Additional paid-in capital	364,168	233,218	183,875	(417,093)	364,168
Notes receivable from sale of stock	(11,847)	--	--	--	(11,847)
Accumulated earnings (deficit)	(89,097)	256	6,567	(6,823)	(89,097)
Accumulated other comprehensive loss	(12,258)	(796)	(7,986)	8,782	(12,258)
Treasury stock at cost	(15,844)	--	--	--	(15,844)
Total stockholders' equity	235,339	232,678	182,456	(415,134)	235,339
Total liabilities and stockholders' equity	$631,319	$668,622	$385,577	$(722,413)	$963,105

</TABLE>

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

CONSOLIDATED BALANCE SHEETS
FOR THE YEAR ENDED DECEMBER 31, 1999
(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Consolidated Total
<S>	<C>	<C>	<C>	<C>	<C>
Current assets:					
Cash and cash equivalents	$ 864	$ 6,287	$ 20,693	$ --	$ 27,844
Receivables, less allowance for doubtful accounts	348	89,742	78,186	--	

168,276					
Inter-company receivables	--	40,442	--	(40,442)	
--					
Prepaid and other current assets	11,758	11,377	7,589	--	
30,724					
Total current assets	12,970	147,848	106,468	(40,442)	
226,844					
Property and equipment, net	--	51,064	19,085	--	
70,149					
Goodwill, net	--	218,783	226,227	--	
445,010					
Intangible assets, net	7,913	41,995	7,616	--	
57,524					
Cash surrender value of insurance policies, deferred compensation	20,442	--	--	--	
20,442					
Investments in and advances to unconsolidated subsidiaries	2,523	32,036	3,955	--	
38,514					
Investment in consolidated subsidiaries	145,999	179,141	--	(325,140)	-
-					
Inter-company loan receivable	392,597	--	--	(392,597)	
--					
Deferred taxes, net	28,190	--	--	--	
28,190					
Prepaid pension costs	--	--	26,323	--	
26,323					
Other assets	4,883	9,693	1,911	--	
16,487					
Total assets	$ 615,517	$680,560	$391,585	$(758,179)	$
929,483					
Current Liabilities:					
Accounts payable and accrued expenses	$ 4,076	$ 34,728	$ 42,264	$ --	$
81,068					
Inter-company payable	--	--	40,442	(40,442)	
--					
Compensation and employee benefits	--	84,676	34,450	--	
119,126					
Reserve for bonus and profit sharing	--	28,932	17,693	--	
46,625					
Income taxes payable	18,429	--	--	--	
18,429					
Current maturities of long-term debt	--	3,833	2,932	--	
6,765					
Total current liabilities	22,505	152,169	137,781	(40,442)	
272,013					
Long-term debt:					
Senior subordinated notes, less unamortized discount	173,108	--	--	--	
173,108					
Revolving credit facilities	160,000	--	--	--	
160,000					
Other long-term debt	2,965	19,674	2,125	--	
24,764					
Inter-company loan payable	--	342,501	50,096	(392,597)	
--					
Total long-term debt	336,073	362,175	52,221	(392,597)	
357,872					
Deferred compensation liability	47,202	--	--	--	
47,202					
Other liabilities	--	15,622	23,165	--	
38,787					
Total liabilities	405,780	529,966	213,167	(433,039)	
715,874					
Minority interest	--	--	3,872	--	
3,872					
Commitments and contingencies					
Stockholders' Equity:					
Preferred stock, $.01 par value	--	--	--	--	
--					
Common stock, $.01 par value	213	--	--	--	

213					
Additional paid-in capital	355,893	220,779	165,770	(386,549)	355,893
Notes receivable from sale of stock	(8,087)	--	--	--	(8,087)
Accumulated earnings (deficit)	(122,485)	(69,964)	11,867	58,097	(122,485)
Accumulated other comprehensive income loss	(1,928)	(221)	(3,091)	3,312	(1,928)
Treasury stock at cost	(13,869)	--	--	--	(13,869)
Total stockholders' equity (deficit)	209,737	150,594	174,546	(325,140)	209,737
Total liabilities and stockholders' equity (deficit)	$ 615,517	$680,560	$391,585	$(758,179)	$ 929,483

</TABLE>

CONSOLIDATED STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2000
(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Consolidated Total
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$ --	$1,027,359	$296,245	$ --	$1,323,604
Costs and expenses:					
Commissions, fees and other incentives	--	517,878	116,761	--	634,639
Operating, administrative and other	2,380	379,595	156,506	--	538,481
Depreciation and amortization	--	26,604	16,595	--	43,199
Operating income (loss)	(2,380)	103,282	6,383	--	107,285
Interest income	32,969	1,389	876	(32,680)	2,554
Interest expense	37,980	29,151	7,249	(32,680)	41,700
Equity earnings (losses) of consolidated subsidiaries	70,220	(5,300)	--	(64,920)	--
Income before provision for income tax	62,829	70,220	10	(64,920)	68,139
Provision for income tax	29,441	--	5,310	--	34,751
Net income (loss)	$33,388	$ 70,220	$ (5,300)	$(64,920)	$ 33,388

</TABLE>

CONSOLIDATED STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1999
(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Consolidated Total
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$ --	$940,342	$272,697	$ --	$1,213,039
Costs and expenses:					
Commissions, fees and other incentives	--	455,661	103,628	--	559,289
Operating, administrative and other	2,247	394,437	139,697	--	536,381
Depreciation and amortization	--	23,839	16,631	--	40,470
Operating income (loss)	(2,247)	66,405	12,741	--	76,899
Interest income	30,721	924	724	(30,439)	1,930
Interest expense	35,351	27,852	6,604	(30,439)	39,368

Equity in earnings of consolidated subsidiaries	46,338	8,054	--	(54,392)	--
Income before provision for income tax	39,461	47,531	6,861	(54,392)	39,461
Provision for income tax	16,179	--	--	--	16,179
Net income	$23,282	$ 47,531	$ 6,861	$(54,392)	$ 23,282

</TABLE>

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

CONSOLIDATED STATEMENT OF INCOME
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1998
(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Elimination	Consolidated Total
<S>	<C>	<C>	<C>	<C>	<C>
Revenue	$ --	$884,636	$149,867	$ --	$1,034,503
Costs and expenses:					
Commissions, fees and other incentives.	--	427,846	30,617	--	458,463
Operating, administrative and other....	330	345,522	102,942	--	448,794
Depreciation and amortization.....	--	24,278	7,907	--	32,185
Merger-related and other nonrecurring charges	16,585	--	--	--	16,585
Operating income (loss)	(16,915)	86,990	8,401	--	78,476
Interest income	24,483	2,192	796	(24,417)	3,054
Interest expense	26,256	25,017	4,191	(24,417)	31,047
Earnings of consolidated subsidiaries	69,171	--	--	(69,171)	--
Income before provision for income tax	50,483	64,165	5,006	(69,171)	50,483
Provision for income tax	25,926	--	--	--	25,926
Net income	$ 24,557	$ 64,165	$ 5,006	$(69,171)	$ 24,557

</TABLE>

CB RICHARD ELLIS SERVICES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS--(Continued)

CONDENSED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2000
(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Elimination	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
CASH FLOWS (USED IN) PROVIDED BY OPERATING ACTIVITIES	$ (30,270)	$109,487	$ 4,895	$ --	$ 84,112
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchases of property and equipment	--	(17,828)	(9,093)	--	(26,921)
Proceeds from sale of properties, businesses and servicing rights	--	16,926	569	--	17,495
Purchase of investments	--	(20,316)	(3,097)	--	(23,413)
Other investing activities, net	(177)	1,377	(4,083)	--	(2,883)
Net cash used in investing activities	(177)	(19,841)	(15,704)	--	(35,722)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from revolving credit facility	179,000	--	--	--	179,000
Repayment of revolving credit facility	(229,000)	--	--	--	(229,000)
Decrease (increase) in inter-company receivables,					

payables and loans, net	81,779	(82,424)	645	--	--
Other financing activities, net	(2,134)	(5,951)	4,562	--	(3,523)
Net cash provided by (used in) financing activities	29,645	(88,375)	5,207	--	(53,523)
Net (decrease) increase in cash and cash equivalents	(802)	1,271	(5,602)	--	(5,133)
Cash and cash equivalents, at beginning of period	864	6,287	20,693	--	27,844
Effect of exchange rates changes on cash	--	--	(1,857)	--	(1,857)
CASH AND CASH EQUIVALENTS, AT END OF PERIOD	$ 62	$ 7,558	$ 13,234	$ --	$ 20,854
SUPPLEMENTAL DATA:					
Cash paid during the period for:					
Interest (none capitalized)	$ 35,464	$ 2,606	$ 282	$ --	$ 38,352
Income taxes, net	$ 19,450	$ --	$ 8,157	--	$ 27,607

CONDENSED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1999
(in thousands)

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
CASH FLOWS (USED IN) PROVIDED BY OPERATING ACTIVITIES	$ (4,399)	$ 56,398	$ 22,012	$ --	$ 74,011
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchases of property and equipment	--	(25,050)	(10,080)	--	(35,130)
Proceeds from sale of properties, businesses and servicing rights	--	12,072	--	--	12,072
Acquisition of businesses including net assets acquired, intangibles and goodwill	(550)	(8,381)	--	--	(8,931)
Other investing activities, net	(1,855)	8,892	(1,815)	--	5,222
Net cash used in investing activities	(2,405)	(12,467)	(11,895)	--	(26,767)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from revolving credit facility	165,000	--	--	--	165,000
Repayment of revolving credit facility	(172,000)	--	--	--	(172,000)
Repayment of senior notes and other loans, net	(2,403)	(3,498)	(6,501)	--	(12,402)
Decrease (increase) in intercompany receivables, net	23,606	(23,269)	(337)	--	--
Other financing activities, net	(6,734)	(11,157)	(428)	--	(18,319)
Net cash provided by (used in) financing activities	7,469	(37,924)	(7,266)	--	(37,721)
Net increase in cash and cash equivalents	665	6,007	2,851	--	9,523
Cash and cash equivalents, at beginning of period	199	280	19,072	--	19,551
Effect of exchange rates changes on cash	--	--	(1,230)	--	(1,230)
CASH AND CASH EQUIVALENTS, AT END OF PERIOD	$ 864	$ 6,287	$ 20,693	$ --	$ 27,844
SUPPLEMENTAL DATA:					
Cash paid during the period for:					
Interest (none capitalized)	$ 34,780	$ 1,874	$ 343	$ --	$ 36,997
Income taxes, net	$ 12,689	$ --	$ --	$ --	$ 12,689

CONDENSED STATEMENT OF CASH FLOWS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 1998
(in thousands)

<TABLE>
<CAPTION>

	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
<S>	<C>	<C>	<C>	<C>	<C>
CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	$ 13,915	$ 59,508	$ 3,191	$ --	$ 76,614
CASH FLOWS FROM INVESTING ACTIVITIES:					
Purchases of property and equipment	--	(22,617)	(7,098)	--	(29,715)
(Increase) decrease in intangible assets and goodwill	--	(15,762)	1,167	--	(14,595)
Acquisition of businesses including net assets acquired, intangibles and goodwill	(154,470)	(35,425)	--	--	(189,895)
Other investing activities, net	--	8,839	1,846	--	10,685
Net cash used in investing activities	(154,470)	(64,965)	(4,085)	--	(223,520)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from revolving credit facility	315,000	--	--	--	315,000
Repayment of revolving credit facility	(268,000)	--	--	--	(268,000)
Proceeds from senior subordinated term loan	172,788	--	--	--	172,788
(Repayment of) senior notes and other loans, net	--	(5,601)	(8,723)	--	(14,324)
Decrease (increase) in intercompany receivables, net	1,967	(30,252)	28,285	--	--
Repurchase of preferred stock	(72,331)	--	--	--	(72,331)
Repurchase of common stock	(8,883)	--	--	--	(8,883)
Other financing activities, net	207	(5,019)	--	--	(4,812)
Net cash provided by (used in) financing activities	140,748	(40,872)	19,562	--	119,438
Net increase (decrease) in cash and cash equivalents	193	(46,329)	18,668	--	(27,468)
Cash and cash equivalents, at beginning of period	6	46,609	566	--	47,181
Effect of exchange rates changes on cash	--	--	(162)	--	(162)
CASH AND CASH EQUIVALENTS, AT END OF PERIOD	$ 199	$ 280	$19,072	$ --	$ 19,551
SUPPLEMENTAL DATA:					
Cash paid during the period for:					
Interest (none capitalized)	$ 22,633	$ 2,581	$ 2,314	$ --	$ 27,528
Income taxes, net	$ 3,395	$ --	$ --	$ --	$ 3,395

</TABLE>

13. Subsequent Event

On February 24, 2001, the Company announced that it had entered into a merger agreement providing for the acquisition of the Company by Blum CB Corporation (Blum CB) for $16.00 per share in cash. Blum CB is an affiliate of Blum Capital Partners, Freeman Spogli & Co. and certain directors and executive officers of the Company.

The agreement provides that the Company employees will have the option to roll over their existing shares in the Company's deferred compensation plan and a portion of the Company shares held in their 401(k) accounts. Employees will also be provided the opportunity to make a direct equity investment in the surviving company.

The acquisition, which is expected to close early in the third quarter, remains subject to certain conditions, including the receipt of Blum CB's debt financing, the approval of the merger by the holders of two-thirds of the outstanding shares of the Company not owned by the buying group, the expiration or termination of waiting periods under applicable antitrust laws and a successful tender offer for at least 51% of the Company's outstanding 8 7/8%

Senior Subordinated Notes. The Company will pay a termination fee of $7.5 million and reimburse up to $3.0 million of the buying group's expenses if the Company wishes to accept a superior acquisition proposal.

CB RICHARD ELLIS SERVICES, INC.

SCHEDULE II--VALUATION AND QUALIFYING ACCOUNTS
(in thousands)

<TABLE>
<CAPTION>

	Above Market Lease Reserve	Allowance for Bad Debts	Legal Reserve	Other Reserves
<S>	<C>	<C>	<C>	<C>
Balance, December 31, 1997	$ --	$ 8,980	$ 9,807	$ 9,108
CB Canada balances at the date of acquisition	--	606	--	--
REI balances at the date of acquisition	--	2,211	--	256
Hillier Parker balances at the date of acquisition	13,360	895	72	421
Charges to expense	--	2,978	1,843	364
Write-offs, payments and other	(54)	(2,322)	(1,623)	(6,004)
Balance, December 31, 1998	13,306	13,348	10,099	4,145
Charges to expense	--	2,560	2,164	26
Write-offs, payments and other	(384)	(348)	(4,000)	(2,526)
Balance, December 31, 1999	12,922	15,560	8,263	1,645
Charges to expense	--	3,061	2,015	49
Write-offs, payments and other	(1,568)	(5,990)	(5,139)	(291)
Balance, December 31, 2000	$11,354	$12,631	$ 5,139	$ 1,403

</TABLE>

CB RICHARD ELLIS SERVICES, INC.

QUARTERLY RESULTS OF OPERATIONS AND OTHER FINANCIAL DATA
(Unaudited)

The following table sets forth the Company's unaudited quarterly results of operations. The unaudited quarterly information should be read in conjunction with the audited consolidated financial statements of the Company and the notes thereto. The operating results for any quarter are not necessarily indicative of the results for any future period.

<TABLE>
<CAPTION>

	1999			
	March 31	June 30	Sept. 30	Dec. 31
<S>	<C>	<C>	<C>	<C>
Results of Operation:				
Revenue	$ 233,201	$ 277,167	$ 307,018	$ 395,653
Operating income	$ 5,076	$ 16,580	$ 20,046	$ 35,197
Interest expense, net	$ 8,639	$ 9,667	$ 9,503	$ 9,629
Net income (loss)	$ (1,753)	$ 3,356	$ 4,648	$ 17,031
Basic EPS(1)	$ (0.08)	$ 0.16	$ 0.22	$ 0.81
Weighted average shares outstanding for basic EPS(1)	20,640,438	21,032,324	21,098,757	20,928,615
Diluted EPS(1)	$ (0.08)	$ 0.16	$ 0.22	$ 0.81
Weighted average shares outstanding for diluted EPS(1)	20,640,438	21,125,074	21,162,334	20,964,066
Other Financial Data:				
EBITDA	$ 15,070	$ 26,548	$ 30,047	$ 45,704
Net cash provided by (used in) operating activities	$ (54,347)	$ 10,122	$ 47,062	$ 71,174
Net cash (used in) provided by				

investing activities	$ 1,840	$ (16,327)	$ (6,863)	$ (5,417)
Net cash (used in) provided by financing activities	$ 50,040	$ 2,389	$ (27,820)	$ (62,330)
Balance Sheet Data:				
Cash and cash equivalents	$ 17,425	$ 12,553	$ 25,122	$ 27,844
Total assets	$ 824,757	$ 841,311	$ 871,159	$ 929,483
Total long-term debt	$ 431,135	$ 435,419	$ 413,227	$ 357,872
Total liabilities	$ 634,707	$ 648,801	$ 670,685	$ 715,874
Total stockholders equity	$ 185,259	$ 187,819	$ 196,324	$ 209,737
Number of shares outstanding	20,640,865	20,794,165	20,686,995	20,435,692
Ratios:				
Debt/equity	2.37	2.35	2.13	1.74
EBITDA/net interest expense	1.74	2.75	3.16	4.75
EBITDA as a percentage of revenue	6.5%	9.6%	9.8%	11.6%
Net income as a percentage of revenue	(0.8)%	1.2%	1.5%	4.3%
International revenue as a percentage of consolidated revenue	22.6%	22.3%	22.5%	22.5%

	2000				2001	
	March 31	June 30	Sept. 30	Dec. 31	March 31	June 30
Results of Operation:						
Revenue	$ 260,919	$ 317,884	$ 326,521	$ 418,280	$ 272,498	$ 284,849
Operating income	$ 9,239	$ 22,545	$ 24,884	$ 50,617	$ 2,325	$ 3,455
Interest expense, net	$ 9,196	$ 10,893	$ 10,039	$ 9,018	$ 8,255	$ 8,666
Net income (loss)	$ 20	$ 5,477	$ 6,977	$ 20,914	$ (2,846)	$ (1,521)
Basic EPS(1)	$ --	$ 0.26	$ 0.34	$ 0.99	$ (0.13)	$ (0.07)
Weighted average shares outstanding for basic EPS(1)	20,819,268	20,879,218	20,086,651	21,217,685	21,309,550	21,328,247
Diluted EPS(1)	$ --	$ 0.26	$ 0.33	$ 0.97	$ (0.13)	$ (0.07)
Weighted average shares outstanding for diluted EPS(1)	20,851,184	20,906,117	20,881,092	21,554,942	21,309,550	21,328,247
Other Financial Data:						
EBITDA	$ 19,808	$ 33,276	$ 35,718	$ 61,682	$ 14,021	$ 20,509
Net cash provided by (used in) operating activities	$ (67,522)	$ 16,505	$ 48,528	$ 86,601	$ (104,263)	$ (2,991)
Net cash (used in) provided by investing activities	$ 6,314	$ (18,431)	$ (16,255)	$ (7,350)	$ (536)	$ (10,032)
Net cash (used in) provided by financing activities	$ 58,794	$ (3,456)	$ (28,824)	$ (80,037)	$ 104,940	$ 11,977
Balance Sheet Data:						
Cash and cash equivalents	$ 24,791	$ 19,195	$ 20,724	$ 20,854	$ 20,339	$ 18,548
Total assets	$ 897,756	$ 904,925	$ 930,029	$ 963,105	$ 931,296	$ 946,799
Total long-term debt	$ 416,531	$ 418,231	$ 390,624	$ 303,571	$ 409,653	$ 416,472
Total liabilities	$ 687,765	$ 693,416	$ 717,618	$ 724,018	$ 704,037	$ 716,351
Total stockholders equity	$ 206,711	$ 208,276	$ 209,569	$ 235,339	$ 224,292	$ 227,631
Number of shares outstanding	20,408,692	20,270,560	20,246,122	20,605,023	20,636,051	20,732,049
Ratios:						
Debt/equity	2.04	2.03	1.88	1.33	1.83	1.83
EBITDA/net interest expense	2.15	3.05	3.56	6.84	1.70	2.37
EBITDA as a percentage of revenue	7.6%	10.5%	10.9%	14.7%	5.1 %	7.2 %
Net income as a percentage of revenue	--	1.7%	2.1%	5.0%	(1.0)%	(0.5)%
International revenue as a percentage of consolidated revenue	23.9%	22.7%	21.8%	21.6%	22.6%	23.9%

---

(1)EPS is defined as earnings (loss) per share

CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

	June 30, 2001 (Unaudited)	February 20, 2001
<S>	<C>	<C>
ASSETS		
Current Assets:		
Restricted cash and cash equivalents	$229,449,280	$160
Other current assets	1,044,828	
Total current assets	230,544,108	160
Other Assets	7,723,748	--
Total assets	$238,267,856	$160
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 7,768,874	$ --
Accrued interest	1,717,500	--
Total current liabilities	9,486,374	--
Long-term debt:		
Senior subordinated notes, less unamortized discount of $3,358,331 at June 30, 2001	225,641,669	--
Total long-term debt	225,641,669	--
Total liabilities	235,128,043	--
Commitments and contingencies		
Stockholders' Equity:		
Class A common stock; $0.01 par value; 75,000,000 shares authorized; no shares issued and outstanding at June 30, 2001 and February 20, 2001	--	--
Class B common stock; $0.01 par value; 25,000,000 shares authorized; 241,885 shares and 10 shares issued and outstanding at June 30, 2001 and February 20, 2001	2,419	--
Additional paid-in capital	3,867,741	160
Accumulated deficit	(730,347)	--
Total stockholders' equity	3,139,813	160
Total liabilities and stockholders' equity	$238,267,856	$160

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

CBRE HOLDING, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended June 30, 2001	Period from February 20, 2001 (inception) to June 30, 2001
<S>	<C>	<C>
Interest Income	$ 579,845	$ 579,845
Interest Expense	1,775,175	1,775,175
Loss before benefit for income tax	(1,195,330)	(1,195,330)
Benefit for income tax	(464,983)	(464,983)
Net loss	$ (730,347)	$ (730,347)
Basic loss per share	$ (11.45)	$ (16.48)
Weighted average shares outstanding for basic loss per share	63,801	44,323

Diluted loss per share	$ (11.45)	$ (16.48)
Weighted average shares outstanding for diluted loss per share	63,801	44,323

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements.

CBRE HOLDING, INC.

CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

<TABLE>
<CAPTION>

	Period from February 20, 2001 (inception) to June 30, 2001
<S>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	$ (730,347)
Adjustments to reconcile net loss to net cash used in operating activities:	
Amortization of deferred debt costs	57,675
Increase in other current assets	(1,044,828)
Increase in other assets	(7,768,874)
Increase in accounts payable	7,768,874
Increase in accrued interest	1,717,500
Net cash used in operating activities	--
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from issuance of senior subordinated notes	225,629,120
Proceeds from issuance of common stock	3,870,160
Net cash provided by financing activities	229,499,280
Net increase in cash and cash equivalents	229,499,280
Cash and cash equivalents, at beginning of period	--
Cash and cash equivalents, at end of period	$229,499,280
SUPPLEMENTAL DATA:	
Cash paid during the period for:	
Interest (none capitalized)	$ --
Income taxes, net	$ --

</TABLE>

The accompanying notes are an integral part of this consolidated financial statements.

CBRE HOLDING, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Organization

CBRE Holding, Inc., a Delaware Corporation, was incorporated on February 20, 2001 as BLUM CB Holding Corp. On March 26, 2001, BLUM CB Holding Corp. changed its name to CBRE Holding, Inc (the Company). The Company and its former wholly owned subsidiary, BLUM CB Corp., a Delaware corporation, were created to acquire all of the outstanding shares, other than those held by the buying group identified below, of CB Richard Ellis Services, Inc. (CBRE), an international real estate services firm, in a merger accounted for as a purchase transaction (the Merger) for $16.00 per share in cash. Prior to the Merger, the Company was a wholly owned subsidiary of RCBA Strategic Partners, L.P. (RCBA Strategic). RCBA Strategic, continued to control the Company upon completion of the Merger. RCBA Strategic is an affiliate of Richard C. Blum, who is a director of the Company and CBRE.

On February 23, 2001, a contribution and voting agreement (the Contribution

Agreement) was signed by the following persons and entities, who are referred to together as the "buying group": RCBA Strategic; FS Equity Partners III, L.P.; FS Equity Partners International, L.P.; Raymond Wirta; Brett White; The Koll Holding Company and Frederic Malek. The Contribution Agreement was amended on April 24, 2001 and further amended on May 31, 2001 and July 19, 2001.

On February 24, 2001, the Company entered into a merger agreement (the Merger Agreement) providing for the acquisition of CBRE through the merger of BLUM CB Corp. with and into CBRE in exchange for $16.00 in cash for each outstanding share, other than those held by the buying group identified below. The Merger Agreement was amended on April 24, 2001 and further amended on May 31, 2001.

CBRE's stockholders approved the Merger on July 18, 2001. On July 20, 2001, the Company acquired CBRE pursuant to the merger of BLUM CB Corp. with and into CBRE with CBRE surviving the merger. Upon completion of the Merger, CBRE became a wholly owned subsidiary of the Company.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and include all information and footnotes required for interim financial statement presentation, and include the results of BLUM CB Corp. and the Company. All intercompany transactions and balances have been eliminated. The results of operations for the period from February 20, 2001 (inception) to June 30, 2001 are not necessarily indicative of the results of operations to be expected for the period from February 20, 2001 (inception) to December 31, 2001.

The consolidated financial statements and notes to the consolidated financial statements, along with management's discussion and analysis of financial condition, results of operations, liquidity and capital resources should be read in conjunction with the Company's Form S-1 Registration Statement dated July 13, 2001, which contains the latest available audited consolidated balance sheet and notes thereto, as of February 20, 2001.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents consist of cash and highly liquid investments with an original maturity of less than three months, and primarily represents the net proceeds from the issuance of the Senior Subordinated Notes and the issuance of 241,875 shares of common stock to RCBA Strategic on June 7, 2001. In accordance

with the terms of the Senior Subordinated Notes, these funds were deposited in escrow pending completion of the Merger as a condition for the release of the funds to the Company.

Other Assets

Other assets at June 30, 2001 included $7.7 million of deferred financing costs related to the Senior Subordinated Notes, which are being amortized over 10 years.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of certain revenues and expenses during the reporting periods. Actual results could differ from those estimates. Management believes that these estimates provide a reasonable basis for the fair presentation of its financial condition and results of operations.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are determined based on temporary differences between financial reporting and tax basis of assets and liabilities and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured by applying enacted tax rates and laws to taxable income in the years in which the temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the

enactment date.

3. Debt

The Company has $229.0 million in aggregate principal amount of 11 1/4% Senior Subordinated Notes due June 15, 2011 (the Notes), which were issued and sold by BLUM CB Corp. for approximately $225.6 million on June 7, 2001. The net proceeds from the sale of the Notes were deposited in an escrow account and were released to the Company upon completion of the merger on July 20, 2001. In connection with the merger, CBRE assumed the Notes and the Company and many of its subsidiaries guaranteed the Notes.

The notes require semi-annual payments of interest in arrears on June 15 and December 15. The Notes contain numerous restrictive covenants that, among other things, limit the Company's ability to incur additional indebtedness, pay dividends or distributions to stockholders or repurchase equity or debt that is junior to the Notes, sell assets or subsidiary stock, enter into transactions with affiliates, issue subsidiary equity and enter into consolidations or mergers.

The Notes are redeemable in whole or in part after June 15, 2006 at 105.625% of par on that date and at declining prices thereafter. On or before June 15, 2004, up to 35.0% of the issued amount of the Notes may be redeemed at 11 1/4% of par plus accrued and unpaid interest solely with the proceeds from an equity offering. In the event of a change of control, as defined in the Indenture Agreement, the Company is obligated to make an offer to purchase the Notes at a redemption price of 101.0% of the principal amount, plus accrued interest.

4. Commitments and Contingencies

On June 29, 2001, the Company entered into a purchase agreement with DLJ Investment Funding, Inc. (DLJ) to issue and sell to DLJ 65,000 units for an aggregate purchase price of $65.0 million, which units consist in the aggregate of $65.0 million in aggregate principal amount of the Company's 16% Senior Notes due 2011 (Senior Notes) and 521,847 shares of its Class A common stock. The issuance of the Senior Notes pursuant to the purchase agreement was contingent on the closing of the Merger, among other things.

Between November 12 and December 6, 2000, five putative class actions were filed in the Court of Chancery of the State of Delaware in and for New Castle County by various of CBRE's stockholders against BLUM CB Corp., CBRE, its directors and the buying group. A similar action was also filed on November 17, 2000 in the Superior Court of the State of California in and for the County of Los Angeles. These actions all alleged that BLUM CB Corp.'s offering price for shares of CBRE's common stock was unfair and inadequate and sought injunctive relief or rescission of the transaction and, in the alternative, money damages.

The five Delaware actions have been consolidated. As of February 23, 2001, the parties to the Delaware litigation entered into a memorandum of understanding in which they agreed in principle to a settlement. The memorandum provides, among other things:

- that the defendants admit no liability or wrongdoing whatsoever;
- that the members of the buying group acknowledge that the pendency and prosecution of the Delaware litigation were positive contributing factors to its decision to increase the Merger consideration;
- for the lead counsel for the plaintiff to have an opportunity to review the proxy statement before mailing;
- for the certification of a settlement class and the entry of a final judgment granting a full release of the defendants; and
- for the payment of attorneys' fees in an amount not to exceed $380,000.

Conditions to the settlement proposed by the memorandum include:

- negotiation and execution of a mutually acceptable stipulation of settlement;
- closing of the merger;
- dismissal of the Delaware and California litigation with prejudice; and
- completion by the plaintiffs of reasonable additional discovery as lead

counsel reasonably believes is appropriate.

The parties may not be able to complete a mutually acceptable stipulation of settlement, and, if so, the litigation will continue. However, the Company believes that the ultimate outcome will not have an impact on the Company's ability to carry on its operations. Management believes that any liability that may result from disposition of these lawsuits will not have a material effect on the Company's consolidated financial position or results of operations.

5. Per Share Information

Basic loss per share and diluted loss per share were computed by dividing net loss by the weighted average number of common shares outstanding of 63,801 for the three months ended June 30, 2001 and 44,323 for the

period from February 20, 2001 (inception) to June 30, 2001. As of June 30, 2001, the Company had no other common stock equivalents outstanding.

6. Subsequent Events

CBRE's stockholders approved the Merger on July 18, 2001, and the Merger was completed on July 20, 2001. Pursuant to the Merger, each share of CBRE's common stock, other than those held by members of the buying group, was converted into the right to receive $16.00 in cash. As a result of the Merger, CBRE became a wholly owned subsidiary of the Company and CBRE's shares are no longer listed on the New York Stock Exchange.

On July 20, 2001, CBRE successfully completed a tender offer and consent solicitation for all of the outstanding principal amount of its 8 7/8% Senior Subordinated Notes due 2006 (the Subordinated Notes). The Subordinated Notes were purchased by CBRE at $1,079.14 for each $1,000 principal amount, which included a consent payment of $30.00 per $1,000 principal amount. On such date, CBRE also repaid the outstanding balance of its former revolving credit facility.

As part of the Merger, on July 20, 2001, CBRE assumed BLUM CB Corp.'s $229.0 million in Notes and the Company and many of CBRE's subsidiaries guaranteed the Notes. The proceeds from the Notes were utilized to fund a portion of the Merger, the refinancing of CBRE's pre-existing debt and the payment of related fees and expenses.

On July 20, 2001, CBRE entered into a $325.0 million senior credit facility (the Credit Facility) with Credit Suisse First Boston (CSFB) and other lenders to fund a portion of the Merger, the refinancing of CBRE's pre-existing debt and the payment of related fees and expenses. The Credit Facility was jointly and severally guaranteed by the Company and certain of CBRE's subsidiaries and is secured by substantially all the assets of the Company, CBRE and CBRE's domestic subsidiaries, provided that neither CBRE nor any of its domestic subsidiaries pledged more than 65% of the voting stock of any foreign subsidiary. The Credit Facility includes a Tranche A term facility of $50.0 million, a Tranche B term facility of $185.0 million, and a revolving line of credit of up to $90.0 million, including revolving credit loans, letters of credit and a swingline loan. CBRE had an outstanding balance on the revolving line of credit of $40.0 million at the close of the merger on July 20, 2001.

The Tranche A facility will fully amortize by June 20, 2007 through quarterly principal payments totaling $7.5 million during the first two years and $8.75 million during years three through six. The Tranche B facility requires quarterly principal payments of $462,500, with the remaining outstanding principal due on July 20, 2008. The revolving line of credit requires the repayment of any outstanding balance for a period of 45 consecutive days commencing on any day in the month of December of each year, with any remaining outstanding principal due on July 20, 2007.

Borrowings under the Credit Facility will bear interest at varying rates based on the Company's option, at either LIBOR plus 3.25% or the alternate base rate plus 2.25%, in the case of the Tranche A facility and the revolving line of credit, and LIBOR plus 3.75% or the alternate base rate plus 2.75%, in the case of the Tranche B facility. The alternate base rate is the higher of (1) CSFB's prime rate or (2) the Federal Funds Effective Rate plus one-half of one percent. After delivery of CBRE's consolidated financial statements for the year ending December 31, 2001, the amount added to the LIBOR or the alternate base rate under the Tranche A facility and revolving line of credit will vary, from 2.50% to 3.25% for the LIBOR and from 1.50% to 2.25% for the

alternate base rate, as determined by reference to the Company's ratio of total debt less available cash to EBITDA.

EBITDA represents earnings before net interest expense, income taxes, depreciation and amortization and merger-related and other nonrecurring charges.

The Credit Facility contains numerous restrictive covenants that, among other things, limit the Company's and CBRE's ability to: incur additional indebtedness, pay dividends, redeem or repurchase capital stock; prepay, redeem or repurchase debt; enter into liens and sale-leaseback transactions; extend loans and make investments; incur additional indebtedness; transact mergers, acquisitions and asset sales; enter into transactions with affiliates; incur changes in lines of business; and incur capital expenditures. In addition, the Credit Facility contains covenants that require CBRE to maintain CBRE financial ratios relating to its level of indebtedness, fixed charges and interest coverage.

On July 20, 2001, the Company issued and sold to DLJ and other lenders the Senior Notes, together with 521,847 shares of the Company's Class A common stock. The Senior Notes are effectively subordinated to all current and future indebtedness of CBRE and its subsidiaries.

Interest on the Senior Notes will accrue at a rate of 16% per year and be payable quarterly in cash in arrears. Until June 29, 2006, interest in excess of 12% may be paid in kind, and at any time, interest may be paid in kind to the extent that CBRE's ability to pay cash dividends to the Company is restricted by the terms of the Credit Facility. The Senior Notes are redeemable in whole or in part at 116.0% percent of the principal amount, plus accrued and unpaid interest during 2001 and at declining prices thereafter. In the event of a change of control, as defined in the Indenture Agreement, the Company is obligated to make an offer to purchase all outstanding Senior Notes.

The Indenture for the Senior Notes contains numerous restrictive covenants that, among other things, limit the Company's ability to: pay dividends or distributions to stockholders or to repurchase equity or debt that is junior to the Senior Notes; issue debt or equity of subsidiaries; enter into liens; dispose of assets; transact consolidations or mergers; and enter into transactions with affiliates.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Stockholder and Board of Directors of CBRE Holding, Inc.:

We have audited the accompanying consolidated balance sheet of CBRE Holding, Inc. (a Delaware corporation) as of February 20, 2001. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the balance sheet is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the balance sheet. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated balance sheet referred to above presents fairly, in all material respects, the financial position of CBRE Holding, Inc. as of February 20, 2001, in conformity with accounting principles generally accepted in the United States.

ARTHUR ANDERSEN LLP

Los Angeles, California
April 23, 2001

CONSOLIDATED BALANCE SHEET

<TABLE>
<CAPTION>

	February 20, 2001
<S>	<C>
ASSETS	
Cash	$160.00
Total assets	$160.00
LIABILITIES AND STOCKHOLDERS' EQUITY	
Total liabilities	$ --
Stockholders' equity	
Common stock, $0.01 par value; 2,000 shares authorized, 10 shares issued and outstanding	0.10
Additional paid-in capital	159.90
Total stockholders' equity	$160.00
Total liabilities and stockholders' equity	$160.00

</TABLE>

The accompanying notes are an integral part of this consolidated balance sheet.

CBRE HOLDING, INC.

NOTES TO CONSOLIDATED BALANCE SHEET

1. Summary of Significant Accounting Policies

a. Organization and Description of Partnership

CBRE Holding, Inc., a Delaware corporation, was established on February 20, 2001, as BLUM CB Holding Corp. On March 26, 2001, BLUM CB Holding Corp. changed its name to CBRE Holding, Inc. (the Company). The purpose of the Company is to act as the acquiror in a transaction (the Merger) to acquire all of the outstanding shares of CB Richard Ellis Services, Inc. (CBRE), an international real estate services firm, for $16.00 per share in cash. The Company intends to offer shares in the Company to certain managers and employees of CBRE. The Company is a wholly-owned subsidiary of RCBA Strategic Partners, L.P. (RCBA Strategic). RCBA Strategic, is expected to control the Company after the Merger.

The accompanying consolidated balance sheet includes the accounts of the Company and its wholly-owned subsidiary, BLUM CB Corporation (BLUM CB), established October 27, 2000, formerly known as CB Radio Corp. All significant intercompany accounts and transactions have been eliminated in consolidation.

b. Commitments & Contingencies

In connection with the announcement of the Merger, BLUM CB and CBRE have been subject to putative class action lawsuits. Between November 12 and December 6, 2000, five putative class actions were filed in the Court of Chancery of the State of Delaware in and for New Castle County by various stockholders against CBRE, its directors and the buying group and their affiliates. A similar action was also filed on November 17, 2000, in the Superior Court of the State of California in and for the County of Los Angeles. These actions all alleged that The Company's offering price was unfair and inadequate and sought injunctive relief or rescission of the merger transactions and, in the alternative, money damages.

The five Delaware actions were subsequently consolidated and a lead counsel appointed. As of February 23, 2001, the parties to the Delaware litigation entered into a memorandum of understanding in which they agreed in principle to a settlement. The memorandum provides, among other things that:

1. The defendants admit no liability or wrongdoing whatsoever;

2. The buying group acknowledges that the pendency and prosecution of the Delaware litigation were positive contributing factors to its decision to increase the merger consideration;

3. For the lead counsel for the plaintiff to have an opportunity to review the CBRE proxy statement before mailing;

4. For the certification of a settlement class and the entry of a final judgment granting a full release of the defendants; and

5. For attorneys' fees in an amount not to exceed $380,000.

Conditions to the settlement proposed by the memorandum include:

1. Negotiation and execution of a mutually acceptable stipulation of settlement;

2. Closing of the merger;

3. Dismissal of the Delaware and California litigation with prejudice; and

4. Completion by the plaintiffs of such reasonable additional discovery as lead counsel reasonably believes is appropriate.

The parties may not be able to complete a mutually acceptable stipulation of settlement, and, if so, the litigation will continue, which could have a material adverse impact on the Company's ability to complete the Merger.

c. Subsequent Event

On February 23, 2001, a contribution and voting agreement was signed by the following persons and entities, who are referred to together as the "buying group": RCBA Strategic Partners, L.P., FS Equity Partners III, L.P. and FS Equity Partners International, L.P., Raymond Wirta, Brett White, The Koll Holding Company and Frederic Malek.

Each member of the buying group is either a current shareholder, senior executive or director of CB Richard Ellis Services, Inc. or an affiliate of one of the same. Pursuant to the contribution and voting agreement, immediately prior to the Merger, each of the members of the buying group will contribute all of the shares of CBRE common stock that it holds directly to the Company. Each of these shares contributed to the Company will be cancelled, as a result of the merger, and the Company will not receive any consideration for those shares of CBRE common stock. The Company will issue one share of Class B common stock in exchange for each share of CBRE common stock contributed by the buying group.

On February 24, 2001, the Company announced that it had entered into a merger agreement providing for the acquisition of CBRE by its wholly-owned subsidiary, Blum CB for $16.00 per share in cash.

The agreement provides that CBRE employees will have the option to roll over their existing shares in CBRE's deferred compensation plan and a portion of CBRE shares held in their 401(k) accounts. Employees will also be provided the opportunity to make a direct equity investment in the Company.

The merger, which is expected to close early in the third quarter of calendar 2001, remains subject to certain conditions, including the receipt of the Company's debt financing, the approval of the merger by the holders of two-thirds of the outstanding shares of CBRE not currently owned by the buying group, the expiration or termination of waiting periods under applicable antitrust laws and a successful tender offer for at least 51% of CBRE's outstanding 8 7/8% Senior Subordinated Notes. CBRE will pay a termination fee of $7.5 million and reimburse up to $3.0 million of the Company's expenses if CBRE wishes to accept a superior acquisition proposal.

[LOGO] CB RICHARD ELLIS

CB Richard Ellis Services, Inc.

OFFER TO EXCHANGE ALL OUTSTANDING 11 1/4% SENIOR SUBORDINATED NOTES DUE JUNE 15, 2011 FOR 11 1/4% SENIOR SUBORDINATED NOTES DUE JUNE 15, 2011, WHICH HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933

UNCONDITIONALLY GUARANTEED ON A SENIOR SUBORDINATED BASIS BY CBRE HOLDING, INC. AND SOME OF OUR SUBSIDIARIES

PROSPECTUS

, 2001

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of Directors and Officers.

(a) CB Richard Ellis Services, Inc.; CBRE Holding, Inc.; CB Richard Ellis, Inc.; CB Richard Ellis Corporate Facilities, Inc.; KEA/1, Inc.; KEA/II, Inc.; Koll Partnerships I, Inc.; Koll Partnerships II, Inc.; Koll Capital Markets Group, Inc. and Koll Investment Management, Inc. (each a Delaware corporation and collectively the "Delaware Corporations").

Section 145 of the Delaware General Corporation Law (the "DGCL") permits the Delaware Corporations' board of directors to indemnify any person against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with any threatened, pending or completed action (except settlements or judgments in derivative suits), suit or proceeding in which such person is made a party by reason of his or her being or having been a director, officer, employee or agent of the Delaware Corporations, in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities (including reimbursement of expenses incurred) arising under the Securities Act of 1933, as amended (the "Securities Act"). The statute provides that indemnification pursuant to its provisions is not exclusive of other rights of indemnification to which a person may be entitled under any by-law, agreement, vote of stockholders or disinterested directors, or otherwise.

As permitted by sections 102 and 145 of the DGCL the Delaware Corporations' certificates of incorporation eliminate a director's personal liability for monetary damages to the company and its stockholders arising from a breach of a director's fiduciary duty, except as otherwise provided under the DGCL.

The Delaware Corporations' bylaws provide for the mandatory indemnification of its directors, officers, employees and other agents to the fullest extent permitted by the DGCL.

CBRE Holding, Inc. may purchase and maintain insurance on behalf of any director, officer, agent or employee of CBRE Holding, Inc. against liability asserted against such person; whether or not CBRE Holding, Inc. would have the power to indemnify such person against such liability under the provisions of the certificate of incorporation or otherwise.

(b) CBRE/LJM-Nevada, Inc.

The Nevada Revised Statutes provide that a corporation's articles of incorporation may include a provision eliminating or limiting the personal liability of a director or officer to the corporation or its stockholders for damages for breach of fiduciary duty as a director or officer. However, such a provision may not eliminate or limit the liability of a director or officer for (1) acts or omissions which involve intentional misconduct, fraud or a knowing violation of law or (2) the payment of certain distributions in violation of Chapter 78 of the Nevada Revised Statutes.

The articles of incorporation of CBRE/LJM-Nevada, Inc. provide that the personal liability of any director of the Corporation to the Corporation or its stockholders for damages or breach of fiduciary as a director is eliminated to the fullest extent permitted by the Nevada Revised Statutes.

(c) Bonutto-Hoffer Investments; D.A. Management, Inc.; Koll Investment Management, Inc.; Sol L. Rabin, Inc. and Vincent F. Martin, Jr., Inc. (each a California corporation and collectively the "California Corporations").

The California Corporations' articles of incorporation and bylaws limit the personal liability of their directors for monetary damages to the fullest extent permitted by the California General Corporation Law (the "California Law"). Under the California Law, a director's liability to a company or its shareholders may not be

limited with respect to the following items: (i) acts or omissions that involve intentional misconduct or a knowing and culpable violation of law, (ii) acts or omissions that a director believes to be contrary to the best interests of the company or its shareholders or that involve the absence of good faith on the part of the director, (iii) any transaction from which a director derived an improper personal benefit, (iv) acts or omissions that show a reckless disregard for the director's duty to the company or its shareholders in

circumstances in which the director was aware, or should have been aware, in the ordinary course of performing a director's duties, of a risk of a serious injury to the company or its shareholders, (v) acts or omissions that constitute an unexcused pattern of inattention that amounts to an abdication of the director's duty to the company or its shareholders, (vi) contracts or transactions between the company and a director within the scope of Section 310 of the California Law or (vii) improper dividends, loans and guarantees under Section 316 of the California Law. The limitation of liability does not affect the availability of injunctions and other equitable remedies available to the California Corporations' shareholders for any violation by a director of the director's fiduciary duty to the California Corporations or their shareholders.

The California Corporations' articles of incorporation and bylaws also include an authorization for the California Corporations to indemnify their "agents" (as defined in Section 317 of the California Law) through bylaw provisions, by agreement or otherwise, to the fullest extent permitted by law. Pursuant to this provision, the California Corporations' bylaws provide for indemnification of the California Corporations' directors. In addition, the California Corporations may, at their discretion, provide indemnification to persons whom the California Corporations are not obligated to indemnify, including their officers, employees and other agents. The bylaws also allow the California Corporations to enter into indemnity agreements with individual directors, officers, employees and other agents. These indemnity agreements have been entered into with all directors and executive officers and provide the maximum indemnification permitted by law. These agreements, together with the California Corporations' bylaws and articles of incorporation, may require the California Corporations, among other things, to indemnify these directors or executive officers (other than for liability resulting from willful misconduct of a culpable nature), to advance expenses to them as they are incurred, provided that they undertake to repay the amount advanced if it is ultimately determined by a court that they are not entitled to indemnification, and to obtain directors' and officers' insurance if available on reasonable terms. Section 317 of the California Law and the California Corporations' bylaws make provision for the indemnification of officers, directors and other corporation agents in terms sufficiently broad to indemnify such persons, under certain circumstances, for liabilities (including reimbursement of expenses incurred) arising under the Securities Act.

Bonutto-Hoffer Investments, D.A. Management, Inc., Sol L. Rabin, Inc. and Vincent F. Martin, Jr., Inc. may purchase and maintain insurance on behalf of any of their agents against liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not it would have the power to indemnify against such liability.

(d) CB Richard Ellis Investors, L.L.C.; CBRE/LJM Mortgage Company, L.L.C. and Global Innovation Advisor, LLC (each a Delaware limited liability company and collectively, the "LLCs").

The LLCs are each empowered by Section 18-108 of the Delaware Limited Liability Company Act, subject to the procedures and limitation stated therein, to indemnify any person against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with any threatened, pending or completed action, suit or proceeding in which such person is made a party by reason of his being or having been a director, officer, employee or agent of such LLC. The statute provides that indemnification pursuant to its provisions is not exclusive of other rights of indemnification to which a person may be entitled under any agreement, vote of members or disinterested directors or otherwise.

The Limited Liability Company agreements of CBRE/LJM Mortgage Company, L.L.C. and Global Innovation Advisor, LLC permit indemnification by the company for any loss, damage, cost or expense by reason of any act or omission performed or omitted by a manager on behalf of the company and in a manner believed to be within the scope of his or her authority, subject to certain exceptions.

(e) L.J. Melody & Company ("L.J. Melody").

Article 2.02A(16) and Article 2.01-1 of the Texas Business Corporation Act (the "TCBA") and Article 5 of L.J. Melody's bylaws provide it with broad powers and authority to indemnify its directors and officers and to purchase and maintain insurance for such purposes. Article 2.02A(16) of the TCBA empowers a corporation to indemnify directors, officers, employees and agents of the corporation and to purchase and maintain liability insurance for those persons. Article 2.20-1 of the TCBA permits a corporation to indemnify a person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a director only if it is determined that the person conducted himself in good faith.

Under Article 2.02-1 of the TCBA, a corporation shall indemnify a director or officer against reasonable expense incurred by such director in connection with a proceeding in which such director is a named defendant or respondent

because they are or were a director or officer if they have been wholly successful, on the merits or otherwise, in the defense of the proceeding, and, in addition, such indemnification may be ordered in a proper case by a court of law. In addition, a corporation may indemnify and advance expenses to persons who are not or were not officers, employees or agents of the corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan, or other enterprise to the same extent that it may indemnify and advance expenses to directors under this article. The statute provides that a corporation may purchase and maintain insurance on behalf of a director, officer, employee or agent of the corporation or a person who is or was serving at the request of the corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another enterprise, against any liability asserted against him in such capacity or arising out of such status, whether or not the corporation would have the power to indemnify him against the liability under this article.

(f) Westmark Real Estate Acquisition Partnership, L.P. ("Westmark").

Westmark is empowered by Section 17-108 of the Delaware Revised Uniform Limited Partnership Act, subject to the procedures and limitations stated therein, to indemnify any person against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with any threatened, pending or completed action, suit or proceeding in which such person is made a party by reason of his being or having been a director, officer, employee or agent of Westmark. The statute provides that indemnification pursuant to its provisions is not exclusive of other rights of indemnification to which a person may be entitled under any agreement, vote of members of disinterested directors or otherwise.

(g) L J Melody & Company of Texas, LP.

L J Melody & Company of Texas, LP's partnership agreement provides that, to the fullest extent permitted by law, the general partner shall be indemnified and held harmless by the partnership from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including, without limitation, legal fees and expenses), judgments, fines, penalties, interest and other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which the general partner may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as a general partner of the partnership, provided, that in each case the general partner acted in good faith and in a manner which the general partner reasonably believed to be in the best interests of the partnership and, with respect to any criminal proceeding, had no reasonable cause to believe its conduct was unlawful. To the fullest extent permitted by law, expenses (including, without limitation, legal fees) incurred by the general partner in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the partnership prior to the final disposition thereof upon receipt by the partnership of an undertaking by or on behalf of the general partner to repay such amount if it shall be determined that the general partner is not entitled to be indemnified as authorized.

(h) Holdpar A and Holdpar B (each a Delaware General Partnership and collectively the "Partnerships").

The Partnerships' partnership agreements provide that, to the extent permitted by law, the partners shall each be indemnified and held harmless by the Partnerships from and against any and all losses, claims, damages,

liability, expenses, judgments, fines, settlements and other amounts arising from any and all claims, costs, demands, actions, suits or proceedings, in which the partner may be involved, or threatened to be involved as a party or otherwise by reason of their status as a partner, whether or not such party continues to be a partner at the time such liability or expense is paid or incurred, if the party acted in good faith and in a manner it reasonably believed to be in the best interests of the Partnerships.

The Partnerships may purchase and maintain insurance on behalf of the partners and against any liability which may be asserted against or expense which may be incurred by such party in connection with the Partnerships' activities, whether or not the Partnerships would have the power to indemnify such party against such liability under the provisions of the partnership agreements.

Item 21. Exhibits and Financial Statement Schedules.

<TABLE>
<CAPTION>

Exhibit	Description
</TABLE>

<C> <S>

2.1 Amended and Restated Agreement and Plan of Merger dated as of May 31, 2001 by and among CB Richard Ellis Services, Inc. ("Services"), CBRE Holding, Inc. ("Holding") and BLUM CB Corp.(1)

3.1(a) Restated Certificate of Incorporation of Services*

3.1(b) Fifth Amended and Restated Bylaws of Services*

3.2(a) Restated Certificate of Incorporation of Holding(4)

3.2(b) Restated Bylaws of Holding(4)

3.3(a) Articles of Incorporation of Bonutto-Hofer Investments*

3.3(b) Amended and Restated Bylaws of Bonutto-Hofer Investments*

3.4(a) Certificate of Formation of CBRE/LJM Mortgage Company, L.L.C.*

3.4(b) Operating Agreement of CBRE/LJM Mortgage Company, L.L.C.*

3.5(a) Articles of Incorporation of CBRE/LJM-Nevada, Inc.*

3.5(b) Bylaws of CBRE/LJM-Nevada, Inc.*

3.6(a) Certificate of Incorporation of CB Richard Ellis Corporate Facilities Management, Inc.*

3.6(b) Bylaws of CB Richard Ellis Corporate Facilities Management, Inc.*

3.7(a) Second Restated Certificate of Incorporation of CB Richard Ellis, Inc.*

3.7(b) Fourth Amended and Restated Bylaws of CB Richard Ellis, Inc.*

3.8(a) Certificate of Formation of CB Richard Ellis Investors, L.L.C.*

3.8(b) Amended and Restated Limited Liability Company Agreement of CB Richard Ellis Investors, L.L.C (formerly known as Westmark Realty Advisors L.L.C.).*

3.9(a) Amended and Restated Articles of Incorporation of D.A. Management, Inc.*

3.9(b) Amended and Restated Bylaws of D.A. Management, Inc.*

3.10(a) Certificate of Formation of Global Innovation Advisor, LLC*

3.10(b) Limited Liability Company Agreement of Global Innovation Advisor, LLC*

3.11 Amended and Restated Partnership Agreement of Holdpar A*

3.12 Amended and Restated Partnership Agreement of Holdpar B*

3.13(a) Certificate of Incorporation of KEA/1, Inc.*

3.13(b) Bylaws of KEA/1, Inc.*

3.14(a) Certificate of Incorporation of KEA/II, Inc.*
</TABLE>

<TABLE>
<CAPTION>
Exhibit Description
------- -----------
<C> <S>

3.14(b) Bylaws of KEA/II, Inc.*

3.15(a) Certificate of Incorporation of Koll Capital Markets Group, Inc.*

3.15(b) Bylaws of Koll Capital Markets Group, Inc.*

3.16(a) Articles of Incorporation of Koll Investment Management, Inc.*

3.16(b) Bylaws of Koll Investment Management, Inc.*

3.17(a) Certificate of Incorporation of Koll Partnerships I, Inc.*

3.17(b) Bylaws of Koll Partnerships I, Inc.*

3.18(a) Certificate of Incorporation of Koll Partnerships II, Inc.*

3.18(b) Bylaws of Koll Partnerships II, Inc.*

3.19(a) Articles of Incorporation of L.J. Melody & Company*

3.19(b) Bylaws of L.J. Melody & Company*

3.20(a) Certificate of Limited Partnership of L J Melody & Company of Texas, LP*

3.20(b) Limited Partnership Agreement of L J Melody & Company of Texas, LP (formerly known as L.J. Melody Mortage Company, LP)*

3.21(a) Articles of Incorporation of Sol L. Rabin, Inc.*

3.21(b) Bylaws of Sol L. Rabin, Inc.*

3.22(a) Articles of Incorporation of Vincent F. Martin, Jr., Inc.*

3.22(b) Bylaws of Vincent F. Martin, Jr., Inc.*

3.23(a) Certificate of Limited Partnership of Westmark Real Estate Acquisition Partnership, L.P.*

3.23(b) Amended and Restated Agreement of Limited Partnership of Westmark Real Estate Acquisition Partnership, L.P.*

4.1 (a) Amended and Restated Contribution and Voting Agreement, dated as of May 31, 2001 (the "Contribution and Voting Agreement"), by and among Holding, BLUM CB Corp., RCBA Strategic Partners, L.P., FS Equity Partners III, L.P., FS Equity Partners International, L.P., The Koll Holding Company, Donald Koll, Frederic V. Malek, Raymond E. Wirta and Brett White(1)

4.1 (b) Amendment to the Contribution and Voting Agreement, dated as of July 19, 2001, by and among Holding, BLUM CB Corp., RCBA Strategic Partners, L.P., FS Equity Partners III, L.P., FS Equity Partners International, L.P., The Koll Holding Company, Donald Koll, Frederic V. Malek, Raymond E. Wirta and Brett White(2)

4.2 Securityholders' Agreement, dated as of July 20, 2001, by and among Holding, Services, RCBA Strategic Partners, L.P., Blum Strategic Partners II, L.P., FS Equity Partners III, L.P., FS Equity Partners International, L.P., The Koll Holding Company, Donald Koll, Frederic V. Malek, Raymond E. Wirta, Brett White, California Public Education Retirement System, DLJ Investment Funding, Inc. and Credit Suisse First Boston Corporation(2)

4.3 Warrant Agreement, dated as of July 20, 2001, by and among Holding, FS Equity Partners III, L.P. and FS Equity Partners International, L.P. (2)

4.4 Form of Designated Manager Subscription Agreement(4)

4.5 Form of Employee Subscription Agreement(4)

4.6 Indenture, dated as of June 7, 2001, among Services, BLUM CB Corp., Holding, the Subsidiary Guarantors named therein and State Street Bank and Trust Company of California, N.A., as Trustee, for 11 1/4% Senior Subordinated Notes due 2011(2)
</TABLE>

<TABLE>
<CAPTION>
Exhibit	Description
<C>	<S>
4.7	Registration Rights Agreement, dated as of May 31, 2001, among Services, BLUM CB Corp. and Credit Suisse First Boston Corporation(2)

4.8 | Indenture, dated as of July 20, 2001, among Holding and State Street Bank and Trust Company, N.A., as Trustee, for 16% Senior Notes due 2011(2)

4.9 | Registration Rights Agreement, dated as of May 31, 2001, between Holding and Credit Suisse First Boston Corporation(2)

4.10 | Anti-Dilution Agreement, dated as of July 20, 2001, between Credit Suisse First Boston Corporation and Holding(2)

5.1 | Opinion of Simpson Thacher & Bartlett*

10.1 | CBRE Holding, Inc. 2001 Stock Incentive Plan(4)

10.2 | Full-Recourse Note of Raymond Wirta dated July 20, 2001*

10.3 | Full-Recourse Note of Brett White dated July 20, 2001*

10.4 | Full-Recourse Note of James Leonetti dated July 20, 2001*

10.5 | Pledge Agreement, dated as of July 20, 2001, between Holding and Raymond Wirta*

10.6 | Pledge Agreement, dated as of July 20, 2001, between Holding and Brett White*

10.7 | Pledge Agreement, dated as of July 20, 2001, between Holding and James Leonetti*

10.8	Option Agreement, dated as of July 20, 2001, between Holding and Raymond Wirta*
10.9	Option Agreement, dated as of July 20, 2001, between Holding and Brett White*
10.10	Option Agreement, dated as of July 20, 2001, between Holding and James Leonetti*
10.11	CB Richard Ellis Amended and Restated Deferred Compensation Plan(5)
10.12	CB Richard Ellis Amended and Restated 401(k) Plan(5)
10.13	Employment Agreement, dated as of July 20, 2001, between Services and Raymond E. Wirta*
10.14	Employment Agreement, dated as of July 20, 2001, between Services and W. Brett White*
10.15	Employment Agreement dated May 23, 1997 between the Company and James J. Didion(3)
10.16	Credit Agreement, dated as of July 20, 2001, among Services, Holding, the Subsidiary Guarantors named therein, Credit Suisse First Boston and the other lenders named therein(2)
12.1	Computation of Ratio of Earnings to Fixed Charges and Preferred Dividends of Services*
12.2	Computation of Ratio of Earnings to Fixed Charges of Holding*
21.1	Subsidiaries of the Company*
23.1	Consent of Arthur Andersen LLP*
23.2	Consent of Simpson Thacher & Bartlett (included in Exhibit 5.1)
24	Powers of Attorney (filed herewith under captions titled "Signatures")
25	Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939 of State Street Bank and Trust Company of California, N.A., as Trustee*
99.1	Form of Letter of Transmittal*
99.2	Form of Notice of Guaranteed Delivery*

---

* Filed herewith.

(1) Incorporated by reference to an exhibit filed in the Amendment to the CB Richard Ellis Services, Inc. Amended General Statement of Beneficial Ownership, filed June 7, 2001.

(2) Incorporated by reference to an exhibit filed in the Amendment to the CB Richard Ellis Services, Inc. Amended General Statement of Beneficial Ownership, filed July 30, 2001.

(3) Incorporated by reference to an exhibit filed in the CB Richard Ellis Services, Inc. Annual Report on Form 10-K405, filed March 31, 1999.

(4) Incorporated by reference to an exhibit filed in Amendment No. 2 to the CBRE Holding, Inc. Registration Statement on Form S-1, Registration No. 333-59440 and declared effective by the Commission on July 13, 2001, filed on July 5, 2001.

(5) Incorporated by reference to an exhibit filed in Amendment No. 3 to the CBRE Holding, Inc. Registration Statement on Form S-1 filed on July 9, 2001.

Item 22. Undertakings

The undersigned registrants hereby undertake:

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrants pursuant to the foregoing provisions, or otherwise, the registrants have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrants of expenses incurred or paid by the director, officer or controlling person of the registrants in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrants will, unless in the opinion of their counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrants hereby undertake to respond to requests for information that is incorporated by reference into the prospectus pursuant to Item 4, 10(b), 11, or 13 of this form, within one business day of receipt of

such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

The undersigned registrants hereby undertake to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

CB RICHARD ELLIS SERVICES, INC.

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President
and General Counsel

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CB Richard Ellis Services, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	Chief Executive Officer and Director(Principal Executive Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer (PrincipalFinancial and Accounting Officer)
/S/ W. BRETT WHITE W. BRETT WHITE	Director and President
/S/ RICHARD C. BLUM RICHARD C. BLUM	Chairman of the Board of Directors
/S/ JEFFREY A. COZAD JEFFREY A. COZAD	Director

Signature	Title

---	---
---------- Director	
CATHY A. DELCOCO	
/S/ FREDERIC V. MALEK	Director

FREDERIC V. MALEK	
/S/ BRADFORD M. FREEMAN	Director

BRADFORD M. FREEMAN	
/S/ CLAUS J. MOLLER	Director

CLAUS J. MOLLER	
/S/ GARY L. WILSON	Director

GARY L. WILSON	

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

CBRE HOLDING, INC.

By: /s/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President
and General Counsel

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CBRE Holding, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations and requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or on behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
---	---
/S/ RAYMOND E. WIRTA ----------	Chief Executive Officer and Director (Principal Executive Officer)
RAYMOND E. WIRTA	
/S/ JAMES H. LEONETTI ----------	Chief Financial Officer (Principal Financial and Accounting Officer)
JAMES H. LEONETTI	
/S/ W. BRETT WHITE ----------	Director and President
W. BRETT WHITE	

/S/ RICHARD C. BLUM Chairman of the Board of Directors

RICHARD C. BLUM

/S/ JEFFREY A. COZAD Director

JEFFREY A. COZAD

Signature	Title
---	Director
CATHY A. DELCOCO	
/S/ FREDERIC V. MALEK	Director
FREDERIC V. MALEK	
/S/ BRADFORD M. FREEMAN	Director
BRADFORD M. FREEMAN	
/S/ CLAUS J. MOLLER	Director
CLAUS J. MOLLER	
/S/ GARY L. WILSON	Director
GARY L. WILSON	

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

BONUTTO-HOFER INVESTMENTS

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President
and General Counsel

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of Bonutto-Hofer Investments (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations and requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or on behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
---	---

---------- President and Chief Executive Officer
JOHN A. BONUTTO (Principal Executive Officer)

/S/ JAMES H. LEONETTI Chief Financial Officer and Director
---------- (Principal Financial and Accounting
JAMES H. LEONETTI Officer)

/S/ RAYMOND E. WIRTA Chairman of the Board of Directors

RAYMOND E. WIRTA

/S/ WALTER V. STAFFORD Director

WALTER V. STAFFORD

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

CB RICHARD ELLIS CORPORATE FACILITIES MANAGEMENT, INC.

By: /S/ WALTER V. STAFFORD
_____
NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President
and General Counsel

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CB Richard Ellis Corporate Facilities Management, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
---------- President (Principal Executive Officer) JOHN W. DAVIS	
/S/ JAMES H. LEONETTI ---------- (Principal Financial and Accounting JAMES H. LEONETTI Officer)	Chief Financial Officer and Director
/S/ RAYMOND E. WIRTA ---------- RAYMOND E. WIRTA	Chairman of the Board of Directors
/S/ WALTER V. STAFFORD ---------- WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

CB RICHARD ELLIS INVESTORS, L.L.C.

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CB Richard Ellis Investors, L.L.C. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ ROBERT H. ZERBST ROBERT H. ZERBST	President, Chief Executive Officer and Director (Principal Executive Officer)
/S/ LAURIE E. ROMANAK LAURIE E. ROMANAK	Chief Financial Officer (Principal Financial and Accounting Officer)
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	Chairman of the Board of Directors
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Director
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

CB RICHARD ELLIS, INC.

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CB Richard Ellis, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	Chief Executive Officer and Director (Principal Executive Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer (Principal Financial and Accounting Officer)
/S/ W. BRETT WHITE W. BRETT WHITE	Director and President
/S/ RICHARD C. BLUM RICHARD C. BLUM	Chairman of the Board of Directors
/S/ JEFFREY A. COZAD JEFFREY A. COZAD	Director

Signature	Title
CATHY A. DELCOCO	Director
/S/ BRADFORD M. FREEMAN BRADFORD M. FREEMAN	Director
/S/ FREDERIC V. MALEK FREDERIC V. MALEK	Director
/S/ CLAUS J. MOLLER CLAUS J. MOLLER	Director
/S/ GARY L. WILSON GARY L. WILSON	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the

undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

CBRE/LJM-NEVADA, INC.

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CBRE/LJM-Nevada, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	President and Director (Principal Executive Officer)
/S/ BILL R. FRAZER BILL R. FRAZER	Chief Financial Officer (Principal Financial and Accounting Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Director
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

CBRE/LJM MORTGAGE COMPANY, L.L.C.

By: CBRE/LJM-NEVADA, INC., its sole member

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CBRE/LJM-Nevada, Inc., the sole member of CBRE/LJM Mortgage Company, L.L.C. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and

lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	President and Director of CBRE/LJM-Nevada, Inc. (Principal Executive Officer)*
/S/ BILL R. FRAZER BILL R. FRAZER	Chief Financial Officer of CBRE/LJM-Nevada, Inc. (Principal Financial and Accounting Officer)*
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Director of CBRE/LJM-Nevada, Inc.*
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director of CBRE/LJM-Nevada, Inc.*

* CBRE/LJM-Nevada, Inc. is the sole member of CBRE/LJM Mortgage Company, L.L.C.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

D.A. MANAGEMENT, INC.

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Senior Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of D.A. Management, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by

virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
DANIEL M. ARDELL	President (Principal Executive Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer and Director (Principal Financial and Accounting Officer)
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	Chairman of the Board of Directors
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

GLOBAL INNOVATION ADVISOR, LLC

By: CB RICHARD ELLIS INVESTORS, L.L.C.,
its sole member

By: /S/ WALTER V. STAFFORD
NAME: WALTER V. STAFFORD
Title: Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CB Richard Ellis Investors, L.L.C., the sole member of Global Innovation Advisor, LLC (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ ROBERT H. ZERBST ROBERT H. ZERBST	President, Chief Executive Officer and Director of CB Richard Ellis Investors, L.L.C. (Principal Executive Officer)*
/S/ LAURIE E. ROMANAK LAURIE E. ROMANAK	Chief Financial Officer of CB Richard Ellis Investors, L.L.C. (Principal Financial and Accounting Officer)*

/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	Chairman of the Board of Directors- of CB Richard Ellis Investors, L.L.C.*
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Director- of CB Richard Ellis Investors, L.L.C.*
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director- of CB Richard Ellis Investors, L.L.C.*

---

* CB Richard Ellis Investors, L.L.C. is the sole member of Global Innovation Advisor, LLC.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

HOLDPAR A
By: WESTMARK REAL ESTATE ACQUISITION PARTNERSHIP, L.P., a partner

By: CB RICHARD ELLIS, INC., its general partner

By: /S/ WALTER V. STAFFORD
_____
NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President
and General Counsel

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CB Richard Ellis, Inc., the general partner of Westmark Real Estate Acquisition Partnership, L.P., which is a partner of Holdpar A (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	Chief Executive Officer and Director of CB Richard Ellis, Inc. (Principal Executive Officer)*
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer of CB Richard Ellis, Inc. (Principal -Financial and Accounting Officer)*

Signature	Title

/S/ W. BRETT WHITE W. BRETT WHITE	Director and President of CB Richard Ellis, Inc.*
/S/ RICHARD C. BLUM RICHARD C. BLUM	Chairman of the Board of Directors of CB Richard Ellis, Inc.*
/S/ JEFFREY A. COZAD JEFFREY A. COZAD	Director of CB Richard Ellis, Inc.*
CATHY A. DELCOCO	Director of CB Richard Ellis, Inc.*
/S/ BRADFORD M. FREEMAN BRADFORD M. FREEMAN	Director of CB Richard Ellis, Inc.*
/S/ FREDERIC V. MALEK FREDERIC V. MALEK	Director of CB Richard Ellis, Inc.*
/S/ CLAUS J. MOLLER CLAUS J. MOLLER	Director of CB Richard Ellis, Inc.*
/S/ GARY L. WILSON GARY L. WILSON	Director of CB Richard Ellis, Inc.*

*Westmark Real Estate Acquisition Partnership, L.P. ("Westmark") is a partner in Holdpar A and holds a majority of the partnership interests of Holdpar A. CB Richard Ellis, Inc. is the general partner of Westmark.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

HOLDPAR B

By: WESTMARK REAL ESTATE ACQUISITION PARTNERSHIP, L.P., a Partner

By: CB RICHARD ELLIS, INC., its general partner

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President
and General Counsel

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CB Richard Ellis, Inc., the general partner of Westmark Real Estate Acquisition Partnership, L.P., which is a partner of Holdpar B (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration

Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	Chief Executive Officer and Director of CB Richard Ellis, Inc. (Principal Executive Officer)-*
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer of CB Richard Ellis, Inc. (Principal Financial and Accounting Officer)*
/S/ W. BRETT WHITE W. BRETT WHITE	Director and President of CB Richard Ellis, Inc.*

Signature	Title
/S/ RICHARD C. BLUM RICHARD C. BLUM	Chairman of the Board of Directors of CB Richard Ellis, Inc.*
/S/ JEFFREY A. COZAD JEFFREY A. COZAD	Director of CB Richard Ellis, Inc.*
CATHY A. DELCOCO	Director of CB Richard Ellis, Inc.*
/S/ BRADFORD M. FREEMAN BRADFORD M. FREEMAN	Director of CB Richard Ellis, Inc.*
/S/ FREDERIC V. MALEK FREDERIC V. MALEK	Director of CB Richard Ellis, Inc.*
/S/ CLAUS J. MOLLER CLAUS J. MOLLER	Director of CB Richard Ellis, Inc.*
/S/ GARY L. WILSON GARY L. WILSON	Director of CB Richard Ellis, Inc.*

---

*Westmark Real Estate Acquisition Partnership, L.P. ("Westmark") is a partner in Holdpar B and holds a majority of the partnership interests of Holdpar B. CB Richard Ellis, Inc. is the general partner of Westmark.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

KEA/1, INC.

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of KEA/1, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities

Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	President, Chief Executive Officer and Director (Principal Executive Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer and Director (Principal Financial and Accounting Officer)
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

KEA/II, INC.

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of KEA/II, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title

/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	President, Chief Executive Officer and Director (Principal Executive Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer and Director (Principal Financial and Accounting Officer)
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

KOLL CAPITAL MARKETS GROUP, INC.

By: /S/ WALTER V. STAFFORD
_____
NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of Koll Capital Markets Group, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	President, Chief Executive Officer and Director (Principal Executive Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer and Director (Principal Financial and Accounting Officer)
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

KOLL INVESTMENT MANAGEMENT, INC.

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of Koll Investment Management, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	Chief Executive Officer and Director (Principal Executive Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer and Director (Principal Financial and Accounting Officer)
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

KOLL PARTNERSHIPS I, INC.

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of Koll Partnerships I, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or

supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	President, Chief Executive Officer and Director (Principal Executive Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer and Director (Principal Financial and Accounting Officer)
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

KOLL PARTNERSHIPS II, INC.
Guarantor

By: /S/ WALTER V. STAFFORD
NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of Koll Partnerships II, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	President, Chief Executive Officer and Director (Principal Executive Officer)

/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer and Director (Principal Financial and Accounting Officer)
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

L.J. MELODY & COMPANY

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of L.J. Melody & Company (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ LAWRENCE J. MELODY LAWRENCE J. MELODY	President, Chief Executive Officer and Director (Principal Executive Officer)
/S/ BILL R. FRAZER BILL R. FRAZER	Chief Financial Officer (Principal Financial and Accounting Officer)
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	Chairman of the Board of Directors
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

L J MELODY & COMPANY OF TEXAS, LP

By: CBRE/LJM MORTGAGE COMPANY, L.L.C.,
its general partner

By: CBRE/LJM MORTGAGE COMPANY, L.L.C.,

By: /S/ WALTER V. STAFFORD
NAME: WALTER V. STAFFORD
Title: Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CBRE/LJM-Nevada, Inc., the sole member of CBRE/LJM Mortgage Company, L.L.C., which is the general partner of L J Melody & Company of Texas, LP (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	President and Director of CBRE/LJM-Nevada, Inc. (Principal Executive Officer)*
/S/ BILL R. FRAZER BILL R. FRAZER	Chief Financial Officer of CBRE/LJM-Nevada, Inc. (Principal Financial and Accounting Officer)*
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Director of CBRE/LJM-Nevada, Inc.*
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director of CBRE/LJM-Nevada, Inc.*

---

* CBRE/LJM Mortgage Company, L.L.C. is the general partner of L J Melody & Company of Texas, LP. CBRE/LJM-Nevada, Inc. is the sole member of CBRE/LJM Mortgage Company, L.L.C.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

SOL L. RABIN, INC.

By: /S/ WALTER V. STAFFORD
NAME: WALTER V. STAFFORD
Title: Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of Sol L. Rabin, Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	President and Director (Principal Executive Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer and Director (Principal Financial and Accounting Officer)
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

VINCENT F. MARTIN JR., INC.

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Vice President

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of Vincent F. Martin Jr., Inc. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by

virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/S/ RAYMOND E. WIRTA RAYMOND E. WIRTA	President and Director (Principal Executive Officer)
/S/ JANE ADAM JANE ADAM	Treasurer (Principal Financial and Accounting Officer)
/S/ JAMES H. LEONETTI JAMES H. LEONETTI	Director
/S/ WALTER V. STAFFORD WALTER V. STAFFORD	Director

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, State of California, on October 4, 2001.

WESTMARK REAL ESTATE ACQUISITION PARTNERSHIP, L.P.

By: CB RICHARD ELLIS, INC., its general partner

By: /S/ WALTER V. STAFFORD

NAME: WALTER V. STAFFORD
Title: Senior Executive Vice President
and General Counsel

POWER OF ATTORNEY

Each of the undersigned officer or director, or both, of CB Richard Ellis, Inc., which is the general partner of Westmark Real Estate Acquisition Partnership, L.P. (the "Registrant"), in his capacity as set forth below, hereby constitutes and appoints, Walter Stafford, James Leonetti and Raymond Wirta and each of them, his true and lawful attorney and agent, to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the Registrant to comply with the Securities Act of 1933, as amended (the "Act"), and any rules, regulations an requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Act of the exchange notes (the "Securities"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form S-4 to be filed with the Securities and Exchange Commission with respect to such Securities, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462 under the Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed on October 4, 2001 by or behalf of the following persons in the capacities indicated with the registrant.

Signature	Title
/s/ RAYMOND E. WIRTA RAYMOND E. WIRTA	Chief Executive Officer and Director of CB Richard Ellis, Inc. (Principal Executive Officer)*

/s/ JAMES H. LEONETTI JAMES H. LEONETTI	Chief Financial Officer of CB Richard Ellis, Inc. (Principal Financial and Accounting Officer)*
/S/ W. BRETT WHITE W. BRETT WHITE	Director and President of CB Richard Ellis, Inc.*

Signature	Title
/S/ RICHARD C. BLUM RICHARD C. BLUM	Chairman of the Board of Directors of CB Richard Ellis, Inc.*
/S/ JEFFREY A. COZAD JEFFREY A. COZAD	Director of CB Richard Ellis, Inc.*
CATHY A. DELCOCO	Director of CB Richard Ellis, Inc.*
/S/ BRADFORD M. FREEMAN BRADFORD M. FREEMAN	Director of CB Richard Ellis, Inc.*
/S/ FREDERIC V. MALEK FREDERIC V. MALEK	Director of CB Richard Ellis, Inc.*
/S/ CLAUS J. MOLLER CLAUS J. MOLLER	Director of CB Richard Ellis, Inc.*
/S/ GARY L. WILSON GARY L. WILSON	Director of CB Richard Ellis, Inc.*

*CBRichard Ellis, Inc. is the general partner of Westmark Real Acquisition Partnership, L.P.

Exhibit 3.1(a)

RESTATED CERTIFICATE OF INCORPORATION

OF

CB RICHARD ELLIS SERVICES, INC.

* * * *

FIRST: The name of the corporation is CB Richard Ellis Services, Inc.

SECOND: The registered office of the corporation in the State of Delaware is located at 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle, Delaware 19808. The name of the registered agent of the corporation at such address is Corporation Service Company.

THIRD: The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended.

FOURTH:

A. The total number of shares of all classes of capital stock that the corporation is authorized to issue is 108,000,000, of which (1) 8,000,000 shall be Preferred Stock ("Preferred Stock"), 6,250,000 of which shall be designated Series A Convertible Participating Preferred Stock ("Series A Preferred Stock") and (2) 100,000,000 shall be Common Stock ("Common Stock"). Both the Preferred Stock and Common Stock shall have a par value of $.01 per share.

B. The Common Stock shall consist of a single class of 100,000,000 shares, each of which shall be identical. There shall be no cumulative voting.

C. The Preferred Stock shall consist of a single class of 8,000,000 shares and may be issued from time to time in one or more series. The board of directors of the corporation (the "Board of Directors") is expressly authorized to provide for the issue of all or any of the Preferred Stock in one or more series, to fix the designation and number of shares thereof and to determine or alter for each such series, such voting powers, full or limited, or no voting powers, and such designations, preferences and relative, participating, optional or other special rights, and the qualifications, limitations or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board of Directors providing for the issuance of such stock and as may be permitted by the General Corporation Law of the State of Delaware. The Board of Directors is also expressly authorized to increase or decrease (but not below the number of shares of such series then outstanding, plus the number of shares of such series issuable upon exercise of outstanding rights, options or warrants or upon conversion of outstanding securities issued by the corporation) the number of shares of any series. If the number of shares of any such series shall be so decreased, the shares constituting such decrease shall resume the status

that they had prior to the adoption of the resolution originally fixing the number of shares of such series.

The relative rights, preferences, privileges, limitations and restrictions granted to or imposed on the Series A Preferred Stock or the holders thereof are as follows:

1. Dividends.

a. Preference. The holders of the Series A Preferred Stock shall be entitled to receive a dividend, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock or other securities and rights convertible into or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock of the corporation), payable out of funds legally available therefor when, as and if declared by the Board of Directors, at the rate of sixteen percent (16%) per annum (compounded quarterly calculated on the basis of a 360 day year of twelve 30-day months) of the Original Purchase Price.

All such dividends shall be cumulative. To the extent the dividend provided by this Section 1.a. is not paid, such dividends shall cumulate and must be paid before any other dividend may be paid by the corporation. Dividends that are declared and paid in an amount less than the full amount of dividends accumulated on the Series A Preferred Stock shall be applied to the earliest dividend which has not theretofore been paid. The "Original Purchase Price" for each share of Series A Preferred Stock shall be deemed to be $16.00 per share of Series

A Preferred Stock (as adjusted for stock splits, stock dividends, combinations or similar events with respect to such shares).

b. Participation. In addition to the preference set forth in subsection a. above, the holders of Series A Preferred Stock shall be entitled to participate on an as-converted to Common Stock basis in any dividends paid to the holders of Common Stock.

2. Liquidation Preference.

In the event of any liquidation, dissolution or winding up of the corporation, either voluntary or involuntary, distributions to the stockholders of the corporation shall be made in the following manner:

a. Series A Preferred Stock Liquidation Preference. The holders of Series A Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets or surplus funds of the corporation to the holders of Common Stock of the corporation, an amount per share of Series A Preferred Stock equal to the Original Purchase Price plus any accrued but unpaid

dividends per share, whether or not declared and including compounding (as adjusted for stock splits, stock dividends, combinations or similar events with respect to such shares) (the "Series A Liquidation Preference"). If, upon such liquidation, dissolution or winding up of the corporation, the assets and funds distributed are insufficient to permit the payment of the Series A Liquidation Preference, the entire assets and funds legally available for distribution shall be distributed ratably among the holders of the Series A Preferred Stock.

b. Remaining Assets. After payment or setting apart of payment of the Series A Liquidation Preference, the holders of the Series A Preferred Stock and the holders of the Common Stock shall be entitled to receive the remaining assets of the corporation pro rata based on the number of shares of Common Stock held by each such holder (assuming full conversion of all the Series A Preferred Stock).

c. Reorganization or Merger.

(1) For the purposes of this Section 2, a liquidation, dissolution or winding up of the corporation shall be deemed to include (x) the acquisition of the corporation by another entity by means of any transaction or series of related transactions (including, without limitation, any sale of capital stock, reorganization, recapitalization, merger or consolidation but excluding any merger effected exclusively for the purpose of changing the domicile of the corporation) unless the corporation's stockholders of record as constituted immediately prior to such acquisition or sale will, immediately after such acquisition or sale (by virtue of securities issued as consideration for the corporation's acquisition or sale or otherwise) hold at least 50% of the voting power of the surviving or acquiring entity or (y) a sale of all or substantially all of the assets of the corporation. No stockholder of the corporation shall enter into any transaction or series of related transactions described above unless the terms of such transaction or transactions provide that the consideration to be paid to the stockholders of the corporation is to be allocated in accordance with the preferences and priorities set forth in this Section 2.

(2) In any of such events, if the consideration received by the corporation is other than cash, its value will be deemed its fair market value. Any securities shall be valued as follows:

(A) For securities not subject to investment letter or other similar restrictions on free marketability:

(i) if traded on a securities exchange or the Nasdaq Stock Market, the value shall be deemed to be the average of the closing prices of the securities on such exchange or market over the 30-day period ending three (3) days prior to the closing of such transaction;

(ii) if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the 30-day period ending

three (3) days prior to the closing of such transaction; and

(iii) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors.

(B) The method of valuation of securities subject to investment letter or other restrictions on free marketability shall take into account an appropriate discount (as determined in good faith by the Board of Directors) from the market value as determined pursuant to (2)(A) above so as to reflect the approximate fair market value thereof.

3. Voting.

Except as otherwise required by law or contract, the holder of each share of Common Stock issued and outstanding shall have one vote and the holder of each share of Preferred Stock shall be entitled to the number of votes equal to the number of shares of Common Stock into which such share of Preferred Stock could be converted at the record date for determination of the stockholders entitled to vote on such matters, or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited, such votes to be counted together with all other shares of the corporation having general voting power and not separately as a class. Fractional votes by the holders of Preferred Stock shall not, however, be permitted and any fractional voting rights shall (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted) be rounded to the nearest whole number.

4. Conversion.

The holders of the Series A Preferred Stock have conversion rights as follows:

a. Right to Convert. Each share of Series A Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share at the office of the corporation or any transfer agent for the Series A Preferred Stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the Original Purchase Price by the Conversion Price, determined as hereinafter provided, in effect at the time of the conversion (the "Conversion Rate"). The Conversion Price for the Series A Preferred Stock shall initially be $16.00 per share. Such initial Conversion Price shall be subject to adjustment as hereinafter provided.

b. Mechanics of Conversion. Before any holder of Series A Preferred Stock shall be entitled to convert the same into full shares of Common Stock and to receive certificates therefor, such holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the corporation or of any transfer agent for the Series A Preferred Stock, and shall give written notice to the corporation at such office that such holder elects to convert the same; provided, however, that the holder may notify the corporation or its transfer agent that such certificates have been lost, stolen or destroyed and, in lieu of the surrender of such certificate or certificates, execute an agreement satisfactory to the corporation to indemnify the corporation from any loss incurred by it in connection with such certificates. The corporation shall, as soon as practicable after such delivery, or such agreement and indemnification in the case of a lost certificate, issue and deliver at such office to such holder of Series A Preferred Stock, a certificate or certificates for the number of shares of Common Stock to which the holder shall be entitled as aforesaid and a check payable to the holder in the amount of any cash amounts payable as the result of a conversion into fractional shares of Common Stock. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of Series A Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock on such date.

c. Fractional Shares. In lieu of any fractional shares to which the holder of Series A Preferred Stock would otherwise be entitled, the corporation shall pay cash equal to such fraction

multiplied by the then effective Conversion Price. Whether or not

fractional shares are issuable upon such conversion shall be determined on the basis of the total number of shares of Series A Preferred Stock of each holder at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion.

d. Adjustment of Conversion Price. The Conversion Price of Series A Preferred Stock shall be subject to adjustment from time to time as follows:

(1) If the number of shares of Common Stock outstanding at any time after the date hereof is increased by a stock dividend payable in shares of Common Stock or by a subdivision or split-up of shares of Common Stock, then, on the date such payment is made or such change is effective, the Conversion Price of Series A Preferred Stock shall be appropriately decreased so that the number of shares of Common Stock issuable on conversion of any shares of Series A Preferred Stock shall be increased in proportion to such increase of outstanding shares.

(2) If the number of shares of Common Stock outstanding at any time after the date hereof is decreased by a combination of the outstanding shares of Common Stock, then, on the effective date of such combination, the Conversion Price of Series A Preferred Stock shall be appropriately increased so that the number of shares of Common Stock issuable on conversion of any shares of Series A Preferred Stock shall be decreased in proportion to such decrease in outstanding shares.

(3) In case, at any time after the date hereof, of any capital reorganization, or any reclassification of the stock of the corporation (other than as a result of a stock dividend or subdivision, split-up or combination of shares), or the consolidation or merger of the corporation with or into another person (other than a consolidation or merger in which the corporation is the continuing entity and which does not result in any change in the Common Stock), the shares of Series A Preferred Stock shall, after such reorganization, reclassification, consolidation, merger, sale or other disposition, be convertible into the kind and number of shares of stock or other securities or property of the corporation or otherwise to which such holder would have been entitled if immediately prior to such reorganization, reclassification, consolidation, merger, sale or other

disposition such holder had converted its shares of Series A Preferred Stock into Common Stock. The provisions of this clause (3) shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, sales or other dispositions.

e. Minimal Adjustments. All calculations under this Section 4 shall be made to the nearest cent or to the nearest one hundredth (1/100) of a share, as the case may be. No adjustment in the Conversion Price for Series A Preferred Stock need be made if such adjustment would result in a change in the Conversion Price of less than $0.01.

f. No Impairment. The corporation will not through any reorganization, recapitalization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the corporation, but will at all times in good faith assist in the carrying out of all the provisions hereunder and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the holders of Series A Preferred Stock set forth hereunder against impairment. This provision shall not restrict the corporation's right to amend its Certificate of Incorporation with the requisite stockholder consent.

g. Reservation of Stock Issuable Upon Conversion. The corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock solely for the purpose of effecting the conversion of the shares of Series A Preferred Stock such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Series A Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of Series A Preferred Stock, the corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued

shares of Common Stock to such number of shares as shall be sufficient for such purpose.

h. Reissuance of Converted Shares. No shares of Series A Preferred Stock which have been converted into Common Stock after the original issuance thereof shall ever again be reissued and all such shares so converted shall upon such conversion cease to be a part of the authorized shares of the corporation.

5. Redemption.

The Series A Preferred Stock is not redeemable.

FIFTH: A director of the corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended. Any repeal or modification of the foregoing sentence shall not adversely affect any right or protection of a director of the corporation existing hereunder with respect to any act or omission occurring prior to such repeal or modification.

SIXTH:

A. The corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding") by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans (an "Indemnitee"), against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such person. The corporation shall not be required to indemnify and hold harmless a person in connection with a Proceeding (or part thereof) initiated by such person unless the Proceeding (or the part thereof initiated by such person) was authorized by the Board of Directors.

B. The right to indemnification conferred by this Article SIXTH shall be presumed to have been relied upon by the Indemnitee and shall be enforceable as a contract right. The corporation may enter into contracts to provide individual Indemnitees with specific rights of indemnification to the fullest extent permitted by applicable law and may create trust funds, grant security interests, obtain letters of credit or use other means to ensure the payment of such amounts as may be necessary to effect the rights provided in this Article SIXTH or in any such contract.

C. Except for any Proceeding described in the last sentence of Section A of Article SIXTH, upon making a request for indemnification, the Indemnitee shall be presumed to be entitled to indemnification under this Article SIXTH and the corporation shall have the burden of proof to overcome that presumption in reaching any contrary determination. Such indemnification shall include the right to receive payment in advance of any reasonable expenses incurred by the Indemnitee in connection with any Proceeding (other than a Proceeding described in the last sentence of Section A of Article SIXTH) consistent with the provisions of applicable law.

D. Any repeal or modification of the foregoing provisions of this Article SIXTH shall not adversely affect any right or protection of any Indemnitee existing at the time of such repeal or modification.

SEVENTH: The Board of Directors is authorized to adopt, amend or repeal the By-laws of the corporation, without any action on the part of the stockholders, solely by the affirmative vote of at least a majority of the directors of the corporation then in office.

By: /s/ Walter V. Stafford

Walter V. Stafford

EXHIBIT 3.1(b)

FIFTH AMENDED AND RESTATED

B Y - L A W S

OF

CB RICHARD ELLIS SERVICES, INC.
(formerly CB Commercial Real Estate Services Group, Inc.
and CB Commercial Holdings, Inc.)

(a Delaware corporation)

(Adopted November 17, 1998)

TABLE OF CONTENTS

<TABLE>
<CAPTION>

</TABLE>

<TABLE>

FIFTH AMENDED AND RESTATED

B Y - L A W S

OF

CB RICHARD ELLIS SERVICES, INC.

(formerly CB Commercial Real Estate Group Services Group, Inc. and CB Commercial Holdings, Inc.)

(a Delaware corporation)

ARTICLE 1

Offices

1.1 Registered Office. The registered office of the Corporation shall be 1013 Centre Road, City of Wilmington, County of New Castle, and the name of the registered agent in charge thereof is Corporation Service Company.

1.2 Additional Offices. The Corporation may also have offices at such other places, either within or without the State of Delaware, as the Board of Directors (the "Board") may from time to time designate or the business of the Corporation may require.

ARTICLE 2

Meeting of Stockholders

2.1 Place of Meeting. All meetings of the stockholders for the election of directors shall be held at the principal office of the Corporation, at such place as may be fixed from time to time by the Board or at such other place either within or without the State of Delaware as shall be designated from time to time by the Board and stated in the notice of the meeting. Meetings of stockholders for any purpose may be held at such time and place within or without the State of Delaware as the Board may fix from time to time and as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof.

2.2 Annual Meeting. Annual meetings of stockholders shall be held each

year at such date and time as shall be designated from time to time by the Board and stated in the notice of the meeting. At such annual meetings, the stockholders shall elect the directors by a plurality vote. The stockholders shall also transact such other business as may properly be brought before the meetings.

To be properly brought before the annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board or the Chief Executive Officer, (b) otherwise properly brought before the meeting by or at the direction of the Board or the Chief Executive Officer, or (c) otherwise properly brought before the meeting by a stockholder of record. In addition to any other applicable requirements, for business to be properly brought before the annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice must be delivered personally or deposited in the United States mail, or delivered to a common carrier for transmission to the recipient or actually transmitted by the person giving the notice by electronic means to the recipient or sent by other means of written communication, postage or delivery charges prepaid in all such cases, and received at the principal executive offices of the Corporation, addressed to the attention of the Secretary of the Corporation, not less than fifty (50) days nor more than seventy-five (75) days prior to the scheduled date of the meeting (regardless of any postponements, deferrals or adjournments of that meeting to a later date); provided, however, that in the event that less than sixty-five (65) days' notice or prior public disclosure of the date of the scheduled meeting is given or made to stockholders, notice by the stockholder to be timely must be so received not later than the earlier of (a) the close of business on the 15th day following the day on which such notice of the date of the scheduled annual meeting was mailed or such public disclosure was made, whichever first occurs, and (b) two days prior to the date of the scheduled meeting. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual

meeting, (ii) the name and record address of the stockholder proposing such business, (iii) the class, series and number of shares of the Corporation that are owned beneficially by the stockholder, and (iv) any material interest of the stockholder in such business.

Notwithstanding anything in these By-Laws to the contrary, no business shall be conducted at the annual meeting except in accordance with the procedures set forth in this Section; provided, however, that nothing in this Section shall be deemed to preclude discussion by any stockholder of any business properly brought before the annual meeting.

The Chairman of the Board of the Corporation (or such other person presiding at the meeting in accordance with these By-Laws) shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting in accordance with the provisions of this Section, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

2.3 Special Meetings. Special meetings of the stockholders may be called for any purpose or purposes, unless otherwise prescribed by the statute or by the Certificate of Incorporation, by the Chairman of the Board, the Chief Executive Officer of the Corporation or by a resolution duly adopted by the affirmative vote of a majority of the Board. Such request shall state the purpose or purposes of the proposed meeting. Business transacted at any special meeting shall be limited to matters related to the purpose or purposes stated in the notice of meeting.

2.4 Notice of Meetings. Written notice of stockholders' meetings, stating the place, date and time of the meeting and the purpose or purposes for which the meeting is called, shall be given to each stockholder entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days prior to the meeting.

When a meeting is adjourned to another place, date or time, written notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, written notice of the place, date and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

2.5 Business Matter of a Special or Annual Meeting. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. Business transactions at an annual meeting shall not be limited to

the purposes stated in the notice.

2.6 List of Stockholders. The officer in charge of the stock ledger of the Corporation or the transfer agent shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, at a place within the city where the meeting is to be held, which place, if other than the place of the meeting or the principal executive offices of the Corporation, shall be specified in the notice of the meeting. The list shall also be produced and kept at the place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present in person thereat.

2.7 Organization and Conduct of Business. The Chairman of the Board or, in his absence, the Chief Executive Officer of the Corporation or, in his absence, such person as the Board may have designated or, in the absence of such a person, such person as may be chosen by the holders of a majority of the shares entitled to vote who are present, in person or by proxy, shall call to order any meeting of the stockholders and act as chairman of the meeting. In the absence of the Secretary of the Corporation, the Secretary of the meeting shall be such person as the chairman of the meeting appoints.

The chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seems to him or her in order.

2.8 Quorum and Adjournments. Except where otherwise provided by law or the Certificate of Incorporation or these By-Laws, the holders of a majority of the stock issued and outstanding and entitled to vote, present in person or represented in proxy, shall constitute a quorum at all meetings of the stockholders. The stockholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough stockholders to have less than a quorum if any action taken (other than adjournment) is approved by at least a majority of the shares required to constitute a quorum. At such adjourned meeting at which a quorum is present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. If, however, a quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat who are present in person or represented by proxy shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented.

2.9 Voting Rights. Unless otherwise provided in the Certificate of Incorporation, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of the capital stock having voting power held by such stockholder.

2.10 Majority Vote. When a quorum is present at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the Certificate of Incorporation or of these By-Laws a different vote is required in which case such express provision shall govern and control the decision of such question.

2.11 Proxies. Every person entitled to vote for directors or on any other matter shall have the right to do so either in person or by one or more agents authorized by a written proxy signed by such person or such person's attorney-in-fact and filed with the Secretary of the Corporation. A validly executed proxy which does not state that it is irrevocable shall continue in full force and effect unless (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the Corporation stating that the proxy is revoked or by a subsequent proxy executed by, or attendance at the meeting and voting in person by, the person executing the proxy; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the Corporation before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of eleven months from the date of the proxy, unless otherwise provided in the proxy.

2.12 Inspectors of Election. Before any meeting of stockholders the Board may appoint any person other than nominees for office to act as inspectors of election at the meeting or its adjournment. If no inspectors of election are so appointed, the chairman of the meeting may, and on the request of any

stockholder or a stockholder's proxy shall, appoint inspectors of election at the meeting. The number of inspectors shall be either one (1) or three (3). If inspectors are appointed at a meeting on the request of one or more stockholders or proxies, the holders of a majority of shares or their proxies present at the meeting shall determine whether one (1) or three (3) inspectors are to be appointed. If any person appointed as inspector fails to appear or fails or refuses to act, the chairman of the meeting may, and upon the request of any stockholder or a stockholder's proxy shall, appoint a person to fill that vacancy.

2.13 Action Without a Meeting. No action required or permitted to be taken at any annual or special meeting of the stockholders of the Corporation may be taken without a meeting and the power of the stockholders to consent in writing without a meeting to the taking of any action is specifically denied.

ARTICLE 3

Directors

3.1 Number; Qualifications. The Board shall consist of one or more members, the number thereof to be determined from time to time by resolution of the Board. The initial number of directors shall be thirteen (13). The directors shall be elected at the annual meeting of the stockholders, except as provided in Section 3.2, and each director so elected shall hold office until his successor is elected and qualified or until his earlier resignation or removal. Directors need not be stockholders.

Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors. Nominations of persons for election to the Board at the annual meeting, by or at the direction of the Board, may be made by any nominating committee or person appointed by the Board; nominations may also be made by any stockholder of record of the Corporation entitled to vote for the election of directors at the meeting who complies with the notice procedures set forth in this Section. Such nominations, other than those made by or at the direction of the Board, shall be made pursuant to timely notice in writing to the Secretary of the Corporation. To be timely, a stockholder's notice shall be delivered personally or deposited in the United States mail, or delivered to a common carrier for transmission to the recipient or actually transmitted by the person giving the notice by electronic means to the recipient or sent by other means of written communication, postage or delivery charges prepaid in all such cases, and received at the principal executive offices of the Corporation addressed to the attention of the Secretary of the Corporation not less than one hundred twenty (120) days prior to the scheduled date of the meeting (regardless of any postponements, deferrals or adjournments of that meeting to a later date); provided, however, that, in the case of an annual meeting and in the event that less than one hundred (100) days' notice or prior public disclosure of the date of the scheduled meeting is given or made to stockholders, notice by the stockholder to be timely must be so received not later than the close of business on the 7th day following the day on which such notice of the date of the scheduled meeting was mailed or such public disclosure was made, whichever first occurs. Such stockholder's notice to the Secretary shall set forth (a) as to each person whom the stockholder proposes to nominate for election or reelection as a director, (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class, series and number of shares of capital stock of the Corporation that are owned beneficially by the person, (iv) a statement as to the person's citizenship, and (v) any other information relating to the person that is required to be disclosed in solicitations for proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder; and (b) as to the stockholder giving the notice, (i) the name and record address of the stockholder and (ii) the class, series and number of shares of capital stock of the Corporation that are owned beneficially by the stockholder. The Corporation may require any proposed nominee to furnish such other information as may be reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as director of the Corporation. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth herein.

In connection with any annual meeting, the Chairman of the Board (or such other person presiding at such meeting in accordance with these By-Laws) shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

3.2 Resignation and Vacancies. Unless otherwise provided in the Certificate of Incorporation, vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all the stockholders having the right to vote as a single class may be filled by a

majority of the directors then in office, although less than a quorum, or by a sole remaining director. Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected. Each director so chosen shall hold office until his successor is elected and qualified, or until his earlier death, resignation or removal. If there are no directors in office, then an election of directors may be held in accordance with General Corporation Law of the State of Delaware. Unless otherwise provided in the Certificate of Incorporation, when one or more directors shall resign from the Board, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in the filling of other vacancies.

3.3 Removal of Directors. Unless otherwise restricted by law, the Certificate of Incorporation or these By-Laws, any director or the entire Board may be removed, with or without cause, by the holders of at least a majority of the shares entitled to vote at an election of directors. Notwithstanding the foregoing, if the Board of Directors is elected by cumulative voting and less than the entire Board of Directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire Board of Directors.

3.4 Powers. The business of the Corporation shall be managed by or under the direction of the Board which may exercise all such powers of the Corporation and do all such lawful acts and things which are not by statute or by the Certificate of Incorporation or by these By-Laws directed or required to be exercised or done by the stockholders.

3.5 Place of Meetings. The Board may hold meetings, both regular and special, either within or without the State of Delaware.

3.6 Annual Meetings. The annual meeting of the Board shall be held immediately following the annual meeting of stockholders, and no notice of such meeting shall be necessary to the Board, provided a quorum shall be present. Annual meetings shall be for the purposes of organization, and an election of officers and the transaction of other business.

3.7 Regular Meetings. Regular meetings of the Board may be held without notice at such time and place as may be determined from time to time by the Board.

3.8 Special Meetings. Special meetings of the Board may be called by the Chairman of the Board, the Chief Executive Officer or any five (5) directors upon three (3) days' notice to each director, such notice to be delivered personally or by telephone, voice messaging system, telegraph, facsimile, electronic mail or other electronic means.

3.9 Quorum and Adjournments. At all meetings of the Board, a majority of the directors then in office shall constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may otherwise be specifically provided by law or the Certificate of Incorporation. If a quorum is not present at any meeting of the Board, the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting at which the adjournment is taken, until a quorum shall be present. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved of by at least a majority of the required quorum for that meeting.

3.10 Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting, if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

3.11 Telephone Meetings. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, any member of the Board or any committee may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall

constitute presence in person at the meeting.

3.12 Waiver of Notice. Notice of a meeting need not be given to any director who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

3.13 Fees and Compensation of Directors. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, the Board shall have the authority to fix the compensation of directors. The directors may be paid their expenses, if any, of attendance at each meeting of the Board and may be paid a fixed sum for attendance at each meeting of the Board or a stated salary as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

3.14 Rights of Inspection. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation and also of its subsidiary corporations, domestic or foreign. Such inspection by a director may be made in person or by agent or attorney and includes the right to copy and obtain extracts.

ARTICLE 4

Committees of Directors

4.1 Selection. The Board may, by resolution passed by a majority of the entire Board, designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee.

In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or she or they constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member.

4.2 Power. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to amending the Certificate of Incorporation (except that a committee may, to the extent authorized in the resolution or resolutions providing for the issuance of shares of stock adopted by the Board as provided in Section 151(a) of the General Corporation Law of Delaware, fix any of the preferences or rights of such shares relating to dividends, redemption, dissolution, any distribution of assets of the Corporation or the conversion into, or the exchange of such shares for, shares of any other class or classes or any other series of the same or any other class or classes of stock of the Corporation), adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the Corporation's property and assets, recommending to the stockholders a dissolution of the Corporation or a revocation of dissolution, removing or indemnifying directors or amending the By-Laws of the Corporation; and, unless the resolution or the Certificate of Incorporation expressly so provides, no such committee shall have the power or authority to declare a dividend or to authorize the issuance of stock or to adopt a certificate of ownership and merger. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board.

4.3 Executive Committee. The Executive Committee shall have and may exercise such powers and authority as the Board may from time to time determine in accordance with these By-Laws.

4.4 Committee Minutes. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

4.5 Section 141(c). The Corporation hereby elects to be governed by the provisions of Section 141(c) of the Delaware General Corporation Law, as amended

effective July 1, 1996.

ARTICLE 5

Officers

5.1 Officers Designated. The officers of the Corporation shall be a Chairman, a Chief Executive Officer, a President, a Secretary and a Chief Financial Officer. The officers of the Corporation may also include one or more Vice Presidents, a Treasurer, one or more assistant Secretaries and assistant Treasurers and such other officers as the Board of Directors may determine. Any number of offices may be held by the same person, unless the Certificate of Incorporation or these By-Laws otherwise provide.

5.2 Appointment of Officers. The Chairman, Chief Executive Officer, President and Chief Financial Officer of the Corporation shall be appointed by the Board, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

5.3 Subordinate Officers. The Chief Executive Officer shall appoint the Secretary, the Treasurer and such other officers and agents as the business of the Corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the By-Laws or as the Board may from time to time determine.

5.4 Removal and Resignation of Officers. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, in the case of an officer chosen by the Board, by an affirmative vote of the majority of the Board, at any regular or special meeting of the Board, or, in case of an officer chosen by the Chief Executive Officer, by the Chief Executive Officer.

Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

5.5 Vacancies in Offices. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these By-Laws for regular appointment to that office.

5.6 Compensation. The salaries of the Chairman of the Board and the Chief Executive Officer shall be fixed from time to time by the Board. The salaries of the President (if the President is neither the Chairman nor the Chief Executive Officer) and the Chief Financial Officer shall be fixed from time to time by the Board after taking account of the recommendation of the Chief Executive Officer. The salaries of all other officers of the Corporation shall be fixed from time to time by the Chief Executive Officer. No officer shall be prevented from receiving a salary because he is also a director of the Corporation.

5.7 The Chairman of the Board. The Chairman of the Board shall be any director who is selected by a majority of the directors. The Chairman of the Board shall preside, when present, at all meetings of the stockholders and the Board. He shall counsel the Chief Executive Officer and other officers of the Corporation and shall exercise such powers and perform such duties as shall be assigned to or required of them from time to time by the Board, or as provided in these By-Laws (which duties shall not be changed without the approval of a majority of the directors).

5.8 The Chief Executive Officer. Subject to such supervisory powers, if any, as may be given by the Board to the Chairman of the Board, if there be such an officer, the Chief Executive Officer shall preside, in the absence of the Chairman of the Board, at all meetings of the stockholders and the Board, shall have general and active management of the business of the Corporation and shall see that all orders and resolutions of the Board are carried into effect.

5.9 The President. The President, in the absence of the Chief Executive Officer or his disability or refusal to act, shall perform the duties of the Chief Executive Officer and when so acting shall have the powers of and be subject to all the restrictions upon the Chief Executive Officer. The President

shall perform such other duties and have such other powers as may from time to time be prescribed by the Board, the Chief Executive Officer or the Chairman of the Board.

5.10 The Vice President. The Vice President (or in the event there be more than one, the Vice Presidents in the order designated by the directors, or in the absence of any designation, in the order of their election), shall, in the absence of the President or in the event of his disability or refusal to act, perform the duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the President. The Vice President(s) shall perform such other duties and have such other powers as may from time to time be prescribed for them by the Board, the Chief Executive Officer, the President, the Chairman of the Board or these By-Laws.

5.11 The Secretary. The Secretary shall attend all meetings of the Board and the stockholders and record all votes and the proceedings of the meetings in a book to be kept for that purpose and shall perform like duties for the standing committees, when required. The Secretary shall give, or cause to be given, notice of all meetings of stockholders and special meetings of the Board, and shall perform such other duties as may from time to time be prescribed by the Board, the Chairman of the Board or the President, under whose supervision he or she shall act. The Secretary shall have custody of the seal of the Corporation, and the Secretary, or an Assistant Secretary, shall have authority to affix the same to any instrument requiring it, and, when so affixed, the seal may be attested by his or her signature or by the signature of such Assistant Secretary. The Board may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing thereof by his or her signature.

5.12 The Assistant Secretary. The Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order designated by the Board (or in the absence of any designation, in the order of their election) shall, in the absence of the Secretary or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as may from time to time be prescribed by the Board.

5.13 The Chief Financial Officer. The Chief Financial Officer shall have the custody of the Corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board. The Chief Financial Officer shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and the Board, at its regular meetings, or when the Board so requires, an account of all his or her transactions as the Chief Financial Officer and of the financial condition of the Corporation.

5.14 The Treasurer. The Treasurer shall, in the absence of the Chief Financial Officer or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Chief Financial Officer and shall perform such other duties and have such other powers as may from time to time be prescribed by the Board.

5.15 The Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order designated by the Board (or in the absence of any designation, in the order of their election) shall, in the absence of the Treasurer or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as may from time to time be prescribed by the Board.

5.16 Powers and Duties. The officers of the Corporation shall have such powers and perform such duties incident to each of their respective offices and such other duties as may from time to time be conferred upon or assigned to them by the Board.

ARTICLE 6

Stock Certificates

6.1 Certificates for Shares. The shares of the Corporation shall be represented by certificates or shall be uncertificated. Certificates shall be

signed by, or in the name of the Corporation by, the Chairman of the Board, or the Chief Executive Officer or the President or a Vice President and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation.

Within a reasonable time after the issuance or transfer of uncertificated stock, the Corporation shall send to the registered owner thereof a written notice containing the information required by the General Corporation Law of the State of Delaware or a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

6.2 Signatures on Certificates. Any or all of the signatures on a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

6.3 Transfer of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate of shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books. Upon receipt of proper transfer instructions from the registered owner of uncertificated shares, such uncertificated shares shall be canceled and issuance of new equivalent uncertificated shares or certificated shares shall be made to the person entitled thereto and the transaction shall be recorded upon the books of the Corporation.

6.4 Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

6.5 Record Date. (a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided that the Board may fix a new record date for the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall not be more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

6.6 Lost, Stolen or Destroyed Certificates. The Corporation may issue a new certificate or certificates to replace any certificate or certificates theretofore issued by it alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When issuing a new certificate or certificates, the Corporation may, in its discretion and as a condition precedent to the issuance thereof, require the owner of the lost, stolen or destroyed certificate or certificates, or his or her legal representative, to advertise the same in such manner as it shall require, and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged

to have been lost, stolen or destroyed.

ARTICLE 7

Notices

7.1 Notice. Whenever, under the provisions of the statutes or of the Certificate of Incorporation or of these By-Laws, notice is required to be given to any director or stockholder it shall not be construed to mean personal notice, but such notice may be given in writing, by mail, addressed to such director or stockholder, at his or her address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Notice to directors may also be given by written notice delivered personally, telegram, telephone, facsimile, electronic mail or other electronic means.

7.2 Waiver. Whenever any notice is required to be given under the provisions of the statutes or of the Certificate of Incorporation or of these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE 8

General Provisions

8.1 Dividends. Dividends upon the capital stock of the Corporation, subject to any restrictions contained in the General Corporation Laws of Delaware or the provisions of the Certificate of Incorporation, if any, may be declared by the Board at any regular or special meeting. Dividends may be paid in cash, in property or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation.

8.2 Dividend Reserve. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for such other purpose as the directors shall think conducive to the interest of the Corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

8.3 Corporate Seal. The Board may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary.

8.4 Execution of Corporate Contracts and Instruments. The Board, except as otherwise provided in these By-Laws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board or within the agency power of an officer, no officer, agent or employee (other than the Chief Executive Officer) shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

ARTICLE 9

Amendments

These By-Laws may be altered, amended or repealed or new By-Laws may be adopted as provided for in the Certificate of Incorporation.

EXHIBIT 3.3(a)

ARTICLES OF INCORPORATION

OF

BONUTTO-HOFER INVESTMENTS

I. The name of this corporation is Bonutto-Hofer Investments.

II. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the general corporation law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III. The name and address in the State of California of this corporation's initial agent for service of process is: Harold C. Hofer, Baker Center Suite 405E, 666 Baker Street, Costa Mesa, CA 92626.

IV. This corporation is authorized to issue only one class of shares of stock; and the total number of shares that this corporation is authorized to issue is 1,000,000.

V. The liability of the directors of this corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

VI. This corporation is authorized to provide indemnification of agents, as that term is defined in Section 317 of the California Corporations Code, in excess of that expressly permitted by said Section 317, for breach of duty to the corporation and its shareholders, under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise, to the fullest extent such indemnification may be authorized hereby pursuant to paragraph (11) of subdivision (&) of Section 204 of the California Corporations Code.

Dated: September 1, 1983

By: /s/ Harold C. Hofer

Harold C. Hofer
Attorney at Law

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

Dated: September 1, 1983

By: /s/ Harold C. Hofer

Harold C. Hofer
Attorney at Law

Exhibit 3.3(b)

AMENDED AND RESTATED BYLAWS

OF

BONUTTO-HOFER INVESTMENTS

INDEX

OF

BONUTTO-HOFER INVESTMENTS

ARTICLE I

OFFICES

Section 1. PRINCIPAL OFFICES. The Board of Directors of Bonutto-Hofer Investments (the "Corporation") shall fix the location of the principal executive office of the Corporation any place within or outside the State of California. If the principal executive office is located outside this State, and the Corporation has one or more business offices in this State, the Board of Directors shall fix and designate a principal business office in the State of California.

Section 2. OTHER OFFICES. The Board of Directors may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to do business.

ARTICLE II

MEETINGS OF SHAREHOLDERS

Section 1. PLACE OF MEETINGS. Meetings of shareholders shall be held either at the principal executive office of the Corporation or at any other place within or outside the State of California which may be designated either by the Board of Directors or by the written consent of all persons entitled to vote there at, given either before or after the meeting and filed with the Secretary.

Section 2. ANNUAL MEETING. The annual meeting of shareholders shall be held on the second Tuesday of March of each year, beginning in 1994, at 10:00 a.m., or such other date or such other time as may be designated by the Board of Directors; provided, however, that should said day fall on a legal holiday, then the annual meeting of shareholders shall be held at the same time on the next succeeding business day. At each annual meeting directors shall be elected, and any other proper business may be transacted.

Section 3. SPECIAL MEETINGS. A special meeting of the shareholders may be called at any time by the Board of Directors, or by the Chairman of the Board, or by the President, or by one or more shareholders holding shares in the aggregate entitled to cast not less than ten percent (10%) of the votes at that meeting.

If a special meeting is called by any person or persons other than the Board of Directors, the request shall be in writing, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the Chairman of the Board,

the President, any Vice President, or the Secretary of the Corporation. The officer receiving the request shall cause notice to be promptly given to the shareholders entitled to vote, in accordance with the provisions of Sections 4 and 5 of this Article II, that a meeting will be held at the time requested by the person or persons calling the meeting, not less than thirty-five (35) nor more than sixty (60) days after the receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the person or persons requesting the meeting may give the notice. Nothing contained in this paragraph of this Section 3 shall be construed as limiting, fixing or affecting the time when a meeting of shareholders called by action of the Board of Directors may be held.

Section 4. NOTICE OF SHAREHOLDERS' MEETINGS. All notices of meeting of shareholders shall be sent or otherwise given in accordance with Section 5 of this Article II not less than ten (10) nor more than sixty (60) days before the date of the meeting. The notice shall specify the place, date and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, or (ii) in the case of the annual meeting, those matters which the Board of Directors, at the time of giving the notice, intends to present for action by the shareholders, but, subject to the provisions of applicable law, any proper matter may be presented at the meeting for such action. The notice of any meeting at which directors are to be elected shall include the name of any nominee or nominees whom, at the time of the notice, management intends to present for election.

If action is proposed to be taken at any meeting for approval of (i) a contract or transaction in which a director has a direct or indirect financial interest, pursuant to Section 310 of the California General Corporation Law, (ii) an amendment of the Articles of Incorporation, pursuant to Section 902 of that Law, (iii) a reorganization of the Corporation, pursuant to Section 1201 of that Law, (iv) a voluntary dissolution of the Corporation, pursuant to Section

1900 of that Law, or (v) a distribution in dissolution other than in accordance with the rights of outstanding preferred shares, pursuant to Section 2007 of that Law, the notice shall also state the general nature of that proposal.

Section 5. MANNER OF GIVING NOTICE; AFFIDAVIT OF NOTICE. Notice of any meeting of shareholders shall be given either personally or by first class mail or telegraphic or other written communication, charges prepaid, addressed to the shareholder at the address of that shareholder appearing on the books of the Corporation or given by the shareholder to the Corporation for the purpose of notice. If no such address appears on the Corporation's books or is given, notice shall be deemed to have been given if sent to that shareholder by first class mail or telegraphic or other written communication to the Corporation's principal executive office, or if published at least once in a newspaper of general circulation in the county where that office is located. Notice shall be deemed to have been given at the time when delivered personally to the recipient or deposited in the mail or sent by telegram or other means of written communication.

If any notice addressed to a shareholder at the address of that shareholder appearing on the books of the Corporation is returned to the Corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the shareholder at that address, all future notices or reports shall be deemed to have

been duly given without further mailing if these shall be available to the shareholder on written demand of the shareholder at the principal executive office of the Corporation for a period of one year from the date of the giving of the notice.

An affidavit of the mailing or other means of giving any notice of any shareholders' meeting shall be executed by any officer or any transfer agent of the Corporation giving the notice, and shall be filed and maintained in the minute book of the Corporation.

Section 6. QUORUM. The presence in person or by proxy of the holders of a majority of the shares entitled to vote shall constitute a quorum at any meeting of shareholders. The shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the shares required to constitute a quorum.

Section 7. ADJOURNED MEETING; NOTICE. Any shareholders' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the shares represented at that meeting, either in person or by proxy, but in the absence of a quorum, no other business may be transacted at that meeting, except as provided in Section 6 of this Article II.

When any meeting of shareholders, either annual or special, is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place are announced at a meeting at which the adjournment is taken, unless a new record date for the adjourned meeting is fixed, or unless the adjournment is for more than forty-five (45) days from the date set for the original meeting, in which case the Board of Directors shall set a new record date. Notice of any such adjourned meeting shall be given to each shareholder of record entitled to vote at the adjourned meeting in accordance with the provisions of Sections 4 and 5 of this Article II. At any adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting.

Section 8. VOTING. The shareholders entitled to vote at any meeting of shareholders shall be determined in accordance with the provisions of Section 11 of this Article II, subject to the provisions of Sections 702 to 704, inclusive, of the California General Corporation Law (relating to voting shares held by a fiduciary, in the name of a Corporation, or in joint ownership). The shareholders' vote may be by voice vote or by ballot; provided, however, that any election for directors must be by ballot if demanded by any shareholder before the voting has begun. On any matter other than elections of directors, any shareholder may vote part of the shares in favor of the proposal and refrain from voting the remaining shares or vote them against the proposal, but, if the shareholder fails to specify the number of shares which the shareholder is voting affirmatively, it will be conclusively presumed that the shareholder's approving vote is with respect to all shares that the shareholder is entitled to vote. If a quorum is present, the affirmative vote of a majority of the shares represented at the meeting and entitled to vote on any matter (other than the election of Directors) shall be the act of the shareholders, unless the vote of a greater number or voting by classes is required by the California General Corporation Law or by the Articles of Incorporation.

At a shareholders' meeting at which Directors are to be elected, no shareholder shall be entitled to cumulate votes (i.e., cast for any one or more candidates a number of votes greater than the number of the shareholder's shares) unless the candidates' names have been placed in nomination prior to commencement of the voting and a shareholder has given notice prior to commencement of the voting of the shareholder's intention to cumulate votes. If any shareholder has given such a notice, then every shareholder entitled to vote may cumulate votes for candidates in nomination and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which that shareholder's shares are entitled, or distribute the shareholder's votes on the same principle among any or all of the candidates, as the shareholder thinks fit. The candidates receiving the highest number of votes, up to the number of directors to be elected, shall be elected.

Section 9. WAIVER OF NOTICE OR CONSENT BY ABSENT SHAREHOLDERS. The transactions of any meeting of shareholders, however called and noticed, and wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each person entitled to vote, who was not present in person or by proxy, signs a written waiver of notice or a consent to holding of the meeting, or an approval of the minutes thereof. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any annual or special meeting of shareholders, except that if action is taken or proposed to be taken for approval of any of those matters specified in the second paragraph of Section 4 of this Article II, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Attendance by a person at a meeting shall also constitute a waiver of notice of that meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting if that objection is expressly made at the meeting.

Section 10. SHAREHOLDERS ACTION BY WRITTEN CONSENT WITHOUT A MEETING. Any action which may be taken at any annual or special meeting of shareholders may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, is signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all shares entitled to vote on that action were present and voted. In the case of election of Directors, such a consent shall be effective only if signed by the holders of all outstanding shares entitled to vote for the election of Directors; provided, however, that a Director may be elected at any time to fill a vacancy on the Board of Directors that has not been filled by the Directors, by written consent of the holders of a majority of the outstanding shares entitled to vote for the election of Directors. All such consents shall be filed with the Secretary of the Corporation and shall be maintained in the corporate records. Any shareholder giving a written consent, or the shareholder's proxy holders, or a transferee of the shares or a personal representative of the shareholder or their respective proxy holders, may revoke the consent by a writing received by

the Secretary of the Corporation before written consents of the number of shares required to authorize the proposed action have been filed with the Secretary.

If the consents of all shareholders entitled to vote have not been solicited in writing, and if the unanimous written consent of all such shareholders shall not have been received, the Secretary shall give prompt notice of the corporate action approved by the shareholders without a meeting. This notice shall be given in the manner specified in Section 5 of this Article II. In the case of approval of (i) contracts or transactions in which a Director has a direct or indirect financial interest, pursuant to Section 310 of the California General Corporation Law, (ii) indemnification of agents of the Corporation, pursuant to Section 317 of that Law, (iii) a reorganization of the Corporation, pursuant to Section 1201 of that Law, and (iv) a distribution in dissolution other than in accordance with the rights of outstanding preferred shares, pursuant to Section 2007 of that Law, the notice shall be given at least ten (10) days before the consummation of any action authorized by that approval.

Section 11. RECORD DATE FOR SHAREHOLDER NOTICE, VOTING, AND GIVING CONSENTS. For purposes of determining the shareholders entitled to notice of any meeting or to vote or entitled to give consent to corporate action without a meeting, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) days nor less than ten (10) days before the date of any such meeting nor more than sixty (60) days before any such action without a meeting, and in this event only shareholders of record on the date so fixed are entitled to notice and to vote or to give consents, as the case may be, notwithstanding any transfer of any shares on the books of the Corporation after the record date, except as otherwise provided in the California General Corporation Law.

If the Board of Directors does not so fix a record date:

(a) The record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held.

(b) The record date for determining shareholders entitled to give consent to corporate action in writing without a meeting, (i) when no prior action by the Board has been taken, shall be the day on which the first written consent is given, or (ii) when prior action of the Board has been taken, shall be at the close of business on the day on which the Board adopts the resolution relating to that action, or the sixtieth (60th) day before the date of such other action, whichever is later.

Section 12. PROXIES. Every person entitled to vote shares has the right to do so either in person or by one or more agents authorized by a written proxy signed by the person and filed with the Secretary of the Corporation. A proxy shall be deemed signed if the shareholder's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the shareholder or the shareholder's attorney-in-fact. A validly executed proxy which does not state that it is irrevocable shall continue in full force and effect unless (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the

Corporation stating that the proxy is revoked, or by a subsequent proxy executed by, or attendance at the meeting and voting in person by, the person executing the proxy; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the Corporation before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Sections 705(e) and 705(f) of the California General Corporation Law.

Section 13. INSPECTORS OF ELECTION. Before any meeting of shareholders, the Board of Directors may appoint any persons other than nominees for office to act as inspectors of election at the meeting or any adjournment thereof. If no inspectors of election are so appointed, the Chairman of the meeting may, and on the request of any shareholder or a shareholder's proxy shall, appoint inspectors of election at the meeting. The number of inspectors shall be either one (1) or three (3). If inspectors are appointed at a meeting on the request of one or more shareholders or proxies, the holders of a majority of shares or their proxies present at the meeting shall determine whether one (1) or three (3) inspectors are to be appointed. If any person appointed as inspector fails to appear or fails or refuses to act, the Chairman of the meeting may, and upon the request of any shareholder or a shareholder's proxy shall, appoint a person to fill that vacancy.

The duties of the inspectors shall be as prescribed by Section 707(b) of the California General Corporation Law and shall include: determining the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, the authenticity, validity, and effect of proxies; receiving votes, ballots, or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining when the polls shall close; determining the result; and doing any other acts that may be proper to conduct the election or vote with fairness to all shareholders.

If there are three (3) inspectors of election, the decision, act, or certificate of a majority is effective in all respects as the decision, act, or certificate of all.

ARTICLE III

DIRECTORS

Section 1. POWERS. Subject to the provisions of the California General Corporation Law and any limitations in the Articles of Incorporation and these Bylaws relating to action required to be approved by the shareholders or by the outstanding shares, the business and affairs of the Corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

Section 2. NUMBER AND QUALIFICATION OF DIRECTORS. The authorized number of directors shall be five (5) until changed by a duly adopted amendment to this Bylaw adopted by the vote or written consent of holders of a majority of the outstanding shares entitled to vote; provided, however, that an amendment reducing the fixed number or the minimum

number of directors to a number less than five (5) cannot be adopted if the votes cast against its adoption at a meeting, or the shares not consenting in the case of an action by written consent, are equal to more than sixteen and two-thirds percent (16 2/3%) of the outstanding shares entitled to vote thereon.

Section 3. ELECTION AND TERM OF OFFICE OF DIRECTORS. Directors shall be elected at each annual meeting of shareholders to hold office until the next annual meeting. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

Section 4. VACANCIES. Vacancies in the Board of Directors may be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, except that a vacancy created by the removal of a Director by the vote or written consent of the shareholders or by court order may be filled only by the vote of a majority of the shares entitled to vote represented at a duly held meeting at which a quorum is present, or by the written consent of holders of a majority of the outstanding shares entitled to vote. Each Director so elected shall hold office until the next annual meeting of the shareholders and until a successor has been elected and qualified.

A vacancy or vacancies in the Board of Directors shall be deemed to exist in the event of the death, resignation, or removal of any Director, or if the Board of Directors by resolution declares vacant the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony, or if the authorized number of Directors is increased, or if the shareholders fail, at any meeting of shareholders at which any Director or Directors are elected, to elect the number of Directors to be voted for at that meeting.

The shareholders may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors, but any such election by written consent shall require the consent of a majority of the outstanding shares entitled to vote.

Any Director may resign effective on giving written notice to the Chairman of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for such resignation to become effective. If the resignation of a Director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective.

No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

Section 5. PLACE OF MEETINGS. Regular or special meetings of the Board of Directors shall be held at any place within or without the State of California which has been designated from time to time by resolution of the Board. In the absence of such a designation, regular or special meetings shall be held at the principal executive office of the Corporation.

Section 6. MEETINGS BY TELEPHONE. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all Directors

participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at the meeting.

Section 7. ANNUAL MEETINGS. Immediately following each annual meeting of shareholders, the Board of Directors shall hold an annual meeting for the purpose of organization, any desired election of officers, and the transaction of other business. Other regular meetings of the Board of Directors may be held at such time as shall from time to time be fixed by the Board of Directors. Call and notice of all regular meetings shall not be required.

Section 8. SPECIAL MEETINGS. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chairman of the Board or the President or any Vice President or the Secretary or any two Directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone, telegram, telex, or other similar means of communication to each Director or sent by first class mail, addressed to each director at the Director's address as it is shown on the records of the Corporation. In case the notice is mailed, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. In case the notice is delivered personally, or by telephone, telegram, telex, or other similar means of communication, it shall be given at least forty-eight (48) hours before the time of the holding of the meeting. Notice by mail shall be deemed to have been given at the time written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be

deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving notice by electronic means, to the recipient. Any oral notice given personally or by telephone may be communicated either to the Director or to a person at the office of the Director who the person giving the notice has reason to believe will promptly communicate it to the Director. The notice need not specify the purpose of the meeting nor the place if the meeting is to be held at the principal executive office of the Corporation.

Section 9. QUORUM. A majority of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 11 of this Article III. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, subject to the provisions of Section 310 of the California General Corporation Law (as to approval of contracts or transactions in which a Director has a direct or indirect material financial interest), Section 311 of that Law (as to appointment of committees), and Section 317(e) of that Law (as to indemnification of Directors). A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum of the meeting.

Section 10. WAIVER OF NOTICE. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. The waiver of notice or consent need

not specify the purpose of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting, before or at its commencement, the lack of notice to that Director.

Section 11. ADJOURNMENT. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 12. NOTICE OF ADJOURNMENT. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of the time and place shall be given before the time of the adjourned meeting, in the manner specified in Section 8 of this Article III, to the Directors who were not present at the time of adjournment.

Section 13. ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 14. FEES AND COMPENSATION OF DIRECTORS. Directors and members of committees may receive such compensation, if any, for their services, and such reimbursements of expenses, as may be fixed or determined by resolution of the Board of Directors. This Section 14 shall not be construed to preclude any Director from serving the Corporation in any other capacity as an officer, agent, employee or otherwise, or from receiving compensation for those services.

ARTICLE IV

COMMITTEES

Section 1. COMMITTEES OF DIRECTORS. The Board of Directors may, by resolution adopted by a majority of the authorized number of Directors, designate one or more committees, each consisting of two (2) or more Directors, to serve at the pleasure of the Board. The Board may designate one (1) or more Directors as alternate members of the committee, who may replace any absent member at any meeting of the committee. Any committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except with respect to:

(a) The approval of any action which, under the California General Corporation Law, also requires shareholders' approval or approval of the outstanding shares;

(b) The filling of vacancies on the Board of Directors or in any committee;

(c) The fixing of compensation of the directors for serving on the Board or on any committee;

(d) The amendment or repeal of Bylaws or the adoption of new Bylaws;

(e) The amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable;

(f) A distribution to the shareholders of the Corporation, except at a rate or in a periodic amount or within a price range determined by the Board of Directors; or

(g) The appointment of any other committees of the Board of Directors or the members of these committees.

Section 2. MEETINGS AND ACTION OF COMMITTEES. Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of Article II of these Bylaws, Sections 1 (place of meetings), 2 (regular meetings), 3 (special meetings), 4 (notice), 6 (quorum), 7 (notice of adjournment), 9 (waiver of notice), 10 (action without meeting) and 11 (adjournment), with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee; special meetings of committees may also be called by resolution of the Board of Directors; and notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the government of any committee which rules are not to be inconsistent with the provisions of these Bylaws.

ARTICLE V

OFFICERS

Section 1. OFFICERS. The officers of the Corporation shall be a President, a Secretary, and a Chief Financial Officer. The Corporation may also have, at the discretion of the Board of Directors, a Chairman of the Board, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Financial Officers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article V. Any number of offices may be held by the same person.

Section 2. ELECTION OF OFFICERS. The officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article V, shall be chosen by the Board of Directors, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

Section 3. SUBORDINATE OFFICERS. The Board of Directors may appoint, and may empower the President to appoint, such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

Section 4. REMOVAL AND RESIGNATION OF OFFICERS. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board of Directors, at any regular or special meeting of the Board, or, except in case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

Section 5. VACANCIES IN OFFICES. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office.

Section 6. CHAIRMAN OF THE BOARD. The Chairman of the Board, if such an officer be elected, shall, if present, preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors or prescribed by the Bylaws. If there is no President, the Chairman of the Board shall in addition be the Chief Executive Officer of the Corporation and shall have the powers and duties prescribed in Section 7 of this Article V.

Section 7. PRESIDENT. Subject to such supervisory powers, if any, as may be

given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the Chief Executive Officer of the Corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the Corporation. He shall preside at all meetings of the shareholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He shall have the general powers and duties as from time to time may be prescribed by the Board of Directors or the Bylaws.

Section 8. VICE PRESIDENTS. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors, or, if not ranked, a Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or the Bylaws and the President, or the Chairman of the Board.

Section 9. SECRETARY. The Secretary shall keep, or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of Directors, committees of Directors, and shareholders, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at Directors' meetings or committee meetings, the number of shares present or represented at shareholders' meetings, and the proceedings.

The Secretary shall keep, or cause to be kept, at the principal executive office or at the office of the Corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all shareholders and their addresses, the number and classes of shares held by each, the number and date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the shareholders and of the Board of Directors required by the Bylaws or by law to be given, and he shall keep the seal of the Corporation, if one be adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by the Bylaws.

Section 10. CHIEF FINANCIAL OFFICER. The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any Director.

The Chief Financial Officer shall deposit all monies and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Corporation as may be ordered by the Board of Directors, shall render to the President and Directors, whenever they request it, an account of all of his transactions as Chief Financial Officer and of the financial condition of the Corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

Section 1. INDEMNIFICATION. This Corporation shall have the power to indemnify and hold harmless each "agent" of the Corporation, as the term "agent" is defined in Section 317(a) of the California General Corporation Law, from and against any expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any "proceeding" (as defined in said Section 317(a)) to the fullest extent permitted by applicable law. The Corporation may advance to its agents expenses incurred in defending any proceeding prior to the final disposition thereof to the fullest extent and in the manner permitted by applicable law.

Section 2. INSURANCE. The Corporation shall have the power to purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Corporation would have the power to indemnify the agent against such liability.

ARTICLE VII

RECORDS AND REPORTS

Section 1. MAINTENANCE AND INSPECTION OF SHARE REGISTER. The Corporation shall keep at its principal executive office, or at the office of its transfer agent or registrar, if either be appointed and as determined by resolution of the Board of Directors, a record of its shareholders, giving the names and addresses of all shareholders and the number and class of shares held by each shareholder.

A shareholder or shareholders of the Corporation holding at least five percent (5%) in the aggregate of the outstanding voting shares of the Corporation may (i) inspect and copy the records of shareholders' names and addresses and shareholdings during usual business hours on five (5) days prior written demand on the Corporation, and (ii) obtain from the transfer agent of the Corporation, on written demand and on the tender of such transfer agent's usual charges for such list, a list of the shareholders' names and addresses, who are entitled to vote for the election of Directors, and their shareholdings, as of the most recent record date for which that list has been compiled or as of a date specified by the shareholder after the date of demand. This list shall be made available to any such shareholder by the transfer agent on or before the later of five (5) days after the demand is received or the date specified in the demand as the date as of which the list is to be compiled. The record of shareholders shall also be open to inspection on the written demand of any shareholder or holder of a voting trust certificate, at any time during usual business hours, for a purpose reasonably related to the holder's interests as a shareholder or as the holder of a voting trust certificate. Any inspection and copying under this Section 1 may be made in person or by an agent or attorney of the shareholder or holder of a voting trust certificate making the demand.

Section 2. MAINTENANCE AND INSPECTION OF BYLAWS. The Corporation shall keep at its principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this state, the original or a copy of the Bylaws as amended to date, which shall be open to inspection by the shareholders at all reasonable times during office hours. If the principal executive office of the Corporation is outside the State of California and the Corporation has no principal business office in this state, the Secretary shall, upon the written request of any shareholder, furnish to that shareholder a copy of the Bylaws as amended to date.

Section 3. MAINTENANCE AND INSPECTION OF OTHER CORPORATE RECORDS. The accounting books and records and minutes of proceedings of the shareholders and the Board of Directors and any committee or committees of the Board of Directors shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the principal executive office of the Corporation. The minutes shall be kept either in written form or in any other form capable of being converted into written form. The minutes and accounting books and records shall be open to inspection upon the written demand of any shareholder or holder of a voting trust certificate, at any reasonable time during usual business hours, for a purpose reasonably related to the holder's interests as a shareholder or as the holder of a voting trust certificate. The inspection may be made in person or by an agent or attorney, and

shall include the right to copy and make extracts. These rights of inspection shall extend to the records of each subsidiary Corporation of the Corporation.

Section 4. INSPECTION BY DIRECTORS. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation and each of its subsidiary Corporations. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

Section 5. ANNUAL REPORT TO SHAREHOLDERS. The annual report to shareholders referred to in Section 1501 of the California General Corporation Law is expressly dispensed with, but nothing herein shall be interpreted as prohibiting the Board of Directors from issuing annual or other periodic reports to the shareholders of the Corporation as they consider appropriate.

Section 6. FINANCIAL STATEMENTS. A copy of any annual financial statement and any income statement of the Corporation for each quarterly period of each fiscal year, and any accompanying balance sheet of the Corporation as of the end of each such period, that has been prepared by the Corporation shall be kept on file in the principal executive office of the Corporation for twelve (12) months and each such statement shall be exhibited at all reasonable times to any shareholder demanding an examination of any such statement, or a copy shall be mailed to any such shareholder.

If a shareholder or shareholders holding at least five percent (5%) of the outstanding shares of any class of stock of the Corporation makes a written request to the Corporation for an income statement of the Corporation for the three-month, six-month or nine-month period of the then current fiscal year

ended more than thirty (30) days before the date of the request, and a balance sheet of the Corporation as of the end of that period, the Chief Financial Officer shall cause that statement to be prepared, if not already prepared, and shall deliver personally or mail that statement or statements to the person making the request within thirty (30) days after the receipt of the request. If the Corporation has not sent to the shareholders its annual report for the last fiscal year, this report shall likewise be delivered or mailed to the shareholder or shareholders within thirty (30) days after the request.

The Corporation shall also, on the written request of any shareholder, mail to the shareholder a copy of the last annual, semi-annual, or quarterly income statement which it has prepared, and a balance sheet as of the end of that period.

The quarterly income statements and balance sheets referred to in this section shall be accompanied by the report, if any, of any independent accountants engaged by the Corporation or the certificate of an authorized officer of the Corporation that the financial statements were prepared without audit from the books and records of the Corporation.

Section 7. ANNUAL STATEMENT OF GENERAL INFORMATION. The Corporation shall, during the applicable filing period, as defined in Section 1502(c) of the California General Corporation Law, file with the Secretary of State of the State of California, on

the prescribed form, a statement setting forth the authorized number of Directors, the names and complete business or residence addresses of all incumbent Directors, the names and complete business or residence addresses of the Chief Executive Officer, Secretary, and Chief Financial Officer, the street address of its principal executive office or principal business office in this state, and the general type of business constituting the principal business activity of the Corporation, together with a designation of the agent of the Corporation for the purpose of service of process, all in compliance with Section 1502 of the California General Corporation Law.

ARTICLE VIII

GENERAL CORPORATE MATTERS

Section 1. RECORD DATE FOR PURPOSES OTHER THAN NOTICE AND VOTING. For purposes of determining the shareholders entitled to receive payment of any dividend or other distribution or allotment of any rights or entitled to exercise any rights in respect of any other lawful action (other than action by shareholders by written consent without a meeting), the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) days before any such action, and in that case only shareholders of record on the date so fixed are entitled to receive the dividend, distribution, or allotment of rights or to exercise the rights, as the case may be, notwithstanding any transfer of any shares on the books of the Corporation after the record date so fixed, except as otherwise provided in the California General Corporation Law.

If the Board of Directors does not so fix a record date, the record date for determining shareholders for any such purpose shall be at the close of business on the day on which the Board adopts the applicable resolution or the sixtieth (60th) day before the date of that action, whichever is later.

Section 2. CHECKS, DRAFTS, EVIDENCES OF INDEBTEDNESS. All checks, drafts, or other orders for payment of money, notes, or other evidences of indebtedness, issued in the name of or payable to the Corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 3. CORPORATE CONTRACTS AND INSTRUMENTS; HOW EXECUTED. The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and this authority may be general or confined to specific instances; and, unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 4. CERTIFICATES FOR SHARES. A certificate or certificates for shares of the capital stock of the Corporation shall be issued to each shareholder when any of these

shares are fully paid, and the Board of Directors may authorize the issuance of certificates or shares as partly paid, provided that these certificates shall state the amount of the consideration to be paid for them and the amount paid.

All certificates shall be signed in the name of the Corporation by the Chairman of the Board or Vice Chairman of the Board or the President or Vice President and by the Chief Financial Officer or an Assistant Treasurer or the Secretary or any Assistant Secretary, certifying the number of shares and the class or series of shares owned by the shareholder. Any or all of the signatures on the certificate may be facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed on a certificate shall have ceased to be that officer, transfer agent or registrar before that certificate is issued, it may be issued by the Corporation with the same effect as if that person were an officer, transfer agent, or registrar at the date of issue.

Section 5. LOST CERTIFICATES. Except as provided in this Section 5, no new certificates for shares shall be issued to replace an old certificate unless the latter is surrendered to the Corporation and canceled at the same time. The Board of Directors may, in case any share certificate or certificate for any other security is lost, stolen or destroyed, authorize the issuance of a replacement certificate on such terms and conditions as the Board may require, including provision for indemnification of the Corporation secured by a bond or other adequate security sufficient to protect the Corporation against any claim that may be made against it, including any expense or liability, on account of the alleged loss, theft, or destruction of the certificate or the issuance of the replacement certificate.

Section 6. REPRESENTATION OF SHARES OF OTHER CORPORATIONS. The Chairman of the Board, the President, or any Vice President, or any other person authorized by resolution of the Board of Directors or by any of the foregoing designated officers, is authorized to vote on behalf of the Corporation any and all shares of any other corporation or corporations, foreign or domestic, standing in the name of the Corporation. The authority granted to these officers to vote or represent on behalf of the Corporation any and all shares held by the Corporation in any other corporation or corporations may be exercised by any of these officers in person or by any person authorized to do so by a proxy duty executed by these officers.

Section 7. CONSTRUCTION AND DEFINITIONS. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California General Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

ARTICLE IX

AMENDMENTS

Section 1. AMENDMENT BY SHAREHOLDERS. New Bylaws may be adopted or these Bylaws may be amended or repealed by the vote or written consent of holders of a majority of the outstanding shares entitled to vote; provided, however, that if the Articles of Incorporation of the Corporation set forth the number of authorized Directors of the Corporation,

the authorized number of Directors may be changed only by an amendment of the Articles of Incorporation.

Section 2. AMENDMENT BY DIRECTORS. Subject to the rights of the shareholders as provided in Section 1 of this Article IX and Section 2 of Article III, new Bylaws may be adopted, and these Bylaws may be amended or repealed, by the Board of Directors.

CERTIFICATE OF SECRETARY

I HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of BONUTTO-HOFER INVESTMENTS (the "Corporation"), and that the above and foregoing Amended and Restated Bylaws were adopted as the Bylaws of the Corporation on the 31st day of January, 1994, by the directors of the Corporation by unanimous written consent dated January 31, 1994.

IN WITNESS WHEREOF, I have hereunto set my hand this 31st day of January, 1994.

/s/ Robert C. Peterson

Robert C. Peterson, Secretary

EXHIBIT 3.4(a)

CERTIFICATE OF FORMATION
OF
CBRE/LJM MORTGAGE COMPANY, L.L.C.
(6 Del.C. (S) 18-101, et seq.)

1. Name of Limited Liability Company: The name of the limited liability company formed hereby is CBRE/LJM Mortgage Company, L.L.C. (the "Company").

2. Registered Office: The address of the registered office of the Company in the State of Delaware is c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801.

3. Registered Agent: The name and address of the registered agent for service of process in the State of Delaware is c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801.

This Certificate is hereby executed by the undersigned as of January 25, 1999.

/s/ Raymond E. Wirta

Raymond E. Wirta, Authorized Person

EXHIBIT 3.4(b)

OPERATING AGREEMENT
OF
CBRE/LJM MORTGAGE COMPANY, L.L.C.

THIS OPERATING AGREEMENT (the "Agreement") is made and entered into as of the 26th day of January, 1999, by and between CBRE/LJM - NEVADA, INC., a Delaware corporation as the sole Member (the "Member"), and CBRE/LJM MORTGAGE COMPANY, L.L.C., a Delaware limited liability company (the "Company").

1. Formation. The Member has formed a Delaware limited liability company under the name "CBRE/LJM MORTGAGE COMPANY, L.L.C." pursuant to the Delaware Limited Liability Company Act (the "Act"), effective upon the filing of the Certificate of Formation (the "Certificate") for the Company on January 26, 1999 (the "Effective Date").

2. Principal Office and Place of Business. The principal office and place of business (the "Principal Office") of the Company shall be c/o L.J. Melody & Company, 5847 San Felipe, Suite 4400, Houston, Texas 77057, or such other place as the Member from time to time shall determine.

3. Agent for Service of Process. The agent for service of process for the Company shall be c/o The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware, or such other person as the Member shall appoint from time to time.

4. Purpose. The Company shall have the power to pursue any and all activities necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of such purposes as are determined from time to time by the Member that are permissible under the Act.

5. Term. The term of the Company shall commence on the Effective Date and shall continue until dissolved.

6. Capital Contributions. The Member may make capital contributions to the Company in such amounts and at such times as the Member shall determine in its sole discretion.

7. Distributions of Available Cash Flow. Distributions of available cash flow shall be made in such amounts and at such times as the Member shall determine in its sole discretion.

8. Management. The Member shall have full, exclusive and complete power to manage and control the business and affairs of the Company and shall have all of the rights and powers provided to a member of a member-managed limited liability company by law, including the power and authority to execute instruments and documents, to mortgage or dispose of any real property held in the name of the Company, and to take any other actions on behalf of the Company, whether or not such actions are for carrying on the business of the Company in its usual way.

9. Banking Resolution. The Member shall open all banking accounts as it deems necessary and enter into any deposit agreements as are required by the financial institution at which such accounts are opened. The Member and such other persons or entities designated in writing by the Member shall have signing authority with respect to such bank accounts. Funds deposited into such accounts shall be used only for the business of the Company.

10. Indemnification of the Member. The Company, its successors, receivers or trustees shall indemnify, defend and hold harmless the Member and its Affiliates (each, an "Indemnitee"), to the extent of the Company's assets, for, from and against any liability, damage, cost, expense, loss, claim or judgment incurred by the Indemnitee arising out of any claim based upon acts performed or omitted to be performed by the Indemnitee in connection with the business of the Company, including without limitation, attorneys' fees and costs incurred by the Indemnitee in settlement or defense of such claims. Notwithstanding the foregoing, no Indemnitee shall be so indemnified, defended or held harmless for claims based upon acts or omissions in breach of this Agreement or which constitute fraud, gross negligence, or willful misconduct. Amounts incurred by an Indemnitee in connection with any action or suit arising out of or in connection with Company affairs shall be reimbursed by the Company. "Affiliate" means a person or entity who, with respect to the Member: (a) directly or indirectly controls, is controlled by or is under common control with the Member; (b) owns or controls 10 percent or more of the outstanding voting securities of the Member; (c) is an officer, director, shareholder, partner or member of the Member; or (d) if the Member is an officer, director, shareholder, partner or member of any entity, the entity for which the Member acts in any such capacity.

11. Liability. No Indemnitee shall be personally liable, responsible, accountable in damages or otherwise to the Company for any act or omission performed or omitted by such Indemnitee in connection with the Company or its

business. The Member's liability for the debts and obligations of the Company shall be limited as set forth in the Act and other applicable law.

12. Reimbursable Expenses. The Company will reimburse the Member for all actual out-of-pocket third-party expenses incurred in connection with the carrying out of the duties set forth in this Agreement.

13. Records. The Member shall keep or cause to be kept at the Principal Office of the Company the following: (a) a written record of the full name and business, residence or mailing address of the Member; (b) a copy of the initial Certificate and all amendments thereto; (c) copies of all written operating agreements and all amendments to such agreements, including any prior written operating agreements no longer in effect; (d) copies of any written and signed promises by the Member to make capital contributions to the Company; (e) copies of the Company's federal, state and local income tax returns and reports, if any, for the three most recent years; (f) copies of any prepared financial statements of the Company for the three most recent years; and (g) minutes of every meeting as well as any written consents or actions taken without a meeting.

14. Dissolution. The Company shall be dissolved upon the election of the Member. A Withdrawal Event with respect to the Member shall not dissolve the Company, unless any assignees of the Member's interest do not elect to continue the Company and admit a

member within 90 days of such Withdrawal Event. "Withdrawal Event" shall mean those events and circumstances set forth in Section 18-304 of the Act.

15. Liquidation. Upon dissolution of the Company, it shall be wound up and liquidated as rapidly as business circumstances permit, the Member shall act as the liquidating trustee, and the assets of the Company shall be liquidated and the proceeds thereof shall be paid (to the extent permitted by applicable law) in the following order: (a) first, to creditors, including the Member if it is a creditor, in the order and priority required by applicable law; (b) second, to a reserve for contingent liabilities to be distributed at the time and in the manner as the liquidating trustee determines in its sole discretion; and (c) third, to the Member.

16. Certificate of Cancellation. When all debts, liabilities and obligations have been paid and discharged or adequate provisions have been made therefor and all of the remaining property and assets have been distributed, a Certificate of Cancellation shall be executed and filed by the liquidating trustee with the Delaware Secretary of State as required by the Act.

17. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to its conflicts of laws principles.

18. Severability. If any provision of this Agreement shall be conclusively determined by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Agreement shall not be affected thereby.

19. Binding Effect. Except as otherwise provided herein, this Agreement shall inure to benefit of and be binding upon the Member and its respective successors and assigns.

20. Titles and Captions. All article, section and paragraph titles and captions contained in this Agreement are for convenience only and are not a part of the context hereof.

21. Pronouns and Plurals. All pronouns and any variations thereof are deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the appropriate person may require.

22. No Third Party Rights. This Agreement is in ended to create enforceable rights between the parties hereto only, and creates no rights in, or obligations to, any other persons.

23. Amendments. This Agreement may not be amended except by a written document executed by the Member and the Company.

24. Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written.

MEMBER:

CBRE/LJM - NEVADA, INC., a Nevada corporation

/s/ Raymond E. Wirta

By: Raymond E. Wirta

Its: President

COMPANY:

CBRE/LJM MORTGAGE COMPANY, L.L.C., a Delaware limited liability company

By: CBRE/LJM - NEVADA, INC., a Nevada Corporation

Its: Sole Member

/s/ Walter V. Stafford

By: Walter V. Stafford

Its: Vice President and Secretary

EXHIBIT 3.5(a)

ARTICLES OF INCORPORATION
OF
CBRE/LJM-NEVADA, INC.

Article 1. The name of the corporation shall be CBRE/LJM-Nevada, Inc. (the "Corporation").

Article 2. The Corporation's principal office in the State of Nevada is located at One East First Street, Reno, Nevada 89501. The name and street address of its resident agent is The Corporation Trust Company of Nevada, One East First Street, Reno, Nevada 89501.

Article 3. The purpose for which the Corporation is organized is the transaction of any and all lawful business for which corporations may be incorporated under the Nevada General Corporation Law, as it may be amended from time to time (the "General Corporation Law").

Article 4. The authorized stock of the Corporation shall consist of One Hundred Thousand (100,000) shares of common stock, par value One Cent ($ .01) per share.

Article 5. The governing board of the Corporation shall be known as directors, and the number of directors may be increased or decreased from time to time as set forth in the bylaws of the Corporation. The initial board of directors shall consist of one (1) member. The name and address of the person who is to serve as sole member of the initial board of directors until his successor is elected and qualified or until his earlier resignation or removal is:

Name	Address
Raymond E. Wirta	Pacific Corporate Towers 200 North Sepulveda Boulevard Suite 300 El Segundo, California 90245

Article 6. The personal liability of any director of the Corporation to the Corporation or its stockholders for damages for breach of fiduciary duties as a director, is hereby eliminated to the fullest extent allowed by the General Corporation Law.

Article 7. The sole incorporator of the Corporation is Raymond E. Wirta, Pacific Corporate Towers, 200 North Sepulveda Boulevard, Suite 300, El Segundo, California 90245.

2

THE UNDERSIGNED, being the sole incorporator herein before named, for the purpose of forming a corporation pursuant to the General Corporation Law, does make and file these articles of incorporation, hereby declaring and certifying that the facts herein stated are true, and accordingly has hereunto set his hand this 30/th/ day of December, 1998.

/s/ Raymond E. Wirta

Raymond E. Wirta, Incorporator

State of Colorado)
) ss.
County of Eagle)

The foregoing instrument was acknowledged before me this 30th day of December, 1998, by Raymond E. Wirta.

/s/ John Hope

Notary Public

My Commision Expires 08/17/2002

BYLAWS

OF

CBRE/LJM -- NEVADA, INC.

a Nevada corporation

Adopted December 31, 1998

CBRE/LJM-NEVADA, INC.

BYLAWS

TABLE OF CONTENTS

<TABLE>
<CAPTION>

</TABLE>

<TABLE>
<CAPTION>

</TABLE>

BYLAWS

OF

CBRE/LJM - NEVADA, INC.

ARTICLE I
Offices

Section 1. Principal Office. The principal office shall be in the City of Reno, County of Washoe, State of Nevada.

Section 2. Other Offices. The Corporation may also have offices at such other places both within and without the State of Nevada.

ARTICLE II
Meetings of Stockholders

Section 1. Place of Meetings. Meetings of the stockholders shall be held at such time and place within or without the State of Nevada as shall be designated from time to time by the board of directors.

Section 2. Annual Meetings. Annual meetings of stockholders, commencing with the year 1999, shall be held on the 31st day in March of each calendar year, if not a legal holiday, and if a legal holiday, then on the next secular day following, at 10:00 a.m., at which the stockholders shall elect by a plurality vote, a board of directors, and transact such other business as may properly be brought before the meeting.

Section 3. Special Meetings. Special meetings of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute or by the articles or incorporation, may be called by the president and shall be called by the president or secretary at the request in writing of a majority of the board of directors, or at the request in writing of stockholders owning a majority in amount of the entire capital stock of the Corporation issued and outstanding and entitled to vote. Such request shall state the purpose or purposes of the proposed meeting.

Section 4. Notice of Meetings. Notice of meetings shall be in writing and signed by the president or a vice president, or the secretary, or an assistant secretary, or by such other person or persons as the directors shall designate. Such notice shall state the purpose or purposes for which the meeting is called and the time and place where it is to be held, which may be within or without the State of Nevada. A copy of such notice shall be either delivered personally or shall be mailed, postage prepaid, to each stockholder of record entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days before such meeting. If mailed, it shall be directed to a stockholder at his address as it appears upon the records of the Corporation and upon such

mailing of any such notice, the service thereof shall be complete, and the time of the notice shall begin to run from the date upon which such notice is deposited in the mail for transmission to such stockholder. In the event of the transfer of stock after delivery or

mailing of the notice of, and before the holding of, the meeting, it shall not be necessary to deliver or mail notice of the meeting to the transferee.

Section 5. Purpose of Meetings. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 6. Quorum. Stockholders holding at least a majority of the voting power, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the articles of incorporation. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified.

Section 7. Record Date. The board of directors may prescribe a period not exceeding sixty (60) days before any meeting of the stockholders during which no transfer of stock on the books of the Corporation may be made, or may fix a day not more than sixty (60) days before the holding of any such meeting as the day as of which stockholders entitled to notice of and to vote at such meetings must be determined. Only stockholders of record on that day are entitled to notice or to vote at such meeting.

Section 8. Voting.

(a) An act of stockholders who hold at lease a majority of the voting power and are present at a meeting at which a quorum is present is the act of the stockholders unless the statutes or articles of incorporation provide for different proportions.

(b) Except as hereinafter provided, every stockholder of record of the Corporation shall be entitled at each meeting of stockholders to one vote for each share of stock standing in his name on the books of the Corporation.

(c) At any meeting of the stockholders, any stockholder may designate another person or persons to act as a proxy or proxies as provided by law. If any stockholder designates two or more persons to act as proxies, a majority of those persons present at the meeting, or, if only one shall be present, then that one shall have and may exercise all of the powers conferred by such stockholder upon all of the persons so designated unless the stockholder shall otherwise provide. No such proxy shall be valid after the expiration of six (6) months from the date of its creation, unless it is coupled with an interest, or unless the stockholder specifies in it the length of time for which it is to continue in force, which may not exceed seven (7) years from the date of its creation. Subject to the above, any proxy properly created is not revoked and continues in full force and effect until another instrument or transmission revoking it or a properly created proxy bearing a later date is filed with or transmitted to the secretary of the Corporation or another person or persons appointed by the Corporation to count the votes of stockholders and determine the validity of proxies and ballots.

Section 9. Consent of Stockholders in Lieu of Meeting. Any action required or permitted to be taken at a meeting may be taken without a meeting if a written consent thereto is signed by stockholders holding at least a majority of the voting power, unless the provisions of the statutes or of the articles of incorporation require a greater proportion of voting power to authorize such action, in which case, such greater proportion of written consents shall be required.

ARTICLE III
Directors

Section 1. Powers. The business of the Corporation shall be managed by its board of directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute, by the articles of incorporation, or by these bylaws directed or required to be exercised or done

by the stockholders.

Section 2. Number and Term of Office.

(a) The number of directors shall be one (1). The number of directors may be increased or decreased from time to time by resolution of the board of directors, but no decrease in the number shall change the term of any director in office at the time thereof. The directors shall be elected at the annual meeting of the stockholders, and except as provided in Section 2(b) of this article, each director elected shall hold office until his successor is elected and qualified. Directors need not be stockholders.

(b) Vacancies, including those caused by an increase in the number of directors, may be filled by a majority of the remaining directors though less than a quorum. When one or more directors shall give notice of his or their resignation to the board of directors, effective at a future date, the board of directors shall have the power to fill such vacancy or vacancies to take effect when such resignation or resignations shall become effective, each director so appointed to hold office during the remainder of the term of office of the resigning director or directors.

(c) Any director may be removed from office by the vote of stockholders representing not less than two-thirds (2/3) of the voting power of the issued and outstanding stock entitled to voting power, except that (i) if the articles of incorporation provide for the election of directors by cumulative voting, no director may be removed from office under the provisions of this section except upon the vote of stockholders owning sufficient shares to have prevented his election to office in the first instance, and (ii) if the articles of incorporation require the concurrence of a larger percentage of the stock entitled to voting power in order to remove a director.

Section 3. Place of Meetings. The board of directors of the Corporation may hold meetings, both regular and special, either within or without the State of Nevada.

Section 4. Annual Organizational Meeting. The first meeting of each newly elected board of directors shall be held within thirty (30) days after the adjournment of the annual meetings of stockholders. No notice of such meeting shall be necessary to be given to the newly elected directors in order to legally constitute the meeting, provided a quorum shall be

present. In the event such meeting is not held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the board of directors, or as shall be specified in a written waiver signed by all of the directors.

Section 5. Regular Meetings. Meetings of the board of directors may be held without notice at such time and place as shall from time to time be determined by the board of directors.

Section 6. Special Meetings. Special meetings of the board of directors may be called by the president or secretary on the written request of one director. Written notice of special meetings of the board of directors shall be given to each director by telephone or in writing at least twenty-four (24) hours (in the case of notice by telephone) or forty-eight (48) hours (in the case of notice by telegram) or three (3) days (in the case of notice by mail) before the time at which the meeting is to be held. Every such notice shall state the date, time and place of the meeting, but need not describe the purpose of the meeting unless required by the articles of incorporation, these bylaws or provided by law.

Section 7. Quorum. A majority of the board of directors, at a meeting duly assembled, shall be necessary to constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the board of directors, except as may be otherwise specifically provided by statute or by the articles of incorporation.

Section 8. Committees.

(a) The board of directors may, by resolution passed by a majority of the whole board of directors, designate one or more committees, each committee to consist of one or more of the directors of the Corporation, which, to the extent provided in the resolution, shall have and may exercise the powers of the

board of directors in the management of the business and affairs of the Corporation, and may have power to authorize the seal of the Corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the board of directors. The board of directors may appoint natural persons who are not directors to serve on committees.

(b) The committees shall keep regular minutes of their proceedings and report the same to the board of directors when required.

Section 9. Action of Directors in Lieu of Meeting. Any action required or permitted to be taken at any meeting of the board of directors or of any committee thereof may be taken without a meeting if, before or after the action, a written consent thereto is signed by all the members of the board of directors or of the committee, as the case may be, and the written consent is filed with the minutes of proceedings of the board of directors or committee.

Section 10. Compensation. The directors may be paid their expenses, if any, of attendance at each meeting of the board of directors and may be paid a fixed sum for attendance at each meeting of the board of directors or a stated salary as director. No such payment shall preclude any director from serving the Corporation in any other capacity and

receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

ARTICLE IV
Notices

Section 1. Notice, What Constitutes. Notices to directors and stockholders shall be in writing and delivered personally or mailed to the directors or stockholders at their addresses appearing on the books of the Corporation. Notice by mail shall be deemed to be given at the time when the same shall be mailed. Notice to directors may also be given by telegram, facsimile or telephone.

Section 2. Waiver of Notice.

(a) Whenever all parties entitled to vote at a meeting, whether of directors or stockholders, consent, either by a writing on the records of the meeting or filed with the secretary, or by presence at such meeting and oral consent entered on the minutes, or by taking part in the deliberations at such meeting without objection, the doings of such meetings shall be as valid as if had at a meeting regularly called and noticed, and at such meeting any business may be transacted which is not excepted from the written consent or to the consideration of which no objection for want of notice is made at the time, and if any meeting be irregular for want of notice or of such consent, provided a quorum was present at such meeting, the proceedings of said meeting may be ratified and approved and rendered likewise valid and the irregularity or defect therein waived by a writing signed by all parties having the right to vote at such meetings; and such consent or approval of stockholders may be by proxy or attorney, but all such proxies and powers of attorney must be in writing.

(b) Whenever any notice whatever is required to be given under the provisions of the statutes, the articles of incorporation or these bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE V
Officers

Section 1. Number and Qualifications. The officers of the Corporation shall be chosen by the board of directors at its first meeting and thereafter after each annual meeting of stockholders. The officers to be elected shall include a president, a secretary and a treasurer. Any person may hold two or more offices. The board of directors may also appoint vice presidents and additional officers or assistant officers as it shall deem necessary.

Section 2. Compensation. The salaries of all officers and agents of the Corporation shall be fixed by the board of directors.

Section 3. Term of Office. The officers of the Corporation shall hold office until their successors are chosen and qualify. Any officer elected or

appointed by the board of directors may be removed at any time by the affirmative vote of a majority of the board of

directors. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise shall be filled by the board of directors.

Section 4. Subordinate Officers, Committees and Agents. The board of directors may elect any other officers and appoint any committees, employees or other agents as it desires who shall hold their offices for the terms and shall exercise the powers and perform the duties as shall be determined from time to time by the board of directors to be required by the business of the Corporation. The directors may delegate to any officer or committee the power to elect subordinate officers and retain or appoint employees or other agents.

Section 5. The President. The president shall be the chief executive officer of the Corporation, shall preside at all meetings of the stockholders and the board of directors, shall have general and active management of the business of the Corporation, and shall see that all orders and resolutions of the board of directors are carried into effect. He shall execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the Corporation.

Section 6. The Vice President. If appointed, the vice president shall, in the absence or disability of the president, perform the duties and exercise the powers of the president and shall perform such other duties as the board of directors may from time to time prescribe.

Section 7. The Secretary. The secretary shall attend all meetings of the board of directors and all meetings of the stockholders and record all the proceedings of the meetings of the Corporation and of the board of directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or president, under whose supervision he shall be. He shall keep in safe custody the seal of the Corporation and, when authorized by the board of directors, affix the same to any instrument requiring it and, when so affixed, it shall be attested by his signature or by the signature of the treasurer or an assistant secretary.

Section 8. The Treasurer. The treasurer shall have the custody of the corporate funds and securities and shall keep in full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the board of directors. He shall disburse the funds of the Corporation as may be ordered by the board of directors taking proper vouchers for such disbursements, and shall render to the president and the board of directors, at the regular meetings of the board of directors, or when the board of directors so requires, an account of all his transactions as treasurer and of the financial condition of the Corporation. If required by the board of directors, he shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the board of directors for the faithful performance of the duties of his office and for the restoration to the Corporation, in case of his death, resignation, retirement or removal from office, of all books,

papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Corporation.

ARTICLE VI
Certificates of Stock

Section 1. Issuance. Every stockholder shall be entitled to have a certificate, signed by the president or a vice president and the treasurer or an assistant treasurer, or the secretary or an assistant secretary of the Corporation, certifying the number of shares owned by him in the Corporation. When the Corporation is authorized to issue shares of more than one class or more than one series of any class, there shall be set forth upon the face or

back of the certificate, or the certificate shall have a statement that the Corporation will furnish to any stockholder upon request and without charge, a full or summary statement of the voting powers, designations, preferences, limitations, restrictions and relative rights of the various classes of stock or series thereof. If any officer or officers who shall have signed, or whose facsimile signature or signatures shall have been used on, any such certificate or certificates shall cease to be such officer or officers of the Corporation, whether because of death, resignation or otherwise, before such certificate or certificates shall have been delivered by the Corporation, such certificate or certificates may nevertheless be adopted by the Corporation and be issued and delivered as though the person or persons who signed such certificate or certificates, or whose facsimile signature or signatures shall have been used thereon, had not ceased to be the officer or officers of such Corporation.

Section 2. Transfer Agent and Registrar. Whenever any certificate is countersigned or otherwise by a transfer agent or transfer clerk, and by a registrar, then a facsimile of the signatures of the officers or agents of the Corporation may be printed or lithographed upon such certificate in lieu of the actual signatures.

Section 3. Lost Certificates. The board of directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed. When authorizing such issuance of a new certificate or certificates, the board of directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as it shall require and/or give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost or destroyed.

Section 4. Transfer of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 5. Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive

dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Nevada.

ARTICLE VII
General Provisions

Section 1. Dividends. Dividends upon the capital stock of the Corporation, subject to the provisions of the articles of incorporation, if any, may be declared by the board of directors at any regular or special meeting pursuant to law. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the articles of incorporation.

Section 2. Reserves. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for such other purpose as the directors shall think conducive to the interest of the Corporation, and the directors may modify or abolish any such reserves in the manner in which it was created.

Section 3. Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the board of directors may from time to time designate.

Section 4. Fiscal Year. The fiscal year of the Corporation shall be

fixed by resolution of the board of directors.

Section 5. Seal. The Corporation may have a corporate seal in the form of a circle containing the name of the Corporation, the year of incorporation and such other details as may be approved by the board of directors. Nothing in these bylaws shall require the impression of a corporate seal to establish the validity of any document executed on behalf of the Corporation.

Section 6. Amendments. These bylaws may be altered or repealed at any regular meeting of the stockholders or of the board of directors or at any special meeting of the stockholders or of the board of directors if notice of such alteration or repeal be contained in the notice of such special meeting.

CERTIFICATION

I hereby certify that the foregoing Bylaws were duly adopted by the board of directors of the Corporation as of the 31/st/ day of December, 1998.

/s/ Walter V. Stafford

Walter V. Stafford, Secretary

EXHIBIT 3.6(a)

CERTIFICATE OF INCORPORATION
OF
CB RICHARD ELLIS
CORPORATE FACILITIES
MANAGEMENT, INC.

The undersigned, for the purpose of incorporating a corporation under the General Corporation Law of the State of Delaware, does hereby certify as follows:

FIRST. The name of the Corporation is CB RICHARD ELLIS CORPORATE FACILITIES MANAGEMENT, INC.

SECOND. The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street in the City of Wilmington, County of New Castle, 19801. The name of its registered agent at such address is The Corporation Trust Company.

THIRD. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH. The total number of shares which the Corporation shall have authority to issue is Twenty Thousand (20,000) shares of capital stock, all of which shall be designated "Common Stock," with a par value of $.01 per share.

FIFTH. The name and mailing address of the incorporator is Thomas C. Foster, 18400 Von Karman Avenue, Fourth Floor, Irvine, California 92715.

SIXTH. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation is expressly authorized to make, alter or repeal the by-laws of the Corporation.

SEVENTH. A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation in respect of any act or omission occurring prior to the time of such amendment, modification or repeal.

EIGHTH. Elections of directors need not be by written ballot except and to the extent provided in the by-laws of the Corporation.

NINTH. The Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation, as may be amended from time to time, are granted subject to the rights reserved in this Article NINTH.

IN WITNESS WHEREOF, the undersigned incorporator does hereby execute this Certificate of Incorporation this 27/th/ day of September 1993.

/s/ THOMAS C. FOSTER

THOMAS C. FOSTER, Incorporator

Exhibit 3.6(b)

BY LAWS

OF

CB RICHARD ELLIS CORPORATE
FACILITIES MANAGEMENT, INC.

INDEX

<TABLE>
<CAPTION>

</TABLE>

<TABLE>
<CAPTION>

</TABLE>

BY-LAWS

OF

KOLL TECHNOLOGIES, INC.

ARTICLE I

STOCKHOLDERS

Section 1.1 Annual Meetings. An annual meeting of stockholders shall be held for the election of directors at such date, time and place, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting.

Section 1.2 Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Board of Directors, or by a committee of the Board of Directors that has been duly designated by the Board of Directors and whose powers and authority, as expressly provided in a resolution of the Board of Directors, include the power to call such meetings, but such special meetings may not be called by any other person or persons.

Section 1.3 Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given that shall state the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the certificate of incorporation or

these by-laws, the written notice of any meeting shall be given not less than ten nor more than sixty days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the corporation.

Section 1.4 Adjournments. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 1.5 Quorum. Except as otherwise provided by law, the certificate of incorporation or these by-laws, at each meeting of stockholders the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. In the absence of a quorum, the stockholders so present may, by majority vote, adjourn the meeting from time to time in the manner provided in Section 1.4 of these by-laws until a quorum shall attend. Shares

of its own stock belonging to the corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the corporation or any subsidiary of the corporation to vote stock, including, but not limited to, its own stock, held by it in a fiduciary capacity.

Section 1.6 Organization. Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board, if any, or in his absence by the President, or in his absence by a Vice President, or in the absence of the foregoing persons by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting. The chairman of the meeting shall announce at the meeting of stockholders the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote.

Section 1.7 Voting; Proxies. Except as otherwise provided by the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by him which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or by delivering a proxy in accordance with applicable law bearing a later date to the Secretary of the corporation. Voting at meetings of stockholders need not be by written ballot. At all meetings of stockholders for the election of directors, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. All other elections and questions shall, unless otherwise provided by law, the certificate of incorporation or these by-laws, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock which are present in person or represented by proxy at the meeting and entitled to vote thereon.

Section 1.8 Fixing Date for Determination of Stockholders of Record. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date: (a) in the case of determination of stockholders entitled to vote at any meeting of stockholders or adjournment

thereof, shall, unless otherwise required by law, not be more than sixty nor less than ten days before the date of such meeting; (b) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than ten days from the date upon which the resolution fixing the record date is adopted by the Board of

Directors; and (c) in the case of any other action, shall not be more than sixty days prior to such other action. If no record date is fixed: (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; (ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action of the Board of Directors is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation in accordance with applicable law, or, if prior action by the Board of Directors is required by law, shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action; and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 1.9 List of Stockholders Entitled to Vote. The Secretary shall prepare and make, at least ten days before every meeting of stockholders, a complete list of stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present. Upon the willful neglect or refusal of the directors to produce such a list at any meeting for the election of directors, they shall be ineligible for election to any office at such meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list of stockholders or the books of the corporation, or to vote in person or by proxy at any meeting of stockholders.

Section 1.10 Action by Consent of Stockholders. Unless otherwise restricted by the certificate of incorporation, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered (by hand or by certified or registered mail, return receipt requested) to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

Section 1.11 Inspectors of Election. The corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election,

who may be employees of the corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (a) ascertain the number of shares of capital stock of the corporation outstanding and the voting power of each such share,

(b) determine the shares of capital stock of the corporation represented at the meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (e) certify their determination of the number of shares of capital stock of the corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election. If required by law, the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting. To the extent required by law, no ballot, proxies or votes, nor any revocations thereof or changes thereto, shall be accepted by the inspector or inspectors after the closing of the polls unless the Court of Chancery upon application by a stockholder shall determine otherwise.

Section 1.12 Conduct of Meetings. The Board of Directors of the corporation may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; (c) limitations on attendance at or participation in the meeting to stockholders of record of the corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE II

BOARD OF DIRECTORS

Section 2.1 Number; Qualifications. The authorized number of directors shall be four (4) until changed by a duly adopted amendment to this by-law. Directors need not be stockholders.

Section 2.2 Election; Resignation; Removal; Vacancies. The Board of Directors shall initially consist of the persons elected as directors by the incorporator, and each director so elected shall hold office until the first annual meeting of stockholders or until his successor is elected and qualified. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect directors each of whom shall hold office for a term of one year or until his successor is elected and qualified. Any director may resign at any time upon written notice to the corporation. Any newly created directorship or any vacancy occurring in the Board of Directors for any cause may be filled by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, or by a plurality of the votes cast at a meeting of stockholders, and each director so elected shall hold office until the expiration of the term of office of the director whom he has replaced or until his successor is elected and qualified.

Section 2.3 Regular Meetings. Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine, and if so determined notices thereof need not be given.

Section 2.4 Special Meetings. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the President, any Vice President, the Secretary, or by any member of the Board of Directors. Notice of a special meeting of the Board of Directors shall be given by the person or persons calling the meeting at least twenty-four hours before the special meeting.

Section 2.5 Telephonic Meetings Permitted. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this by-law shall constitute presence in person at such meeting.

Section 2.6 Quorum; Vote Required for Action. At all meetings of the Board of Directors a majority of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the certificate of incorporation, these by-laws or applicable law otherwise provides, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.7 Organization. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board, if any, or in his absence by the President, or in their absence by a chairman chosen at the

meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8 Informal Action by Directors. Unless otherwise restricted by the certificate of incorporation or these by-laws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or such committee.

ARTICLE III

COMMITTEES

Section 3.1 Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it. No such committee shall have power or authority in reference to amending the Certificate of Incorporation of the corporation, adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the corporation's property and assets, recommending to the stockholders a dissolution of the corporation or revocation of dissolution, or amending these by-laws; and, unless the resolution expressly so provides, no such committee shall have the power or authority to declare a dividend, to authorize the issuance of stock or adopt a certificate of ownership and merger.

Section 3.2 Committee Rules. Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these by-laws.

ARTICLE IV

OFFICERS

Section 4.1 Executive Officers; Election; Qualifications; Term of Office; Resignation; Removal; Vacancies. The Board of Directors shall elect a President, a Secretary and a Treasurer, and it may, if it so determines, choose a Chairman of the Board and a Vice Chairman of the Board from among its members. The Board of Directors may also choose one or more Vice Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers. Each such officer shall hold office until the first meeting of the Board of Directors after the annual meeting of stockholders next succeeding his election, and until his successor is elected and qualified or until his earlier death, resignation or removal. Any officer may resign at any time upon written notice to the corporation. The Board of Directors may remove any officer with or without cause at any time, but such removal shall be without prejudice to the contractual rights of such officer, if any, with the corporation. Any number of offices may be held by the same person. Any vacancy occurring in any office of the corporation by death, resignation, removal or otherwise may be filled for the unexpired portion of the term by the Board of Directors at any regular or special meeting.

Section 4.2 Chairman of the Board. The Chairman of the Board, if such an officer be elected, shall, if present, preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time prescribed by the by-laws. If there is no President, the Chairman of the Board shall in addition be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 4.3 of this Article IV.

Section 4.3 President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation. He shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the by-laws.

Section 4.4 Vice Presidents. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, the by-laws, the President or the Chairman of the Board.

Section 4.5 Secretary. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders, with

the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at directors' meetings, the number of shares present or represented at stockholders' meetings, and the proceedings.

The Secretary shall keep, or cause to be kept, at the principal executive office or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required by the by-laws or by law to be given, and shall keep the seal of the corporation if one be adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the by-laws, the President or the Chairman of the Board.

Section 4.6 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of

the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any director.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors, the by-laws, the President or the Chairman of the Board.

ARTICLE V

STOCK

Section 5.1 Certificates. Every holder of stock shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman or Vice Chairman of the Board of Directors, if any, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the corporation certifying the number of shares owned by him in the corporation. Any of or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 5.2 Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

ARTICLE VI

INDEMNIFICATION

Section 6.1 Right to Indemnification. The corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans (an "indemnitee"), against all judgments, fines, amounts paid in settlement, liabilities and losses suffered and expenses (including attorneys' fees) actually and reasonably incurred by such indemnitee in connection with such proceeding. The corporation shall be required to indemnify an indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if the initiation of such proceeding (or part thereof) by the indemnitee was authorized by the Board of Directors of the corporation.

Section 6.2 Prepayment of Expenses. The corporation shall pay the expenses (including attorneys' fees) incurred by an indemnitee in defending any proceeding in advance of its final disposition, provided, however, that the payment of expenses incurred by a director or officer in advance of the final disposition of the proceeding shall be made only upon receipt of an understanding by or on behalf of the director or officer to repay all amounts advanced if it should be ultimately determined that the director or officer is not entitled to be indemnified under this Article or otherwise.

Section 6.3 Claims. If a claim for indemnification or payment of expenses under this Article is not paid in full within sixty days after a written claim therefor by the indenmitee has been received by the corporation, the indemnitee may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the corporation shall have the burden of proving that the indemnitee was not entitled to the requested indemnification or payment of expenses under applicable law.

Section 6.4 Nonexclusivity of Rights. The rights conferred an any person by this Article VI shall not be exclusive of any other rights which such person may have or hereafter

acquire under any statute, provision of the certificate of incorporation, these by-laws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 6.5 Other Indemnification. The corporation's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise or nonprofit enterprise.

Section 6.6 Amendment or Repeal. Any repeal or modification of the foregoing provisions of this Article VI shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 7.2 Seal. The corporate seal shall have the name of the corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 7.3 Waiver of Notice of Meetings of Stockholders, Directors and Committees. Any written waiver of notice, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

Section 7.4 Interested Directors; Quorum. No contract or transaction between the corporation and one or more of its directors or officers, or between the corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if: (a) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (b) the

material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (c) the contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof, or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

Section 7.5 Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or be in the form of, punch cards, magnetic tape, photographs, microphotographs, or any other information storage device, provided that the records so kept can be converted into clearly legible form within a reasonable time.

Section 7.6 Amendment of By-Laws. These by-laws may be altered, amended or repealed or new by-laws may be adopted by the stockholders or by the Board of Directors, when such power is conferred upon the Board of Directors by the Certificate of Incorporation, at any regular meeting of the stockholders or of the Board of Directors or at any special meeting of the stockholders or of the Board of Directors if notice of such alteration, amendment, repeal or adoption of new by-laws be contained in the notice of such special meeting. If the power to adopt, amend or repeal by-laws is conferred upon the Board of Directors by the Certificate of Incorporation it shall not divest or limit the power of the stockholders to adopt, amend or repeal by-laws.

CERTIFICATE OF SECRETARY

I HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of Koll Technologies, Inc., and that the above and foregoing By-laws were adopted as the By-laws of said corporation on the 29th day of September, 1993, by the Incorporator of this corporation and were ratified by the directors of the corporation pursuant to an Organizational Action dated September 29, 1993.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 7 day of October 1993.

/s/ Devon Allen

Devon Allen, Secretary

EXHIBIT 3.7(a)

SECOND RESTATED
CERTIFICATE OF INCORPORATION
OF
CB RICHARD ELLIS, INC.

CB Richard Ellis, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "Corporation"), DOES HEREBY CERTIFY:

FIRST: The original name under which the Corporation was incorporated in the State of Delaware is Coldwell Banker Management Corporation.

SECOND: The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of Delaware on December 15, 1971, and the Restated Certificate of Incorporation was filed with the Secretary of State of Delaware on July 10, 1990.

THIRD: The Second Restated Certificate of Incorporation of the Corporation in the form attached hereto as Exhibit A has been duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware by the directors and stockholders of the Corporation.

FOURTH: The Second Restated Certificate of Incorporation so adopted reads in full as set forth in Exhibit A attached hereto and is hereby incorporated herein by this reference.

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by the Chief Executive Officer and the Secretary this 2/nd/ day of December, 1996.

CB RICHARD ELLIS, INC.

By: /s/ JAMES J. DIDION
_____
Chief Executive Officer
James J. Didion

ATTEST:

By: /s/ KAREN A. TALLMAN
_____
Secretary
Karen A. Tallman

EXHIBIT A

SECOND RESTATED
CERTIFICATE OF INCORPORATION
OF
CB RICHARD ELLIS, INC.

FIRST: The name of the corporation is:

CB Richard Ellis, Inc.

SECOND: The address of its registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which a corporation may be organized under the Delaware General Corporation Law as the same exists or may hereafter be amended.

FOURTH: The total number of shares of capital stock which the corporation shall have authority to issue is One Thousand (1,000) shares of common stock, $0.01 par value per share.

FIFTH: A director of the corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the Delaware General Corporation Law as the same exists or may hereafter be amended. Any repeal or modification of the foregoing sentence shall not adversely affect any right or protection of a director of the corporation existing hereunder with respect to any act or omission occurring prior to such repeal or modification.

SIXTH:

A. The corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding") by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans (an "Indemnitee"), against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such person. The corporation shall not be required to indemnify and hold harmless a person in connection with a Proceeding (or part thereof) initiated by such person unless the Proceeding (or the part thereof initiated by such person) was authorized by the Board of Directors.

B. The right to indemnification conferred by this Article SIXTH shall be presumed to have been relied upon by the Indemnitee and shall be enforceable as a contract right. The corporation may enter into contracts to provide individual Indemnitees with specific rights of indemnification to the fullest extent permitted by applicable law and may create trust funds, grant security interests, obtain letters of credit or use other means to ensure the payment of such amounts as may be necessary to effect the rights provided in this Article SIXTH or in any such contract.

C. Except for any Proceeding described in the last sentence of Section A of Article SIXTH, upon making a request for indemnification, the Indemnitee shall be presumed to be entitled to indemnification under this

Article SIXTH and the corporation shall have the burden of proof to overcome that presumption in reaching any contrary determination. Such indemnification shall include the right to receive payment in advance of any reasonable expenses incurred by the Indemnitee in connection with any Proceeding (other than a Proceeding described in the last sentence of Section A of Article Sixth) consistent with the provisions of applicable law.

D. Any repeal or modification of the foregoing provisions of this Article SIXTH shall not adversely affect any right or protection of any Indemnitee exist at the time of such repeal or modification.

SEVENTH: The Board of Directors is authorized to adopt, amend or repeal the by-laws of the corporation, without any action on the part of the stockholders, solely by the affirmative vote of at least a majority of the directors of the corporation then in office.

Exhibit 3.7(b)

FOURTH AMENDED AND RESTATED

B Y - L A W S

OF

CB RICHARD ELLIS, INC.
(formerly CB Commercial Real Estate Group, Inc.)

(a Delaware corporation)

TABLE OF CONTENTS

FOURTH AMENDED AND RESTATED

B Y - L A W S

OF

CB RICHARD ELLIS, INC.

(formerly CB Commercial Real Estate Group, Inc.)

(a Delaware corporation)

ARTICLE 1

Offices

1.1 Registered Office. The registered office of the Corporation shall be 1013 Centre Road, City of Wilmington, County of New Castle, and the name of the registered agent in charge thereof is Corporation Service Company.

1.2 Additional Offices. The Corporation may also have offices at such other places, either within or without the State of Delaware, as the Board of Directors (the "Board") may from time to time designate or the business of the Corporation may require.

ARTICLE 2

Meeting of Stockholders

2.1 Place of Meeting. All meetings of the stockholders for the election of directors shall be held at the principal office of the Corporation, at such place as may be fixed from time to time by the Board or at such other place either within or without the State of Delaware as shall be designated from time to time by the Board and stated in the notice of the meeting. Meetings of stockholders for any purpose may be held at such time and place within or without the State of Delaware as the Board may fix from time to time and as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof.

2.2 Annual Meeting. Annual meetings of stockholders shall be held each year at such date and time as shall be designated from time to time by the Board and stated in the notice of the meeting. At such annual meetings, the stockholders shall elect a Board and transact such other business as may properly be brought before the meetings.

2.3 Special Meetings. Special meetings of the stockholders may be called for any purpose or purposes, unless otherwise prescribed by the statute or by the Certificate of Incorporation, at the request of the Chairman of the Board, the Chief Executive Officer or the Board or the holders of shares entitled to cast not less than ten percent (10%) of the votes at that meeting. Such request shall state the purpose or purposes of the proposed meeting.

2.4 Notice of Meetings. Written notice of stockholders' meetings, stating the place, date and time of the meeting and the purpose or purposes for which the meeting is called, shall be given to each stockholder entitled to vote at such meeting not less than ten (10) nor more than sixty (60) days prior to the meeting. When a meeting is adjourned to another place, date or time, written notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, written notice of the place, date and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

2.5 Business Matter of a Special or Annual Meeting. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. Business transactions at an annual meeting shall not be limited to the purposes stated in the notice.

2.6 List of Stockholders. The officer in charge of the stock ledger of the Corporation or the transfer agent shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, at a place within the city where the meeting is to be held, which place, if other than the place of

the meeting or the principal executive offices of the Corporation, shall be specified in the notice of the meeting. The list shall also be produced and kept at the place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present in person thereat.

2.7 Organization and Conduct of Business. The Chairman of the Board or, in his absence, the Chief Executive Officer of the Corporation or, in his absence, such person as the Board may have designated or, in the absence of such a person, such person as may be chosen by the holders of a majority of the shares entitled to vote who are present, in person or by proxy, shall call to order any meeting of the stockholders and act as chairman of the meeting. In the absence of the Secretary of the Corporation, the Secretary of the meeting shall be such person as the chairman of the meeting appoints. The chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seems to him or her in order.

2.8 Quorum and Adjournments. Except where otherwise provided by law or the Certificate of Incorporation or these By-Laws, the holders of a majority of the stock issued and outstanding and entitled to vote, present in person or represented in proxy, shall constitute a quorum at all meetings of the stockholders. The stockholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough stockholders to have less than a quorum if any action taken (other than adjournment) is approved by at least a majority of the shares required to constitute a quorum. At such adjourned meeting at which a quorum is present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. If, however, a quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat who are present in person or represented by proxy shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented.

2.9 Voting Rights. Unless otherwise provided in the Certificate of Incorporation, each stockholder shall at every meeting of the stockholders be entitled to one vote in person or by proxy for each share of the capital stock having voting power held by such stockholder.

2.10 Majority Vote. When a quorum is present at any meeting, the vote of the holders of a majority of the stock having voting power present in person or represented by proxy shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the Certificate of Incorporation or of these By-Laws a different vote is required in which case such express provision shall govern and control the decision of such question.

2.11 Proxies. Every person entitled to vote for directors or on any other matter shall have the right to do so either in person or by one or more agents authorized by a written proxy signed by such person or such person's attorney-in-fact and filed with the Secretary of the Corporation. A validly executed proxy which does not state that it is irrevocable shall continue in full force and effect unless (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the Corporation stating that the proxy is revoked or by a subsequent proxy executed by, or attendance at the meeting and voting in person by, the person executing the proxy; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the Corporation before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of eleven months from the date of the proxy, unless otherwise provided in the proxy.

2.12 Inspectors of Election. Before any meeting of stockholders the Board may appoint any person other than nominees for office to act as inspectors of election at the meeting or its adjournment. If no inspectors of election are so appointed, the chairman of the meeting may, and on the request of any stockholder or a stockholder's proxy shall, appoint inspectors of election at the meeting. The number of inspectors shall be either one (1) or three (3). If inspectors are appointed at a meeting on the request of one or more stockholders or proxies, the holders of a majority of shares or their proxies present at the meeting shall determine whether one (1) or three (3) inspectors are to be appointed. If any person appointed as inspector fails to appear or fails or refuses to act, the chairman of the meeting may, and upon the request of any stockholder or a stockholder's proxy shall, appoint a person to fill that vacancy.

ARTICLE 3

Directors

3.1 Number; Qualifications. The Board shall consist of one or more members, the number thereof to be determined from time to time by resolution of the Board. The initial number of directors shall be thirteen (13). The directors shall be elected at the annual meeting of the stockholders, except as provided in Section 3.2, and each director so elected shall hold office until his successor is elected and qualified or until his earlier resignation or removal. Directors need not be stockholders.

3.2 Resignation and Vacancies. Unless otherwise provided in the Certificate of Incorporation, vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director. Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected. Each director so chosen shall hold office until his successor is elected and qualified, or until his earlier death, resignation or removal. If there are no directors in office, then an election of directors may be held in accordance with General Corporation Law of the State of Delaware. Unless otherwise provided in the Certificate of Incorporation, when one or more directors shall resign from the Board, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in the filling of other vacancies.

3.3 Removal of Directors. Unless otherwise restricted by law, the Certificate of Incorporation or these By-Laws, any director or the entire Board may be removed, with or without cause, by the holders of at least a majority of the shares entitled to vote at an election of directors. Notwithstanding the foregoing, if the Board of Directors is elected by cumulative voting and less than the entire Board of Directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire Board of Directors.

3.4 Powers. The business of the Corporation shall be managed by or under the direction of the Board which may exercise all such powers of the Corporation and do all such lawful acts and things which are not by statute or by the Certificate of Incorporation or by these By-Laws directed or required to be exercised or done by the stockholders.

3.5 Place of Meetings. The Board may hold meetings, both regular and special, either within or without the State of Delaware.

3.6 Annual Meetings. The annual meeting of the Board shall be held immediately following the annual meeting of stockholders, and no notice of such meeting shall be necessary to the Board, provided a quorum shall be present. Annual meetings shall be for the purposes of organization, and an election of officers and the transaction of other business.

3.7 Regular Meetings. Regular meetings of the Board may be held without notice at such time and place as may be determined from time to time by the Board.

3.8 Special Meetings. Special meetings of the Board may be called by the Chairman of the Board, the Chief Executive Officer or any five (5) directors upon three (3) days' notice to each director, such notice to be delivered personally or by telephone, voice messaging system, telegraph, facsimile, electronic mail or other electronic means.

3.9 Quorum and Adjournments. At all meetings of the Board, a majority of the directors then in office shall constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may otherwise

be specifically provided by law or the Certificate of Incorporation. If a quorum is not present at any meeting of the Board, the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting at which the adjournment is taken, until a quorum shall be present. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved of by at least a majority of the required quorum for that meeting.

3.10 Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting, if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

3.11 Telephone Meetings. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, any member of the Board or any committee may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

3.12 Waiver of Notice. Notice of a meeting need not be given to any director who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

3.13 Fees and Compensation of Directors. Unless otherwise restricted by the Certificate of Incorporation or these By-Laws, the Board shall have the authority to fix the compensation of directors. The directors may be paid their expenses, if any, of attendance at each meeting of the Board and may be paid a fixed sum for attendance at each meeting of the Board or a stated salary as director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

3.14 Rights of Inspection. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation and also of its subsidiary corporations, domestic or foreign. Such inspection by a director may be made in person or by agent or attorney and includes the right to copy and obtain extracts.

ARTICLE 4

Committees of Directors

4.1 Selection. The Board may, by resolution passed by a majority of the entire Board, designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or she or they constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member.

4.2 Power. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to amending the Certificate of Incorporation (except that a committee may, to the extent authorized in the resolution or resolutions providing for the issuance of shares of stock adopted by the Board as provided in Section 151(a) of the General Corporation Law of Delaware, fix any of the preferences or rights of such shares relating to dividends, redemption, dissolution, any distribution

of assets of the Corporation or the conversion into, or the exchange of such shares for, shares of any other class or classes or any other series of the same or any other class or classes of stock of the Corporation), adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the Corporation's property and assets, recommending to the stockholders a dissolution of the Corporation or a revocation of dissolution, removing or indemnifying directors or amending the By-Laws of the Corporation; and, unless the resolution or the Certificate of Incorporation expressly so provides, no such committee shall have the power or authority to declare a dividend or to authorize the issuance of stock or to adopt a certificate of ownership and merger. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board.

4.3 Executive Committee. The Executive Committee shall have and may exercise such powers and authority as the Board may from time to time determine in accordance with these By-Laws.

4.4 Committee Minutes. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

ARTICLE 5

Officers

5.1 Officers Designated. The officers of the Corporation shall be a Chairman, a Chief Executive Officer, a President, a Secretary and a Chief Financial Officer. The officers of the Corporation may also include one or more Vice Presidents, a Treasurer, one or more assistant Secretaries and assistant Treasurers, one or more Managing Directors and such other officers as the Board of Directors may determine. Any number of offices may be held by the same person, unless the Certificate of Incorporation or these By-Laws otherwise provide.

5.2 Appointment of Officers. The Chairman, Chief Executive Officer, President and Chief Financial Officer of the Corporation shall be appointed by the Board, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

5.3 Subordinate Officers. The Chief Executive Officer shall appoint the Secretary, the Treasurer and such other officers and agents as the business of the Corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the By-Laws or as the Board may from time to time determine.

5.4 Removal and Resignation of Officers. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, in the case of an officer chosen by the Board, by an affirmative vote of the majority of the Board, at any regular or special meeting of the Board, or, in case of an officer chosen by the Chief Executive Officer, by the Chief Executive Officer. Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

5.5 Vacancies in Offices. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these By-Laws for regular appointment to that office.

5.6 Compensation. The salaries of the Chairman of the Board and the Chief Executive Officer shall be fixed from time to time by the Board. The salaries of the President (if the President is neither the Chairman nor the Chief Executive Officer) and the Chief Financial Officer shall be fixed from time to time by the Board after taking account of the recommendation of the Chief Executive Officer. The salaries of all other officers of the Corporation shall be fixed from time to time by the Chief Executive Officer. No officer shall be prevented from receiving a salary because he is also a director of the

Corporation.

5.7 The Chairman of the Board. The Chairman of the Board shall be any director who is selected by a majority of the directors. The Chairman of the Board shall preside, when present, at all meetings of the stockholders and the Board. He shall counsel the Chief Executive Officer and other officers of the corporation and shall exercise such powers and perform such duties as shall be assigned to or required of them from time to time by the Board, or as provided in these By-Laws (which duties shall not be changed without the approval of a majority of the directors).

5.8 The Chief Executive Officer. Subject to such supervisory powers, if any, as may be given by the Board to the Chairman of the Board, if there be such an officer, the Chief Executive Officer shall preside, in the absence of the Chairman of the Board, at all meetings of the stockholders and the Board, shall have general and active management of the business of the Corporation and shall see that all orders and resolutions of the Board are carried into effect.

5.9 The President. The President, in the absence of the Chief Executive Officer or his disability or refusal to act, shall perform the duties of the Chief Executive Officer and when so acting shall have the powers of and be subject to all the restrictions upon the Chief Executive Officer. The President shall perform such other duties and have such other powers as may from time to time be prescribed by the Board, the Chief Executive Officer or the Chairman of the Board.

5.10 The Vice President. The Vice President (or in the event there be more than one, the Vice Presidents in the order designated by the directors, or in the absence of any designation, in the order of their election), shall, in the absence of the President or in the event of his disability or refusal to act, perform the duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the President. The Vice President(s) shall perform such other duties and have such other powers as may from time to time be prescribed for them by the Board, the Chief Executive Officer, the President, the Chairman of the Board or these By-Laws.

5.11 The Secretary. The Secretary shall attend all meetings of the Board and the stockholders and record all votes and the proceedings of the meetings in a book to be kept for that purpose and shall perform like duties for the standing committees, when required. The Secretary shall give, or cause to be given, notice of all meetings of stockholders and special meetings of the Board, and shall perform such other duties as may from time to time be prescribed by the Board, the Chairman of the Board or the President, under whose supervision he or she shall act. The Secretary shall have custody of the seal of the Corporation, and the Secretary, or an Assistant Secretary, shall have authority to affix the same to any instrument requiring it, and, when so affixed, the seal may be attested by his or her signature or by the signature of such Assistant Secretary. The Board may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing thereof by his or her signature.

5.12 The Assistant Secretary. The Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order designated by the Board (or in the absence of any designation, in the order of their election) shall, in the absence of the Secretary or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as may from time to time be prescribed by the Board.

5.13 The Chief Financial Officer. The Chief Financial Officer shall have the custody of the Corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board. The Chief Financial Officer shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and the Board, at its regular meetings, or when the Board so requires, an account of all his or her transactions as the Chief Financial Officer and of the financial condition of the Corporation.

5.14 The Treasurer. The Treasurer shall, in the absence of the Chief Financial Officer or in the event of his or her inability or refusal to act,

perform the duties and exercise the powers of the Chief Financial Officer and shall perform such other duties and have such other powers as may from time to time be prescribed by the Board.

5.15 The Assistant Treasurer. The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order designated by the Board (or in the absence of any designation, in the order of their election) shall, in the absence of the Treasurer or in the event of his or her inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as may from time to time be prescribed by the Board.

5.16 Powers and Duties. The officers of the Corporation shall have such powers and perform such duties incident to each of their respective offices and such other duties as may from time to time be conferred upon or assigned to them by the Board.

5.17 The Managing Director. The Managing Director (or in the event there be more than one, the Managing Directors in the order designated by the Board or the Chief Executive Officer) shall perform the duties and have such other powers as may from time to time be prescribed for them by the Board, the Chief Executive Officer, the President, the Chairman of the Board or these By-laws.

ARTICLE 6

Stock Certificates

6.1 Certificates for Shares. The shares of the Corporation shall be represented by certificates or shall be uncertificated. Certificates shall be signed by, or in the name of the Corporation by, the Chairman of the Board, or the Chief Executive Officer or the President or a Vice President and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation. Within a reasonable time after the issuance or transfer of uncertificated stock, the Corporation shall send to the registered owner thereof a written notice containing the information required by the General Corporation Law of the State of Delaware or a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

6.2 Signatures on Certificates. Any or all of the signatures on a certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

6.3 Transfer of Stock. Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate of shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books. Upon receipt of proper transfer instructions from the registered owner of uncertificated shares, such uncertificated shares shall be canceled and issuance of new equivalent uncertificated shares or certificated shares shall be made to the person entitled thereto and the transaction shall be recorded upon the books of the Corporation.

6.4 Registered Stockholders. The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and to hold liable for calls and assessments a person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

6.5 Record Date. (a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or

any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided that the Board may fix a new record date for the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board. If no record date has been fixed by the Board, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by the General Corporation Law of the State of Delaware, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board and prior action by the Board is required by law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board adopts the resolution taking such prior action.

(c) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall not be more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

6.6 Lost, Stolen or Destroyed Certificates. The Corporation may issue a new certificate or certificates to replace any certificate or certificates theretofore issued by it alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When issuing a new certificate or certificates, the Corporation may, in its discretion and as a condition precedent to the issuance thereof, require the owner of the lost, stolen or destroyed certificate or certificates, or his or her legal representative, to advertise the same in such manner as it shall require, and/or to give the Corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

ARTICLE 7

Notices

7.1 Notice. Whenever, under the provisions of the statutes or of the Certificate of Incorporation or of these By-Laws, notice is required to be given to any director or stockholder it shall not be construed to mean personal notice, but such notice may be given in writing, by mail, addressed to such director or stockholder, at his or her address as it appears on the records of the Corporation, with postage thereon prepaid, and such notice shall be deemed to be given at the time when the same shall be deposited in the United States mail. Notice to directors may also be given by telegram or telephone.

7.2 Waiver. Whenever any notice is required to be given under the provisions of the statutes or of the Certificate of Incorporation or of these By-Laws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE 8

General Provisions

8.1 Dividends. Dividends upon the capital stock of the Corporation, subject to any restrictions contained in the General Corporation Laws of Delaware or the provisions of the Certificate of Incorporation, if any, may be declared by the Board at any regular or special meeting. Dividends may be paid in cash, in property or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation.

8.2 Dividend Reserve. Before payment of any dividend, there may be set aside out of any funds of the Corporation available for dividends such sum or sums as the directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the Corporation, or for such other purpose as the directors shall think conducive to the interest of the Corporation, and the directors may modify or abolish any such reserve in the manner in which it was created.

8.3 Corporate Seal. The Board may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary.

8.4 Execution of Corporate Contracts and Instruments. The Board, except as otherwise provided in these By-Laws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board or within the agency power of an officer, no officer, agent or employee (other than the Chief Executive Officer) shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

ARTICLE 9

Amendments

These By-Laws may be altered, amended or repealed or new By-Laws may be adopted as provided for in the Certificate of Incorporation.

CERTIFICATE OF SECRETARY

I, the undersigned, hereby certify:

1. That I am the duly elected, acting and qualified Secretary of CB Richard Ellis, Inc., a Delaware corporation (the "Corporation"); and

2. That the foregoing Fourth Amended and Restated By-Laws constitute the Fourth Amended and Restated By-Laws of the Corporation as duly adopted by the Board of Directors of the Corporation effective May 19, 1998.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the Corporation as of this ___ day of _____, 1998.

/s/ Trude A. Tsujimoto

Trude A. Tsujimoto, Secretary

EXHIBIT 3.8(a)

CERTIFICATE OF FORMATION

OF

CB RICHARD ELLIS INVESTORS, L.L.C.

This Certificate of Formation of CB Richard Ellis Investors, L.L.C., dated as of December 7, 1994, is being duly executed and filed by Stanton H. Zarrow, as an authorized person, to form a limited liability company under the Delaware Limited Liability Company Act (6 Del.C. (S) 18-101, et seq.).
-- ---

FIRST. The name of the limited liability company formed hereby is CB Richard Ellis Investors, L.L.C.

SECOND. The address of the registered office of the Company in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD. The name and address of the registered agent for service of process on the Company in the State of Delaware are The Prentice-Hall Corporation System, Inc., 32 Loockerman Square, Suite L-100, Dover, Delaware 19904.

FOURTH. The latest date on which the Company is to dissolve is 50 years from the date of this Certificate of Formation is filed with the Office of the Delaware Secretary of State.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation as of the date first above written.

/s/ Stanton H. Zarrow

Name: Stanton H. Zarrow

Authorized Person

EXHIBIT 3.8(b)

AMENDED AND RESTATED

LIMITED LIABILITY COMPANY AGREEMENT

OF

WESTMARK REALTY ADVISORS, L.L.C.

Effective June 30, 1995

Table of Contents

<TABLE>
<CAPTION>

</TABLE>

AMENDED AND RESTATED

LIMITED LIABILITY COMPANY AGREEMENT

OF

WESTMARK REALTY ADVISORS L.L.C.

Effective June 30, 1995

This AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF WESTMARK REALTY ADVISORS L.L.C., is amended and restated as of June 30, 1995, by and among the persons named in Exhibit A.

W I T N E S S E T H:

WHEREAS, Westmark Realty Advisors L.L.C., a Delaware limited liability company engaged in the business of providing real estate investment and property management services, real estate brokerage, private placing and leasing and certain other activities (the "Company"), was formed effective December 31, 1994 pursuant to the Limited Liability Company Agreement of Westmark Realty Advisors L.L.C. made and entered into as of November 1, 1994; and

WHEREAS, effective June 30, 1995, HoldPar A, a Delaware general partnership, and HoldPar B, a Delaware general partnership, became the sole members of the Company.

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree, each with the other as follows:

1. Name.

The parties hereto do hereby form and constitute themselves a limited liability company pursuant to the Act under the name of "Westmark Realty Advisors L.L.C.", for the purposes and upon the terms and conditions set forth in this Agreement.

2. Definitions.

(a) The term "Act" shall mean the Delaware Limited Liability Company Act (6 Del.C.ss.18-101, et seq.), as hereafter amended from time to time.

(b) The term "Agreement" shall mean this Amended and Restated Limited Liability Company Agreement of Westmark Realty Advisors L.L.C.

(c) The term "Board of Managers" shall mean the committee established pursuant to Article 7.

(d) The term "Capital Account" of a Member shall mean an account consisting of such Member's initial capital contribution, increased by (1) additional

capital contributions and (2) his share of Company profits to the extent credited to such Members Capital Account, and decreased by (3) distributions to the Member in reduction of such Member's capital and (4) his share of Company losses, to the extent charged to such Members Capital Account.

(e) The term "Company" shall mean the limited liability company of Westmark Realty Advisors L.L.C., created pursuant to this Agreement.

(f) The term "Dissolution Event" shall have the meaning set forth in Article 12(b) (iii).

(g) The term "Investment Committee" shall mean the committee established pursuant Article 9.

(h) The term "Liquidation" shall mean the winding up of the affairs of the Company.

(i) The term "Majority Vote" shall mean, with respect to any relevant group of Members, greater than 50% of such Members in terms of the

number of Units.

(j) The term "Members" shall mean the persons, corporations and/or partnerships listed on Exhibit A to this Agreement, and any other persons or entities who may be admitted to the Company as Members in accordance with this Agreement.

(k) The term "Percentage Interest" shall mean, with respect to each Member, the ratio that the number of Units issued and outstanding to such Member bears to the total number of Units issued and outstanding to all Members.

(l) The term "President" shall have the meaning set forth in Article 8.

(m) The term "Unit" shall mean the shares into which the ownership interests in the Company are divided. Each Member shall have the number of Units set forth opposite such Member's name on Exhibit A. A Member's Units constitute all of such Member's right, title and interest in the Company.

3. Statutory Compliance, Registered Office and Registered Agent.

A duly authorized representative of the Company has executed a Certificate of Formation in accordance with the provisions of Section 18-201 of the Act which was duly filed in the Office of the Delaware Secretary of State. The registered office of the Company shall be at 1013 Centre Road, Wilmington, Delaware 19805. The name of the registered agent for the Company at such address is The Prentice-Hall Corporation System, Inc. The principal place of business of the Company shall be at 865 South Figueroa Street, Suite 3500, Los Angeles, California 90017. The principal place of business may be changed, and branch offices may be maintained at such other places, as may from time to time be agreed upon by the Board of Managers. The term of the Company shall commence on the date the Certificate of Formation for the Company is filed with the Office of the Delaware Secretary of State and shall continue for 50

years after such date, unless the Company is liquidated in accordance with the provisions of this Agreement or the Act.

4. Capital Contributions of Members.

The initial capital contribution made by each Member is as set forth in Exhibit A to this Agreement.

5. Calculation and Allocation of Profits and Losses.

(a) The method of accounting employed in applying the provisions of this Article shall be adopted by the Board of Managers.

(b) As soon as practical after the end of each fiscal year, the books of the Company shall be closed and the gross receipts and gross expenses for such year shall be determined.

(c) The net profit or net loss of the Company shall be determined and allocated among the Members in the same ratio as their respective Percentage Interest; provided, however, that no Member shall have any personal liability by reason of the allocation of any losses hereunder.

(d) As soon as practical after the net profit or net loss of the Company has been determined, each Member shall be furnished with a statement of the Company's net profit or net loss together with a statement setting forth the gross income and gross expenses. Each Member shall, within thirty (30) days after receipt of such statements of the Company, have the right to inspect the books of the Company pursuant to Article 16.

(e) If the Board of Managers so determines, the books may be closed for interim periods of time and the net profit or net loss of the Company determined and allocated in accordance herewith.

6. Distributions.

(a) All ordinary distributions from operations of the business of the Company shall be allocated to the Members in proportion to their respective Percentage Interests.

(b) All extraordinary distributions, including proceeds from the sale or exchange of the business of the Company or any other action described in Articles 11(b) (i), (ii), (iii), and (iv), shall be allocated to the Members in accordance with the following order of priority:

(i) First, to the Members in proportion to, and to the extent of, each Member's existing Capital Account (before taking into account any profit or loss from the event giving rise to such extraordinary distribution); and

(ii) Thereafter, to the Members in proportion to their respective Percentage Interests.

7. Board of Managers.

(a) Except as otherwise provided in this Agreement, all questions of policy, management and expenditures of the Company, and all other matters relating to the business and affairs of the Company, shall be determined by the Board of Managers. Each Member agrees to be bound by any such determination. The members of the Board of Managers as of June 30, 1995 are set forth in Exhibit B to this Agreement.

(b) Without limiting the generality of Article 7(a), the Board of Managers, and only the Board of Managers, shall subject to applicable contractual restrictions, have full power and authority at any time and on behalf of all the Members to:

(i) Determine that portion of the net profits or capital of the Company which is to be distributed to the Members in accordance with Article 6, and that portion which is to be retained for working capital, reserves or other Company purposes;

(ii) Declare, before or after the end of any fiscal year, a bonus to be paid to any employee of the Company based upon the contribution of such individual to the performance of the Company during such fiscal year or any portion thereof;

(iii) Approve the entering into of contracts, commitments and transactions on behalf of the Company;

(iv) Negotiate and enter into agreements to take the actions described in Articles 11(b) (i), (ii), (iii) and (iv), provided that any such agreements and the consummation of the actions contemplated therein shall be subject to the approval of the Members as provided herein;

(v) Acquire, utilize for Company purposes, and dispose of any asset of the Company, subject to the restriction set forth in Article 11(b)(i);

(vi) Borrow money or otherwise commit the credit of the Company for Company activities, and make voluntary prepayments or extensions of debt; and

(vii) Take any other action permitted or required of the Board of Managers under this Agreement.

(c) Any member of the Board of Managers may resign from the Board of Managers by giving not less than ten (10) days' written notice to the Board of Managers.

(d) Except as otherwise provided herein, the Board of Managers shall act only upon approval of a majority of its members. Any approval or action may be given or taken at a meeting of the Board of Managers or in writing without a meeting.

(e) Subject to any contractual provisions to the contrary, any member of the Board of Managers may be removed by vote of a majority of the members of the Board of Managers or by a vote of a majority in Percentage Interests of the Members.

8. Officers and Managers.

The Company shall have a president ("President") who shall be chosen by the Board of Managers. The President shall, subject to the authority of the Board of Managers, have the authority to carry out the day-to-day operations of the Company. The Board of Managers may, from time to time, designate officers of the Company and delegate to such officers such authority and duties as the Board of Managers may deem advisable. The Board of Managers may assign titles (including, without limitation, vice president, secretary and/or treasurer) to any such officer. Unless the Board of Managers otherwise determines, if the

title assigned to an officer of the Company is one commonly used for officers of a business corporation formed under the Delaware General Corporation Law, the assignment of such title shall constitute the delegation to such officer of the authority and duties that are normally associated with such office pursuant to the Delaware General Corporation Law. Any number of titles may be held by the same officer. Any officer to whom a delegation is made pursuant to this Article 8 shall serve in the capacity delegated unless and until such delegation is revoked by the Board of Managers or such officer resigns.

9. Investment Committee.

The Company shall have an Investment Committee, which shall be selected by and perform the functions designated by the Board of Managers.

10. Admission of New Members.

The terms and conditions for the admission of any new Member into the Company shall be determined by the Board of Managers, provided that the Units granted to any such new Member shall dilute the Percentage Interests of the existing Members proportionally based upon the Percentage Interest of each existing Member immediately prior to such admission.

11. Duties of Members.

(a) None of the Members shall, without the approval of the Board of Managers:

(i) Enter into any contract, commitment or transaction on behalf of the Company, or subject the Company to any obligation whatsoever, or give or extend the Company credit directly or indirectly, to any person;

(ii) Engage or have an interest in any business which might give such Member an interest adverse to the Company; or

(iii) Transfer Company property outside the scope of the Company's ordinary course of business.

(b) Each Member shall be entitled to vote upon the following matters and only the following matters, which shall each be determined (in addition to any other approvals or other action which may be required) by a Majority Vote of such Members except where otherwise provided:

(i) The admission of any new Member into the Company;

(ii) The issuance of additional Units or any interest in the profits, appreciation, or cash flow of the Company, other than pursuant to an incentive plan for the benefit of employees or Members;

(iii) The sale, encumbrance or other disposition of the Company's business and/or all or substantially all of its assets;

(iv) The merger, consolidation or other reorganization of the Company or its assets;

(v) The dissolution of the Company;

(vi) The election of a new Board of Managers and the members, terms, procedures, and conditions (including the number of such Board of Managers members and their terms of office) with respect thereto;

(vii) The continuation of the business of the Company following a Dissolution Event;

(viii) The assignment of, or creation of a lien against, any stock in a corporate Member, which shall require the affirmative vote of the Board of Managers and a Majority Vote of the non-assigning Members; and

(ix) The amendment of this Agreement, which shall require approval as provided in Article 15.

12. Dissolution; Continuation of Business.

(a) Upon the occurrence of a Dissolution Event, the business of the Company may be continued by a Majority Vote of the remaining Members within ninety (90) days of such Dissolution Event. The admission of new members into the Company in accordance with this Agreement shall not dissolve the

Company.

(b) The Company shall be dissolved upon the first to occur of any of the following events:

(i) The expiration of the term of the Company unless the term has been extended by the unanimous agreement of the Members;

(ii) The written approval of the Board of Managers;

(iii) The bankruptcy or dissolution of a Member, or withdrawal or resignation of a Member in violation of the terms hereof (a "Dissolution Event"), unless the remaining Members by Majority Vote elect to continue the business of the Company within ninety (90) days thereafter, provided that there are at least two remaining Members at the time of such Dissolution Event; or

(iv) Any involuntary transfer of all or any portion of a Member's interest, whether upon the dissolution of a Member or otherwise.

(c) If the business of the Company is continued by a Majority Vote of the remaining Members in the manner set forth above, then the business shall be conducted in the same name and possess the Company property.

13. Transfer.

No Member shall transfer or create a lien against all or any portion of such Member's interest in the Company and any purported transfer or encumbrance in violation of the provisions contained in this Article shall be null and void ab initio and of no force or effect.

14. Liquidation.

If, upon the dissolution of the Company, the Company is not continued as provided in Article 12, the Company shall be liquidated in the same manner provided by law and in accordance with this Agreement.

15. Amendment of Agreement.

This Agreement may be amended or modified in whole or in part at any time during the continuance of the Company by the Board of Managers and a Majority Vote of the Members, provided, however, that any amendment or modification of this Agreement shall be in writing and dated, and where any conflict arises between the provisions of said amendment or modification and provisions incorporated in earlier documents, the most recent provision shall be controlling. Any Member may appoint one or more individuals as such Member's attorney-in-fact to execute documents relating to the Company, including amendments or modifications to this Agreement.

16. Books and Records; Accounting.

(a) The Company shall make available during normal business hours at the principal place of business of the Company for inspection by all of the Members all of the following: (1) true and full information regarding the status of the business and financial condition of the Company, (ii) promptly after becoming available, a copy of the Company's federal, state and local income tax return for each taxable year, (iii) a current list of the name and last known business, residence or mailing address of each Member and each member of the Board of Managers, (iv) a copy of this Agreement, the Certificate of Formation and all amendments thereto, together with executed copies of any written powers-of-attorney pursuant to which this Agreement, the Certificate of Formation and all amendments thereto have been executed, (v) the amount of cash and a

description and statement of the agreed value of any other property or services contributed by each Member to the capital of the Company and which each Member has agreed to contribute in the future, and (vi) the date on which each Member became a Member of the Company.

(b) The taxable and fiscal year of the Company shall end on such date as the Board of Managers may determine.

(c) The Board of Managers shall designate a "tax matters Member" of the Company in accordance with the provisions of Section 6231 (a) (7) of

the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder.

17. Partnership Intended Solely for Tax Purposes.

The Members have formed the Company under the Act, and do not intend to form a general or limited partnership under Delaware or any other state law. The Members do not intend to be partners to one another or to any third party. The Members intend the Company to be classified and treated as a partnership solely for federal and state income taxation purposes. Each Member agrees to act consistently with the provisions of this Article for all purposes, including, without limitation, for purposes of reporting the transactions contemplated herein to the Internal Revenue Service and any state and local taxing authorities.

18. Judicial Reference.

Any action or proceeding arising out of or in any way related to the terms and provisions of this Agreement, or any amendment hereto, shall be brought and maintained in the Superior Court of the State of California for the County of Los Angeles, and each party to this Agreement hereby recites, consents and agrees that said Court shall have personal jurisdiction over such party and that said Court is a convenient forum for the litigation of any action or proceeding.

(a) Each party hereby recites, consents and agrees that any controversy arising out of this Agreement or any amendment hereto shall be heard by a reference under Section 638, et seq. of the California Code of Civil Procedure (or such successor statute thereto as may hereafter be enacted), and that a reference shall be ordered by said Court to any retired judge of said Court, promptly upon notice of such dispute, controversy, action or proceeding, by agreement of the parties or (failing such agreement) upon motion brought by any party hereto, to resolve any or all of the issues in any such action or proceeding, whether of fact or of law, and to report a settlement or decision thereon.

(b) The reference hereunder shall be made to one person in the following manner: the party commencing the action or proceeding shall deliver to the other party or parties a list of five (5) qualified and available retired Los Angeles County Superior Court judges. The party receiving the list shall have thirty (30) days from delivery of such list within which to select one judge from the list who one try the matter, or, if such party objects to all of the judges specified on such list, then the Court for the County of Los Angeles shall order a reference to any other retired judge of said Court. Each party may

reject one of the judges appointed by the Court. Each party waives the right to trial by jury. All provisions of the California Codes of Civil Procedure and Evidence, including the right to have an authorized clerk and certified court reporter in attendance, shall apply in such action or proceeding. The judgment rendered in any such proceeding shall have the same force and effect and shall entitle all parties to the same rights (including appeals) as if the action had been tried by the Court.

(c) The referee shall be compensated at the rate per hour established by the referee. The opposing parties shall share equally the referee's costs and fees during the pendency of the reference proceedings. The losing party shall pay all of the unpaid referee's costs and fees and shall reimburse the prevailing party(ies) for the portion of the referee's costs and fees paid by the prevailing party(ies).

(d) Nothing contained in this Article shall preclude the right of any Member to submit a matter to arbitration in accordance with the constitution of any exchange of which a Member is a member.

19. No Right to Name.

Each Member agrees that if such Member withdraws, retires, becomes incapacitated or is excluded from the Company, such Member will not use the name Westmark Realty Advisors, Westmark Real Estate Investment Services or any derivative thereof.

20. Notices.

Any notice to any Member or, in the case of an individual, his personal representative, or the Company shall be deemed duly given if personally delivered to the Member or when deposited in the United States mail, postage

prepaid by first-class mail addressed to the Member at the address set forth on Exhibit A hereto, or, in the case of the Company at its principal place of business (Attention: Secretary), or to such other addresses as the respective Members may designate by written notice to each of the other Members.

21. Counterparts.

This Agreement may be executed in any number of counterparts, all of which taken together shall be deemed one original agreement.

22. Attorneys' Fees.

Should any litigation be commenced between the parties hereto or their personal representatives concerning any provision of this Agreement, the party or parties prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for their or his attorneys' fees in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

23. Miscellaneous.

(a) All questions with respect to the construction of this Agreement and the rights and liabilities of the parties hereto shall be governed by the laws of the State of Delaware.

(b) Subject to the restrictions against transfer contained herein, this Agreement shall inure to the benefit of and shall be binding upon all of the parties and their personal representatives, assigns, successors in interest, estates, heirs and legatees of each of the Members.

(c) As used herein the masculine includes the feminine and neuter and the singular includes the plural.

(d) Paragraphs, titles or captions in no way define, limit, extend or describe the scope of this Agreement or the intent of any of its provisions.

(e) In the event any sentence, paragraph, or Article of this Agreement is declared by a court of competent jurisdiction to be void, such sentence, paragraph or Article may be deemed severed from the remainder of the Agreement and the balance of the Agreement shall remain in effect.

(f) This Agreement contains the entire understanding among the parties and supersedes any prior written or oral agreements between them respecting the subject matter contained herein. There are no representations, agreements, arrangements, or understandings, oral or written, between and among the parties relating to the subject matter of this Agreement which are not fully expressed herein.

(g) This Agreement shall be effective as of the date first above written.

Executed as of the date first above written:

HOLDPAR A

By: Vincent F. Martin, Jr. Inc.,
a General Partner

By: /s/ David A. Davidson

David A. Davidson
President

By: Stanton H. Zarrow, Inc.,
a General Partner

By: /s/ David A. Davidson

David A. Davidson
President

By: Bruce L. Ludwig, Inc.,
a General Partner

By: /s/ David A. Davidson

David A. Davidson

President

By: Sol L. Rabin, Inc.,
a General Partner

By: /s/ David A. Davidson

David A. Davidson
President

By: Roger C. Schultz, Inc.
a General Partner

By: /s/ David A. Davidson

David A. Davidson
President

HOLDPAR B

By: Westmark Real Estate
Acquisition Partnership, L.P.,
a General Partner

By: CB Commercial Real Estate
Group, Inc., its General Partner

By: /s/ David A. Davidson

David A. Davidson
Senior Executive
Vice President

EXHIBIT A

MEMBERS

Name of Member	Capital Contribution	Number of Units
HoldPar A, a Delaware general partnership 533 S. Fremont Avenue Los Angeles, CA 90071	$4,825	791,332.30
HoldPar B, a Delaware general partnership 533 S. Fremont Avenue Los Angeles, CA 90071	-0-	208,667.70

EXHIBIT B

BOARD OF MANAGERS

Richard C. Clotfelter, Chairman

James J. Didion

Bruce L. Ludwig

Vincent F. Martin, Jr.

Walter V. Stafford

Exhibit 3.9(a)

AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
D.A. MANAGEMENT, INC.

DANIEL M. ARDELL hereby certifies that:

1. He is the President and the Secretary, respectively, of D.A. MANAGEMENT, INC., a California corporation (the "Corporation").

2. The Articles of Incorporation of this Corporation are hereby amended and restated to read as follows:

I

The name of this corporation is D.A. MANAGEMENT, INC.

II

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the California General Corporation Law other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

This corporation is authorized to issue only one class of shares of stock and such class shall be designated as "Common Stock." The total number of shares of Common Stock which this corporation is authorized to issue is one million (1,000,000).

IV

The liability of the directors of this corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

V

This corporation is authorized to provide indemnification of agents, as the term is defined in Section 317 of the California Corporations Code, in excess of that expressly permitted by said Section 317, for breach of duty to the corporation and its shareholders, under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise, to the fullest extent such indemnification may be authorized hereby pursuant to paragraph (11) of subdivision (a) of Section 204 of the California Corporations Code."

3. The foregoing Amendment and Restatement of Articles of Incorporation has been duly approved by the Board of Directors of the Corporation.

4. The foregoing Amendment and Restatement of Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Section 902 of the California Corporations Code. The total number of outstanding shares of the Corporation is 2,000. The number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote required was more then fifty percent (50%).

I declare under penalty of perjury under the laws of the State of California that the matters set forth in this Certificate are true and correct of my own knowledge.

Dated: March 11, 1996

/s/ Daniel M. Ardell

Daniel M. Ardell
President and Secretary

AMENDED AND RESTATED BYLAWS of D.A. MANAGEMENT, INC. A California Corporation

ARTICLE I.

OFFICES

Section 1. Principal Executive Office.

The principal executive office of the corporation is hereby fixed and located at: 7777 Center Avenue, Suite 500, Huntington Beach, California 92647. The Board of Directors (herein called the "Board") is hereby granted full power and authority to change said principal executive office from one location to another. Any such change shall be noted on the Bylaws opposite this Section, or this Section may be amended to state the new location.

Section 2. Other Offices.

Branch or subordinate offices may at any time be established by the Board at any place or places.

ARTICLE II.

SHAREHOLDERS

Section 1. Place of Meetings.

Meetings of shareholders shall be held either at the principal executive office of the corporation or at any other place within or without the State of California which may be designated either by the Board or by the written consent of all persons entitled to vote thereat, given either before or after the meeting and filed with the Secretary.

Section 2. Annual Meetings.

The annual meetings of shareholders shall be held on: March 15, at 10:00 a.m., local time, or such other date or such other time as may be fixed by the Board; provided, however, that should said day fall upon a Saturday, Sunday, or legal holiday observed by the corporation at its principal executive office, then any such annual meeting of shareholders shall be held at the same time and place on the next day thereafter ensuing which is a full business day. At such meeting directors shall be elected and any other proper business may be transacted.

Section 3. Special Meetings.

Special meetings of the shareholders may be called at any time by the Board, the Chairman of the Board, the President or by the holders of the shares entitled to cast not less than ten percent (10%) of the votes at such meeting. Upon request in writing to the Chairman of the

Board, the President, any Vice President or the Secretary, by any person (other than the Board) entitled to call a special meeting of shareholders, the officer forthwith shall cause notice to be given to the shareholders entitled to vote that a meeting will be held at a time requested by the person or persons calling the meeting, not less than thirty-five (35) nor more than sixty (60) days after the receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the persons entitled to call the meeting may give the notice.

Section 4. Notice of Annual or Special Meeting.

Written notice of each annual or special meeting of shareholders shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each shareholder entitled to vote thereat. Such notice shall state the place, date and hour of the meeting, and (i) in the case of a special meeting, the general nature of the business to be transacted, and no

other business may be transacted; or (ii) in the case of the annual meeting, those matters which the Board, at the time of the mailing of the notice, intends to present for action by the shareholders, but, subject to the provisions of applicable law, any proper matter may be presented at the meeting for such action. The notice of any meeting at which directors are to be elected shall include the names of the nominees intended at the time of the notice to be presented by management for election.

Notice of a shareholders meeting shall be given either personally or by mail or by other means of written communication, addressed to the shareholder at the address of such shareholder appearing on the books of the corporation or given by the shareholder to the corporation for the purpose of notice; or, if no such address appears or is given, at the place where the principal executive office of the corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal executive office is located. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission or actually transmitted by the person giving the notice by electronic means to the recipient.

Section 5. Quorum.

A majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at any meeting of shareholders. The shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the shares required to constitute a quorum.

Section 6. Adjournment Meeting and Notice Thereof.

Any shareholders' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the shares, the holders of which are either present in person or represented by proxy thereat, but in the absence of a quorum (except as provided in section 5 of this Article) no other business may be transacted at such meeting.

It shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat other than by announcement at the meeting at which such adjournment is taken; provided, however, when any shareholders' meeting is adjourned for more than forty-five (45) days or, if after adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given as in the case of an original meeting.

Section 7. Voting.

The shareholders entitled to notice of any meeting or to vote at any such meeting shall be only persons in whose name shares stand on the stock records of the corporation on the record date determined in accordance with Section 8 of this Article.

Voting shall in all cases be subject to the provisions of Chapter 7 of the California General Corporation Law and to the following provisions:

(a) Subject to clause (g), shares held by an administrator, executor, guardian, conservator or custodian may be voted by such holder either in person or by proxy, without a transfer of such shares into the holder's name; and shares standing in the name of a trustee may be voted by the trustee, either in person or by proxy, but no trustee shall be entitled to vote shares held by such trustee without a transfer of such shares into the trustee's name.

(b) Shares standing in the name of a receiver may be voted by such receiver; and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into the receiver's name if authority to do so is contained in the order of the court by which such receiver was appointed.

(c) Subject to the provisions of Section 705 of the California General Corporation Law, and except where otherwise agreed in writing between the parties, a shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

(d) Shares standing in the name of a minor may be voted and the corporation may treat all rights incident thereto as exercisable by the minor, in person or by proxy, whether or not the corporation has notice, actual or constructive, of the nonage, unless a guardian of the minor's property has been appointed and written notice of such appointment given to the corporation.

(e) Shares standing in the name of another corporation, domestic or foreign, may be voted by such officer, agent or proxyholder as the Bylaws of such other corporation may prescribe or, in the absence of such provision, as the Board of Directors of such other corporation may determine or, in the absence of such determination, by the Chairman of the Board, President or any Vice President of such other corporation, or by any other person authorized to do so by the Board, President or any Vice President of such other corporation. Shares which are purported to be executed in the name of a corporation (whether or not any title of the person is indicated) shall be presumed to be

voted or the proxy executed in accordance with the provisions of this subdivision, unless the contrary is shown.

(f) Shares of the corporation owned by any subsidiary shall not be entitled to vote on any matter.

(g) Shares held by the corporation in a fiduciary capacity and shares of the corporation held in a fiduciary capacity by any subsidiary shall not be entitled to vote on any matter, except to the extent that the settlor or beneficial owner possesses and exercises a right to vote or to give the corporation binding instructions as to how to vote such shares.

(h) If shares stand of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, husband and wife as community property, tenants by the entirety, voting trustees, persons entitled to vote under a shareholder voting agreement or otherwise, or if two or more persons (including proxyholders) have the same fiduciary relationship respecting the same shares, unless the Secretary of the corporation is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect:

(i) If only one votes, such act binds all;

(ii) If more than one vote, the act of the majority so voting binds all;

(iii) If more than one vote, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionately.

If the instrument so filed or the registration of the shares shows that any such tenancy is held in unequal interests, a majority or even split for the purpose of this section shall be a majority of even split in interest.

Subject to the following sentence and to the provisions of Section 708 of the California General Corporation Law, every shareholder entitled to vote at any election of directors may cumulate such shareholder's votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which the shareholder's shares are entitled, or distribute the shareholder's votes on the same principle among as many candidates as the shareholder thinks fit. No shareholder shall be entitled to cumulate votes for any candidate or candidates pursuant to the preceding sentence unless such candidate or candidates' names have been placed in nomination prior to the voting and the shareholder has given notice, at the meeting prior to the voting of the shareholder's intention to cumulate the shareholder's votes. If any one shareholder has given such notice, all shareholders may cumulate their votes for candidates in nomination.

Elections need not be by ballot; provided however, that all elections for directors must be by ballot upon demand made by a shareholder at the meeting and before the voting begins.

In any election of directors, the candidates receiving the highest number of votes of the shares entitled to be voted for them up to the number of directors to be elected by such shares are elected.

Section 8. Record Date.

The Board may fix, in advance, a record date for the determination of the shareholders entitled to notice of any meeting or to vote or entitled to receive payment of any dividend or any other distribution or any allotment of rights or to exercise rights in respect of any other lawful action. The record date so fixed shall be not more than sixty (60) nor less than ten (10) days prior to the date of the meeting nor more than sixty (60) days prior to any other action. When a record date is so fixed, only shareholders of record on that date are entitled to notice of and to vote at the meeting or to receive the dividend, distribution or allotment of rights or to exercise of the rights, as the case may be, notwithstanding any transfer of shares on the books of the corporation after the record date. A determination of shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting unless the Board fixes a new record date for the adjourned meeting. The Board shall fix a new record date if the meeting is adjourned for more than forty-five (45) days.

If no record date is fixed by the Board, the record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held. The record date for determining shareholders for any purpose other than set forth in this Section 8 or Section 10 of this Article shall be at the close of business on the day on which the Board adopts the resolution relating thereto or the sixtieth (60th) day prior to the date of such other action, whichever is later.

Section 9. Consent to Shareholders' Meetings.

The transactions of any meeting of shareholders, however called and noticed, shall be valid as though had at a meeting duly held after regular call and notice of a quorum be present either in person or by proxy and if, either before or after the meeting, each of the shareholders entitled to vote, not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporation records or made a part of the minutes of the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of shareholders need be specified in any written waiver of notice, except as provided in Section 601(f) of the California General Corporation Law.

Section 10. Action Without Meeting.

Subject to Section 603 of the California General Corporation Law, any action which, under any provision of the California General Corporation Law, may be taken at any annual or special meeting of shareholders, may be taken without a meeting and without prior notice if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to

authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Unless a record date for voting purposes be fixed as provided in Section 8 of this Article, the record date for determining shareholders entitled to give consent pursuant to this Section 10, when no prior action by the Board has been taken, shall be the day on which the first written consent is given.

Section 11. Proxies.

Every person entitled to vote shares has the right to do so either in person or by one or more persons authorized by a written proxy executed by such shareholder and filed with the Secretary. Any proxy duly executed is not revoked and continues in full force and effect until revoked by the person executing it prior to the vote pursuant thereto by a writing delivered to the corporation, stating that the proxy is revoked or by a subsequent proxy executed by, or by attendance at the meeting and voting in person by, the person executing the proxy; provided, however, that no proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy.

Section 12. Inspectors of Election.

In advance of any meeting of shareholders, the Board may appoint any persons other than nominees for office as inspectors of election to act at such meeting and any adjournment thereof. If inspectors of election be not so appointed or if any persons so appointed fail to appear or refuse to act, the chairman of any such meeting may, and on the request of any shareholder of

shareholder's proxy shall, make such appointment at the meeting. The number of inspectors shall be either one or three. If appointed at a meeting on the request of one or more shareholders or proxies, the majority of shares present shall determine whether one or three inspectors are to be appointed.

The duties of such inspectors shall be as prescribed by Section 707(b) of the California General Corporation Law and shall include determining the number of shares outstanding and the voting power of each; the shares represented at the meeting; the existence of a quorum; the authenticity, validity and effect of proxies; receiving votes, ballots or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining when the polls shall close; determining the result; and doing such acts as may be proper to conduct the election or vote with fairness to all shareholders. If there are three inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all.

ARTICLE III.

DIRECTORS

Section 1. Powers.

Subject to the limitations of the Articles, of these Bylaws and of the California General Corporation Law relating to action required to be approved by the shareholders or by the outstanding shares, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the

management of the day-to-day operation of the business of the corporation to a management company or other person provided that the business and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

(a) To select and remove all the other officers, agents and employees of the corporation; prescribe the powers and duties for them as may not be inconsistent with law or with the Articles or these Bylaws; fix their compensation; and require from them security for faithful service.

(b) To conduct, manage, and control the affairs and business of the corporation and to make such rules and regulations therefor not inconsistent with law, or with the Articles or these Bylaws, as they may deem best.

(c) To adopt, make, and use a corporate seal, and to prescribe the forms of certificates of stock, and to alter the form of such seal and of such certificates from time to time as in their judgment they may deem best.

(d) To authorize the issuance of shares of stock of the corporation from time to time, upon such terms and for such consideration as may be lawful.

(e) To borrow money and incur indebtedness for the purpose of the corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor.

Section 2. Number and Qualification of Directors.

The authorized number of directors shall be two (2) until changed by amendment of the Articles or by a Bylaw duly adopted by the shareholders.

Section 3. Election and Term of Office.

The directors shall be elected at each annual meeting of shareholders but if any such annual meeting is not held or the directors are not elected thereat, the directors may be elected at any special meeting of shareholders held for that purpose. Each director shall hold office until the next annual meeting and until a successor has been elected and qualified.

Section 4. Vacancies.

Any director may resign effective upon giving written notice to the Chairman of the Board, the President, Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

Vacancies in the Board, including those existing as a result of a removal of a director, may be filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director, and each director so elected shall hold office until the next annual meeting and until such director's successor has been elected and qualified.

A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation or removal of any director or if the authorized number of directors be increased or if the shareholders fail, at any annual or special meeting of the shareholders at which any director or directors are elected, to elect the full authorized number of directors to be voted for at that meeting.

The Board may declare vacant the office of a director who has been declared of unsound mind by an order of court or convicted of a felony.

The shareholders may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. Any such election by written consent requires the consent of a majority of the outstanding shares entitled to vote. If the Board accepts the resignation of a director tendered to take effect at a future time, the Board or the shareholders shall have power to elect a successor to take office when the resignation is to become effective.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of the director's term of office.

Section 5. Removal of Directors.

The entire Board of Directors or any individual director may be removed from office as provided by Section 303 of the California General Corporation Law.

Section 6. Place of Meeting.

Regular or special meetings of the Board shall be held at any place within or without the State of California which has been designated from time to time by the Board. In the absence of such designation regular meetings shall be held at the principal executive office of the corporation.

Section 7. Regular Meetings.

Immediately following each annual meeting of shareholders the Board shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business.

Section 8. Special Meetings.

Special meetings of the Board for any purpose or purposes may be called at any time by the Chairman of the Board, the President or the Secretary or by any two directors.

Special meetings of the Board shall be held upon four (4) days written notice or forty-eight (48) hours notice given personally or by telephone, telegraph, telex or other similar

means of communication. Any such notice shall be addressed or delivered to each director at such director's address as it is shown upon the records of the corporation or as may have been given to the corporation by the director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the directors are regularly held.

Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission or actually transmitted by the person giving the notice by

electronic means to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient.

Section 9. Quorum.

A majority of the authorized number of directors constitutes a quorum of the Board for the transaction of business except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board unless a greater number be required by law or by the Articles. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 10. Participation in Meetings by Conference Telephone.

Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment so long as all members participating in such meeting can hear one another.

Section 11. Waiver of Notice.

When all of the directors are present at any directors' meeting, however called or noticed, and sign a written consent thereto on the records of such meeting or if a majority of the directors are present and if those not present sign in writing a waiver of notice of such meeting, whether prior to or after the holding of such meeting, which said waiver shall be filed with the Secretary of the corporation, the transactions thereof are as valid as if had at a meeting regularly called and noticed.

Section 12. Adjournment.

A majority of the directors present, whether or not a quorum is present, may adjourn any directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

Section 13. Fees and Compensation.

Directors and members of committees may receive such compensation, if any, for their services and such reimbursement for expenses, as may be fixed or determined by the Board.

Section 14. Action Without Meeting.

Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

Section 15. Rights of Inspection.

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation and also of it subsidiary corporations, domestic or foreign. Such inspection by a director may be made in person or by agent or attorney and includes the right to copy and obtain extracts.

Section 16. Committees.

The Board may appoint one or more committees, each consisting of two or more directors, and delegate to such committees any of the authority of the Board except with respect to:

(a) The approval of any action for which the General Corporation Law also requires shareholders' approval or approval of the outstanding shares;

(b) The filling of vacancies on the Board or on any committee;

(c) The fixing of compensation of the directors for serving on the Board or on any committee;

(d) The amendment or repeal of Bylaws or the adoption of new Bylaws;

(e) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;

(f) A distribution to the shareholders of the corporation except at a rate or in a periodic amount or within a price range determined by the Board;

(g) The appointment of other committees of the Board or the members thereof.

Any such committee must be appointed by resolution adopted by a majority of the authorized number of directors and may be designated an Executive Committee or by such other

name as the Board shall specify. The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of this Article applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee.

Section 17. Liability.

As provided in the Articles of Incorporation of the corporation, a director of the corporation shall be subject to no personal liability in an action brought by or in the right of the corporation for breach of a director's duties to the corporation and its shareholders, as set forth in Section 309 of the Corporations Code of the State of California; provided, however, that a director's personal liability shall not be limited (i) for acts or omissions that involve intentional misconduct or a knowing and culpable violation of law, (ii) for acts or omissions that a director believes to be contrary to the best interests of the corporation or its shareholders or that involve the absence of good faith on the part of the director, (iii) for any transaction from which a director derived an improper personal benefit, (iv) for acts or omissions that show a reckless disregard for the director's duty to the corporation or its shareholders in circumstances in which the director was aware, or should have been aware, in the ordinary course of performing a director's duties, of a risk of serious injury to the corporation or its shareholders, (v) for acts or omissions that constitute an unexcused pattern of inattention that amounts to an abdication of the director's duty to the corporation or its shareholders, (vi) under Section 310 of the Corporations Code of the State of California, (vii) under Section 316 of the Corporations Code of the State of California, (viii) for any act or omission occuring prior to the date when the Articles of Incorporation of the Corporation containing said provision becomes effective, or (ix) with respect to a director who is also an officer of this corporation, for any act or omission as an officer, notwithstanding that his or her actions, if negligent or improper, have been ratified by the other directors of the corporation.

ARTICLE IV.

OFFICERS

Section 1. Officers.

The officers of the corporation shall be a president, a secretary and a chief financial officer. The corporation may also have, at the discretion of the Board, a chairman of the board, one or more vice presidents, one or more assistant secretaries, one or more assistant chief financial officers and such other officers as may be elected or appointed in accordance with the provisions of Section 3 of this Article.

Section 2. Election.

The officers of the corporation, except such officers as may be elected or appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be

chosen annually by, and shall serve at the pleasure of, the Board and shall hold their respective offices until their resignation, removal or other disqualification from service or until their respective successors shall be elected.

Section 3. Subordinate Officers.

The Board may elect, and may empower the President to appoint, such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

Section 4. Removal and Resignation.

Any officer may be removed, either with or without cause, by the Board of Directors at any time or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment of the officer.

Any officer may resign at any time by giving written notice to the corporation, but without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make if effective.

Section 5. Vacancies.

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office.

Section 6. Chairman of the Board.

The Chairman of the Board, if there shall be such an officer, shall, if present, preside at all meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned by the Board.

Section 7. President.

Subject to such powers, if any, as may be given by the Board to the Chairman of the Board, if there be such an officer, the President is the general manager and chief executive officer of the corporation and has, subject to the control of the Board, general supervision, direction and control of the business and officers of the corporation. The President shall preside at all meetings of the shareholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board. The President has the general powers and duties of management usually vested in the office of president and general manager of a corporation and such other powers and duties as may be prescribed by the Board.

Section 8. Vice Presidents.

In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Board or, if not ranked, the Vice President designated by the Board, shall perform all the duties of the President, and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board.

Section 9. Secretary.

The Secretary shall keep or cause to be kept, at the principal executive office and such other place as the Board may order, a book of minutes of all meetings of shareholders, the Board and its committees, with the time and

place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, the names of those present at Board and committee meeting, and number of shares present or represented at shareholders' meetings and the proceedings thereof. The Secretary shall keep, or cause to be kept, a copy of the Bylaws of the corporation at the principal executive office or business office in accordance with Section 213 of the California General Corporation Law.

The Secretary shall keep, or cause to be kept, at the principal executive office or at the office of the corporation's transfer agent or registrar, if one be appointed, a share register or a duplicate share register, showing the names of the shareholders and their addresses, the number and classes of shares held by each, the number and date of certificates issued for the same and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the shareholders and of the Board and of any committees thereof required by these Bylaws or by law to be given, shall keep the seal of the corporation in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board.

Section 10. Chief Financial Officer.

The chief financial officer of the corporation shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation and shall send or cause to be sent to the shareholders of the corporation such financial statements and reports as are by law of these Bylaws required to be sent to them. The books of account shall at all times be open to inspection by any director.

The chief financial officer shall deposit all monies and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board. The chief financial officer shall disburse the funds of the corporation as may be ordered by the Board, shall render to the President and directors, whenever they request it, an account of all transactions as chief financial officer and of the financial condition of the corporation and shall have such other powers and perform such other duties as may be prescribed by the Board.

ARTICLE V.

OTHER PROVISIONS

Section 1. Inspection of Corporate Records.

(a) A shareholder or shareholders holding at least five percent (5%) in the aggregate of the outstanding voting shares of the corporation or who hold at least one percent (1%) of such voting shares and have filed a Schedule 14B with the United States Securities and Exchange Commission relating to the election of directors of the corporation shall have an absolute right to do either or both of the following:

(i) Inspect and copy the record of shareholders' names and addresses and shareholdings during usual business hours upon five (5) business days' prior written demand upon the corporation; or

(ii) Obtain from the transfer agent, if any, for the corporation, upon five (5) business days' prior written demand and upon the tender of its usual charges for such a list (the amount of which charges shall be stated to the shareholder by the transfer agent upon request) a list of the shareholders' names and addresses who are entitled to vote for the election of directors and their shareholdings, as of the most recent record date for which it has been compiled or as of a date specified by the shareholder subsequent to the date of demand.

(b) The record of shareholders shall also be open to inspection and copying by any shareholder or holder of a voting trust certificate at any time during usual business hours upon written demand on the corporation, for a purpose reasonably related to such holder's interest as a shareholder or holder of a voting trust certificate.

(c) The accounting books and records and minutes of proceedings of the shareholders and the Board and committees of the Board shall be open to inspection upon written demand on the corporation of any shareholder or holder of a voting trust certificate at any reasonable time during usual business hours, for a purpose reasonably related to such

holder's interests as a shareholder or as a holder of such voting trust certificate.

(d) Any inspection and copying under this Article may be made in person or by agent or attorney.

Section 2. Inspection of Bylaws.

The corporation shall keep in its principal executive office the original or a copy of these Bylaws as amended to date which shall be open to inspection by shareholders at all reasonable times during office hours. If the principal executive office of the corporation is outside the State of California and the corporation has no principal business office in such state, it shall upon the written notice of any shareholder furnish to such a shareholder a copy of these Bylaws as amended to date.

Section 3. Endorsement of Documents; Contracts.

Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, share certificate, conveyance or other instrument in writing and any assignment or endorsements thereof executed or entered into between this corporation and any other person, when signed by the Chairman of the Board, the President or any Vice President, and the Secretary, any Assistant Secretary, the Chief Financial Officer or any Assistant Financial Officer of this corporation shall be valid and binding on this corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board, and unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

Section 4. Certificates of Stock.

Every holder of shares of the corporation shall be entitled to have a certificate signed in the name of the corporation by the Chairman of the Board, the President or a Vice President and by the Chief Financial Officer or an Assistant Financial Officer of the Secretary or an Assistant Secretary, certifying the number of shares and the class or series of shares owned by the shareholder. Any or all of the signatures on the certificate may be facsimile. If any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such an officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if such person were an officer, transfer agent or registrar at the date of issue.

Certificates for shares may be issued prior to full payment under such restrictions and for such purposes as the Board may provide; provided, however, that on any certificate issued to represent any partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated.

Except as provided in this Section, no new certificate for shares shall be issued in lieu of an old one unless the latter is surrendered and cancelled at the same time. The Board may, however, in case any certificate for shares is alleged to have been lost, stolen or destroyed, authorize the issuance of a new certificate in lieu thereof, and the corporation may require that the corporation be given a bond or other adequate security sufficient to indemnify it against any claim that may be made against it (including expense or liability) on account of the alleged loss, theft or destruction of such certificate or the issuance of such new certificate.

Section 5. Representation of Shares of Other Corporations.

The President or any other officer or officers authorized by the Board or the President are each authorized to vote, represent and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority herein granted may be exercised either by any such officer in

person or by any other person authorized so to do by proxy or power of attorney duly executed by said officer.

Section 6. Stock Purchase Plans.

The corporation may adopt and carry out a stock purchase plan or agreement or stock option plan or agreement providing for the issue and sale for such consideration as may be fixed of its unissued shares, or of issued shares acquired or to be acquired, to one or more of the employees or directors of the corporation or of a subsidiary or to a trustee on their behalf and for the payment for such shares in installments or at one time and may provide for aiding any such persons in paying for such shares by compensation for services rendered, promissory notes, or otherwise.

Any such stock purchase plan or agreement or stock option plan or agreement may include, among other features, the fixing of eligibility for participation therein, the class and price of shares to be issued or sold under the plan or agreement, the number of shares which may be subscribed for, the method of payment therefor, the reservation of title until full payment therefor, the effect of the termination of employment and option or obligation on the part of the corporation to repurchase the shares, the time limits of and termination of the plan and any other matters not in violation of applicable law, as may be included in the plan as approved or authorized by the Board or any committee of the Board.

Section 7. Annual Report to Shareholders.

The annual report to shareholders referred to in Section 1501 of the California General Corporation Law is expressly waived, but nothing herein shall be interpreted as prohibiting the Board from issuing annual or other periodic reports to shareholders.

Section 8. Construction and Definitions.

Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the General Provisions of the California Corporations Code and in the California General Corporation Law shall govern the construction of these Bylaws.

ARTICLE VI.

INDEMNIFICATION

Section 1. Definitions.

For the purposes of this Article, "agent" includes any person who is or was a director, officer, employee or other agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of the corporation of another enterprise at the request of such predecessor corporation; "proceeding" includes any threatened, pending or completed action or proceeding, whether civil,

criminal, administrative or investigative; and "expenses" includes attorneys' fees and any expenses of establishing a right to indemnification under Section 4 of Section 5(c).

Section 2. Indemnification in Actions by Third Parties.

The corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation) by reason of the fact that such person is or was an agent of the corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3. Indemnification in Actions by or in the Right of the Corporation.

The corporation shall have power to indemnify any person who was

or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of the corporation to procure a judgment in its favor by reason of the fact such person is or was an agent of the corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 3:

(a) In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such action was brought shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval.

Section 4. Indemnification Against Expenses.

To the extent that an agent of the corporation has been successful on the merits in defense of any proceeding referred to in Sections 2 or 3 or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 5. Required Determination.

Except as provided in Section 4, any indemnification under this Article shall be made by the corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper is in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 2 or 3 by:

(a) A majority vote of a quorum consisting of directors who are not parties to such proceeding;

(b) Approval of the shareholders, with the shares owned by the person to be indemnified not being entitled to vote thereon; or

(c) The court in which such proceeding is or was pending upon application made by the corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by the corporation.

Section 6. Advance of Expenses.

Expenses incurred in defending any proceeding may be advanced by the corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

Section 7. Other Indemnification.

No provision made by the corporation to indemnify its or its subsidiary's directors or officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of shareholders or directors, an agreement, or otherwise, shall be valid unless consistent with this Article. Nothing contained in this Article shall affect any right to indemnification to which persons other than such directors and officers may be entitled by contract or otherwise.

Section 8. Forms of Indemnification Not Permitted.

No indemnification or advance shall be made under this Article, except as provided in Section 4 or Section 5(c) in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the Articles, Bylaws, a resolution of the shareholders or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the alleged expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 9. Insurance.

The corporation shall have power to purchase and maintain insurance on behalf of any agent or the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of this Article.

Section 10. Nonapplicability to Fiduciaries of Employee Benefit Plans.

This Article does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in such person's capacity as such even though such person may also be an agent of the corporation as defined in Section 1. Nothing contained in this Article shall limit any right to indemnification to which such a trustee, investment manager or other fiduciary may be entitled by contract or otherwise which shall be enforceable to the extent permitted by applicable law other than Section 317 of the California General Corporation Law.

ARTICLE VII.

AMENDMENTS

These Bylaws may be amended or repealed either by approval of the outstanding shares or by the approval of the Board; provided, however, that after the issuance of shares, a Bylaw specifying or changing a fixed number of directors or the maximum or minimum number or changing from a fixed to a variable Board or vice versa may only be adopted by approval of the outstanding shares.

EXHIBIT 3.10(a)

CERTIFICATE OF FORMATION
OF
GLOBAL INNOVATION ADVISOR, LLC

This Certificate of Formation of Global Innovation Advisor, LLC (the "LLC"), dated as of February 16, 2001, is being duly executed and filed by Jeane Richard, as an authorized person, to form a limited liability company under the Delaware Limited Liability Company Act (6 Del. C. (S) 18-101, et seq.).

FIRST. The name of the limited liability company formed hereby is:

Global Innovation Advisor, LLC

SECOND. The address of the registered office of the LLC in the State of Delaware is c/o Corporation Trust Company, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801-1120.

THIRD. The name and address of the registered agent for service of process on the LLC in the State of Delaware is the Corporation Trust Company, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801-1120.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation as of the date first above written.

/s/ Jeane Richard

Jeane Richard, Authorized Person

EXHIBIT 3.10(b)

GLOBAL INNOVATION ADVISOR, LLC
a Delaware limited liability company

LIMITED LIABILITY COMPANY AGREEMENT

Effective as of February 27, 2001

TABLE OF CONTENTS

<TABLE>
<S> <C>

</TABLE>

<TABLE>
<S> <C>

</TABLE>

</TABLE>

LIMITED LIABILITY COMPANY

OPERATING AGREEMENT

OF

GLOBAL INNOVATION ADVISOR, LLC

This LIMITED LIABILITY COMPANY AGREEMENT (this "Agreement"), dated as of February 27, 200 1, of Global Innovation Advisor, LLC, a Delaware limited liability company (the "Company"), is entered into by CB Richard Ellis Investors, LLC, a Delaware limited liability company ("CBREI") as the sole member of the Company (the "Member" and collectively with members of the Company subsequently admitted thereto, if any, the "Members").

R E C I T A L

WHEREAS, CBREI desires to form the Company as a limited liability company under the Delaware Limited Liability Company Act, 6 Del. C. ss. 18- 101, et seq., as amended from time to time (the "Delaware Act"), for the purposes of serving as the manager of Global Innovation Manager, LLC, a Delaware limited liability company ("GIM"), and of Global Innovation Contributors, LLC, a Delaware limited liability company ("GIC"), and rendering investment management services for the benefit of Global Innovation Partners, LLC, a Delaware limited liability company (the "Fund"), and such other limited liability companies as may be organized from time to time and engaging `in any and all activities necessary, convenient, desirable or incidental to the foregoing.

A G R E E M E N T

NOW THEREFORE, in consideration of the respective covenants and promises contained herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

ORGANIZATION

1.1 Formation of Company. The parties hereby form a limited liability company under and pursuant to the Delaware Act. The rights and liabilities of the Members and the Managers (as defined below) shall be as provided in the Delaware Act, except as otherwise expressly provided in this Agreement.

1.2 Name. The name of the Company is "Global Innovation Advisor, LLC." However, upon compliance with applicable laws, the business of the Company may be conducted under any other name designated in writing by the Management Committee (as hereinafter defined), provided such name contains the words "Limited Liability Company," the abbreviation "L.L.C." or the designation "LLC."

1.3 Purpose. The Company is organized for the purpose of serving as the manager of GIM, GIC and of such other limited liability companies as may be organized from time to time and rendering investment management services for the benefit of the Fund pursuant to that certain Investment Management Agreement, of even date herewith, by and between the Company and the Fund (the "Management Agreement"), which services shall include, without limitation, originating, structuring and completing investment opportunities, identifying sources of capital to finance investments and monitoring, managing, evaluating and making decisions regarding the eventual disposition of such investments. In furtherance of the foregoing, the Company may engage in any lawful activity for which limited liability companies may be organized under the Delaware Act and may exercise all powers necessary, suitable or convenient for the accomplishment of its purposes.

1.4 Powers of the Company. The Company may act alone or with others, as principal or agent. The Company, and the Management Committee on behalf of the Company, may perform the obligations of GIM in its capacity as the manager of the Fund pursuant to that certain Limited Liability Company Agreement of Global Innovation Partners, LLC, of even date herewith (the "Fund Agreement") including, without limitation, acting as Advisor of the Fund, taking all action necessary to form the Fund and to continue its existence and taking all action necessary to issue and sell the limited liability company interests in the Fund and to admit new members to the Fund. The Company will have the power and authority to take any and all actions necessary, appropriate, proper, advisable, convenient or incidental to or for the furtherance of the purposes set forth above.

1.5 Principal Place of Business. The Company shall maintain an office and principal place of business at 865 South Figueroa Street, Suite 3500, Los Angeles, California 90017 or at such other place or places in the continental United States of America as the Management Committee may determine from time to time.

1.6 Registered Office and Registered Agent. The registered office of the Company in the State of Delaware is c/o Corporation Trust Company, 1209 Orange Street, County of New Castle, Wilmington, Delaware. The name and address of the Company's registered agent in the State of Delaware for service of process is c/o Corporation Trust Company, 1209 Orange Street, County of New Castle, Wilmington, Delaware.

1.7 Filings and Other Actions. The Management Committee may execute, swear to, acknowledge, file and cause to be published such certificates of formation, such certificates of fictitious business name and such other instruments and documents in such places and at such times, and take such other actions, as in each case shall be in keeping with the stated purpose of the Company and required by law or appropriate in the circumstances to permit the Company to own property or transact business in any jurisdiction. Notwithstanding the foregoing provision of this Section 1.7, the Company may not do business in any jurisdiction that would jeopardize the limitation of liability afforded to the Member under the Delaware Act or this Agreement. The Management Committee is hereby designated as an authorized person, within the meaning of the Delaware Act, to execute, deliver and file all certificates (and any amendments and/or restatements thereof) required or permitted by the Delaware Act to be filed in the office of the Secretary of State of the State of Delaware and any other certificates (and any amendments

and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

1.8 Formation, Continuation and Term. The term of the Company shall commence on the filing of a Certificate of Formation of the Company with the Secretary of State of the State of Delaware. The term of the Company shall continue until the earlier of fifty years from the date hereof or dissolution of the Company pursuant to the provisions of Article IX hereof.

1.9 Admission of the Member. CBREI shall be the initial member of the Company and shall initially hold one hundred percent (100%) of the interests in the Company (the "Company Interests") as set forth on Exhibit A attached hereto. In the event that additional Members are admitted to the Company in accordance with the terms of this Agreement, Exhibit A shall be amended to reflect each

such Member's Company Interests.

ARTICLE II

LIABILITY OF MEMBERS

2.1 Liability of Members. Except as provided by the Delaware Act, a Member shall not be liable for the repayment and discharge of the debts and liabilities of the Company solely by reason of being a member of the Company.

2.2 Additional Member. No individual, firm, corporation, partnership, limited liability company or any other entity (each, a "Person") shall be considered a Member or admitted as a Member unless such Person is (a) named as a Member in this Agreement or (b) admitted in accordance with Section 5.2 hereof

ARTICLE III

CAPITAL CONTRIBUTIONS; CAPITAL ACCOUNTS; ALLOCATIONS

3.1 Capital Contributions. "Capital Contribution" as of any date with respect to any Member means the sum of money and the Fair Market Value of any other property (net of liabilities) contributed to the Company as capital. For the purposes of this Agreement, "Fair Market Value" of any such property shall be determined by the Management Committee. The initial Capital Contribution for CBREI shall be One Thousand Dollars ($1,000).

3.2 Tax Matters.

(a) At all such times as the Company shall have a single Member, (i) such single Member intends for the Company to be treated as an entity disregarded as an entity separate from its owner for federal income purposes pursuant to Treasury Regulation Section 301.7701-3, (ii) each item of income, gain, loss or deduction of the Company as determined for income tax purposes shall be treated as an item of such single Member and (iii) Sections 3.3, 3.4, 3.5, 8.2 and 9.2(c) shall be disregarded and shall have no force and effect.

(b) The initial Member acknowledges that under the circumstances contemplated in Sections 3.7(c) and 5.2, additional Members may be admitted to the Company or the initial Member's Company Interest may be assumed by certain members of GIC. In such event, the initial Member intends that, beginning on the first day on which the Company has two or more Members, and continuing for so long as the Company remains a limited liability company and continues to have two or more Members, the Company be treated as a partnership for federal and state income tax purposes, and the Management Committee will take all actions and make all filings required to effectuate such treatment. Commencing on such date, the provisions of Sections 3.3, 3.4, 3.5, 8.2 and 9.2(c) shall govern the allocations and tax matters of the Company.

3.3 Capital Accounts. At all such times as the Company shall have two or more Members:

A capital account ("Capital Account") shall be maintained for each Member. The Capital Account for each Member shall initially consist of the balance in his, her or its Capital Account as of the effective date of this Agreement, increased thereafter by such Member's Capital Contributions to the Company and allocated share of Net Profit, and decreased thereafter by any money and the Fair Market Value (net of liabilities) of any property distributed to such Member by the Company and such Member's allocated share of the Company's Net Loss. To the extent reasonably determined by the Management Committee, each such Capital Account shall be maintained in accordance with the principles embodied in Sections 704(b) and (c) of the Internal Revenue Code of 1986, as amended (the "Code"), and the Income Tax Regulations promulgated thereunder, including, without limitation, Section 1.704-1(b)(2)(iv). Notwithstanding the foregoing, the Management Committee shall decide, in its sole discretion, to "book-up" or "book-down" the Company's basis in its assets upon the admission of new Members or the acquisition or liquidation of a portion or all of a Member's Company Interests (including an acquisition or liquidation arising as a result of a disproportional Capital Contribution or distribution of proceeds, as applicable, which effectively alters the ratio of the Members' Company Interests). The Management Committee's determination as to the Fair Market value of any non-cash asset contributed to, or distributed by, the Company shall be

binding on the Company and all Members if made in good faith.

3.4 Allocation of Net Profit or Net Loss. At all such times as the Company shall have two or more Members:

(a) For the purposes of this Agreement, "Net Profit" and "Net Loss" shall mean the Company's taxable net profit and taxable net loss, respectively, for the period or periods in question, determined in accordance with federal income tax accounting principles, which shall reflect any compensation paid by the Company to employees or independent contractors. Appropriate modifications to the computation of Net Profit and Net Loss shall be made if required to be consistent with the maintenance of the Members' Capital Accounts, all as determined by the Management Committee in its sole discretion.

(b) Net Profit or Net Loss for any taxable period shall be allocated to the Members in proportion to their respective Company Interests.

(c) The Management Committee may, in its reasonable discretion, modify the allocation provisions set forth in this Section 3.4 if necessary to satisfy the requirements of Sections 704(b) and (c) of the Code and the Treasury Regulations promulgated thereunder, including, without limitation, Section 1.704-1(b)(2)(iv). All decisions and elections affecting the determination and allocation of the Company's Net Profit or Net Loss (or any items thereof) and any related tax items pursuant to Sections 3.4, 3.5 and 9.2(c) shall be made by the Management Committee in its reasonable discretion and shall be binding on all Members if made in good faith. Further, the Management Committee may, in its reasonable discretion, divide the Company's fiscal year into one or more tax periods to coincide with any alteration in the Members' Company Interests.

3.5 Tax Allocations. At all such times as the Company shall have two or more Members:

(a) Unless otherwise required by Code Sections 704(b) and (c) or the Treasury Regulations promulgated thereunder, including, without limitation, Section 1.704-1(b)(2)(iv), all items of income, gain, loss or deduction, as determined for federal, state, and local tax purposes, shall be allocated among the Members in the same manner as the corresponding items of income, gain, loss or deduction are allocated pursuant to Sections 3.4 and 9.2(c) hereof. Allocations pursuant to this Section 3.5 are made solely for tax purposes and shall not offset, or in any way be taken into account in computing, any Member's Capital Account balance or share of Company distributions.

(b) Each Member is aware of the income tax consequences of the allocations made by this Agreement and agrees to be bound by the provisions of this Article III in reporting its share of Company income and loss for income tax purposes.

3.6 Creditors. The provisions of this Agreement (including Section 3.1) are intended solely to benefit the Members and the Management Committee and, to the fullest extent permitted by applicable law, shall not be construed as conferring any benefit upon any creditor of the Company (and no such creditor shall be a third-party beneficiary of this Agreement), and no Member shall have any duty or obligation to any creditor of the Company to make any contribution or payments to the Company.

3.7 Obligations of CBREI. So long as CBREI is a Member:

(a) In consideration of its receipt of the Management Fees and Creditable Fees in accordance with Section 4.2 hereof, CBREI shall pay for and provide all necessary overhead, including facilities, equipment, software and other services, and shall promptly pay all of the operating expenses of the Company, including, without limitation, all compensation of the members of the Dedicated Team (as hereinafter defined), reimbursement for travel and third party expenses and funds for all other needs of the Dedicated Team as set forth in the Annual Budget (as hereinafter defined); provided, that CBREI shall allocate and expend on an ongoing basis a minimum of two-thirds (2/3) of all Management Fees from the Fund for the aggregate annual compensation of the members of the Dedicated Team (the "Dedicated Team Compensation"). The Dedicated Team Compensation shall in all events be allocated and expended as follows:

(i) for each calendar year, the base salaries and minimum bonuses to which the members of the Dedicated Team are entitled shall be paid in full; and

(ii) the amount, if any, by which the Dedicated Team Compensation for the applicable calendar year exceeds the aggregate amount specified in clause (i) above (such amount, the "Discretionary Surplus") shall be distributed to the members of the Dedicated Team as determined by the Chief Executive Officer of the Company.

(b) In addition, twenty-five percent (25%) of all Creditable Fees, if any, for each calendar year shall be added to the Discretionary Surplus for each such calendar year and allocated in accordance with clause (a)(ii) above and fifty percent (50%) of the amount, if any, by which the Company's actual operating profit for the applicable calendar year met or exceeded one hundred fifteen percent (115%) of the estimated operating profit set forth in the Annual Budget for such calendar year (such amount, the "Excess Profit") shall also be added to the Discretionary Surplus for such calendar year. Notwithstanding the foregoing, if there exists an Operating Profit Deficit, one hundred percent (100%) of the Creditable Fees and such Excess Profit shall first be applied to such Operating Profit Deficit until such Operating Profit Deficit has been fully paid, with any remainder of such Excess Profit to be added to the Discretionary Surplus for such calendar year and allocated in accordance with clause (a)(ii) above. "Operating Profit Deficit" means the deficit accrued as a result of, and in an amount equal to, the shortfall by which the Company's actual operating profit for a calendar year failed to equal or exceed eighty-five percent (85%) of the estimated operating profit set forth in the Annual Budget for such calendar year.

(c) CBREI shall take all other actions necessary to enable the Company to comply with its obligations under the Fund Agreement and the Management Agreement and in no event shall CBREI, directly or indirectly, compel the Company, the Management Committee, any member of the Dedicated Team or any other personnel to take or refrain from taking any action or actions contrary to the Fund Agreement or the Management Agreement or to refrain from making any particular investment or investments in respect of the Fund.

(d) Any material breach or default by CBREI in respect of any of its obligations set forth in this Section 3.7 not cured within 15 days of the giving of notice by the Fund, the Management Committee or the Chief Executive Officer shall be deemed a "Capital Contribution Default" for the purposes of Section 3(b)(iii) of that certain Limited Liability Company Agreement of Global Innovation Contributors, LLC, of even date herewith (the "Contributors Agreement"). In such event, any of the members of GIC (other than CBREI), or a third party (or third parties) admitted as a member of GIC pursuant to Section 3.1(b)(iii)(A) of the Contributors Agreement, shall have the option of assuming all of CBREI's Company Interest for no consideration.

ARTICLE IV

DISTRIBUTIONS

4.1 No Right to Withdraw. No Member shall be entitled to withdraw any part of such Member's Capital Account, if applicable, or Capital Contribution or to receive any distributions from the Company, whether in respect of the fair value of its Company Interest or otherwise, except as expressly provided in this Agreement. Each Member expressly waives any right to seek partition of the Company.

4.2 Distributions. In consideration of the resources to be provided to the Company by CBREI in accordance with Section 3.7 hereof, the Company shall promptly distribute to CBREI, so long as it remains a Member, all of the management fees received by the Company pursuant to Section 3(a) of the Management Agreement (the "Management Fees") and all Creditable Fees received by the Company. If property is distributed in-kind to the Members, the difference between the gross Fair Market Value of such property (as determined by the Management Committee) and its book basis shall be considered gain or loss that is recognized by the Company and such gain or loss shall be allocated to the Members in accordance with the provisions of Article III.

4.3 Tax Advances. To the extent the Company is required to withhold or to make tax payments on behalf of or with respect to any Member ("Tax Advances"),

the Management Committee may withhold the amounts and make the tax payments as so required. All Tax Advances made on behalf of a Member shall be deemed to be distributed to the Member on the date withheld. The Member shall promptly pay to the Company an amount equal to the excess of (a) the amount required to be withheld over (b) the amount to be distributed to such Member. The amount paid by the Member shall be deemed credited to the Member's Capital Account but shall not be deemed to be a Capital Contribution. A Member shall indemnify the Company and the other Members and hold each of them harmless from any liability with respect to Tax Advances required to be made on behalf of the Member or with respect to the Member, which indemnification obligation shall survive the termination of the Company.

4.4 Restricted Distributions. Notwithstanding anything to the contrary contained in this Agreement, the Company, and the Management Committee, on behalf of the Company, shall not make a distribution to any Member if such distribution would violate Section 18-607 of the Delaware Act or other applicable law.

ARTICLE V

MANAGEMENT AND VOTING

5.1 Management of the Company.

(a) The management and control of the business and affairs of the Company shall be vested exclusively in a management committee (the "Management Committee") who shall do all things as it determines to be necessary or desirable in order to conduct the business of

the Company, and a Chief Executive Officer, who shall have such powers, duties and responsibilities as are customary for chief executive officers of similar companies, including, without limitation, the management, supervision and compensation of the Dedicated Team as well as the allocation of Profit Interests amongst the members of the Dedicated Team. In addition, the Chief Executive Officer shall be responsible for preparing, with the assistance of the Dedicated Team, an annual budget for the Company (the "Annual Budget") and the monitoring, management, evaluation and eventual disposition of the investments of the Fund. The Annual Budgets for the 2001 fiscal year and the 2002 calendar year are attached hereto as Exhibit B. All action required or permitted to be taken by the Company may be taken by the Management Committee. The Management Committee shall have the power and authority to take such action as the Management Committee deems proper, convenient or advisable to carry on the business and purposes of the Company and to exercise any and all of the powers of the Company set forth herein and will have the authority to bind the Company. The Management Committee shall be comprised of individuals, who will collectively constitute the "manager" of the Company for the purposes of the Delaware Act. The rights and duties of the Management Committee may, to the extent permitted by law and by this Agreement, be assigned or delegated to other persons.

(b) The number of members of the Management Committee (each, a "Manage" and collectively, the "Managers") shall initially be, and shall remain at not less than four (4), which number may be changed from time to time by the unanimous vote of the Management Committee. The initial Managers shall be (i) Richard Magnuson ("Magnuson"), (ii) so long as CBREI remains a Member of the Company, two designees appointed by CBREI, initially Robert Zerbst and Bill Harris (the "CBREI Representatives"), and (iii) one designee among the Dedicated Team (as defined below) appointed by Magnuson, initially Michael Foust (the "Dedicated Team Representative"). Subject to Magnuson's approval (so long as Magnuson remains a member of the Dedicated Team), which approval shall not be unreasonably withheld, CBREI shall have the exclusive right to replace either CBREI Representative with a full-time employee of CBREI. Subject to CBREI's approval (so long as CBREI remains a Member), which approval shall not be unreasonably withheld, Magnuson shall have the exclusive right to replace the Dedicated Team Representative. Any person who replaces Magnuson or Foust as a member of the Dedicated Team pursuant to Section 4.1 (b) of the Fund Agreement shall automatically replace the member of the Management Committee so replaced. The approval or authorization of a majority of the then-existing members of the Management Committee (which majority shall include Magnuson so long as he remains a member of the Dedicated Team) shall be required to constitute approval by the Management Committee.

(c) No Manager shall be entitled to any compensation for serving as a

member of the Management Committee. No fee shall be paid to any Manager for attendance at any meeting of the Management Committee.

(d) Regular and special meetings of the Management Committee may be held without notice at such time and at such place as shall from time to time be determined by the Management Committee, including, without limitation, by means of telephone. Any action required or permitted to be taken by the Management Committee may be taken without a meeting if such action is unanimous.

(e) The Management Committee shall delegate all duties and responsibilities of the Company pertaining to (i) the origination, structuring and consummation of investment opportunities for the Fund and (ii) the financing of such investment opportunities to, and all authority to carry out such duties and responsibilities shall be vested exclusively in, an investment committee (the "Investment Committee") comprised of the Managers plus one additional member of the Dedicated Team designated by the Chief Executive Officer. The Management Committee shall have the exclusive right to replace such designee or to fill any vacancy on the Investment Committee created by the resignation or removal of such designee. Notwithstanding any of the foregoing, the Investment Committee shall not authorize or approve any investments which would be inconsistent with the Fund Agreement or the Annual Investment Plan (as defined in the Fund Agreement). The approval or authorization of a majority of the then-existing members of the Investment Committee (which majority shall include Magnuson so long as he remains a member of the Dedicated Team) shall be required to constitute approval by the Investment Committee.

(f) The Chief Executive Officer of the Company shall be Magnuson. The Management Committee may appoint other officers at any time and from time to time and such other officers shall serve at the pleasure of the Management Committee, which may remove any such officer with or without cause. The officers of the Company other than the Chief Executive Officer shall exercise such powers and perform such duties as shall be determined from time to time by the Management Committee and expressly authorized by the Management Committee. No officer of the Company is entitled to remuneration for providing management or other services to the Company, except as determined by the Management Committee.

(g) The Company shall have a "Dedicated Team" comprised of such employees of CBREI as the Chief Executive Officer may designate or recruit to provide services to the Company. CBREI hereby agrees that the members of the Dedicated Team shall report directly to the Chief Executive Officer and shall devote all (or such lesser amount as may be required by the Fund Agreement) of their respective business time to the business of the Company and the Fund.

5.2 Actions Concerning Members.

(a) Any action, by amendment to this Agreement or otherwise, concerning the admission of any new Member may be taken and shall require the approval of the Management Committee except pursuant to the provisions of Section 376 hereof in the event of a Capital Contribution Default.

(b) No annual or regular meetings of Members are required.

ARTICLE VI

TRANSFER OF COMPANY INTERESTS

6.1 Transfer of Company Interests. A Member may assign, sell, hypothecate, bequeath or otherwise in any manner, whether voluntarily or involuntarily, transfer or dispose of such

Member's Company Interests (a "Transfer"), or any interest therein, including, without limitation, the Transfer of such Member's right to receive distributions applicable to such Member's Company Interests, only with the prior written consent of the Management Committee, in its sole discretion. Any purported Transfer of a Member's Company Interest without such written consent of the Management Committee shall be void; provided, however, that such written consent of the Management Committee shall not be required in connection with:

(a) an assignment of a Member's Company Interest to a living trust of which such Member is the sole trustee or such Member and a spouse thereof are the sole trustees; provided, that prior to any purported assignment, such living trust shall have executed a counterpart of this Agreement, at which time the

provisions of this Agreement shall be deemed amended to reflect the admission of such living trust as a new Member; provided, further, that after any such assignment, any subsequent removal of the former Member as trustee of such living trust shall be deemed a new Transfer for the purposes of this Section 6.1;

(b) an assignment (whether voluntarily or by operation of law) of a Member's right to receive distributions applicable to such Member's Company Interest, which assignment shall not cause such Member to cease to be a member of the Company; and

(c) a transfer of a Member's Company Interest pursuant to the provisions of Section 3.6 hereof in the event of a Capital Contribution Default.

ARTICLE VII

EXCULPATION AND INDEMNIFICATION

7.1 Exculpation and Indemnification of the Management Committee. The Managers and the Management Committee shall not be liable for any loss to the Company or the other Members except as such limitation is prohibited by Delaware law. The Company shall indemnify to the fullest extent permitted by law the Managers, each officer and each Member against any losses, claims, damages, or liabilities (including legal or other expenses reasonably incurred in investigating or defending against any such loss, claim, damage, or liability), joint or several, arising out of any such Persons' activities or involvement with the Company, except for acts that constitute willful misconduct. Notwithstanding anything herein to the contrary, the Company shall not indemnify any Person in accordance with the preceding sentence with respect to (a) any criminal action or proceeding unless such Person had no reasonable cause to believe that his or her conduct was unlawful, (b) any actions taken by such Person in his, her or its capacity as a Manager which constitutes a breach of such Person's duty of loyalty to the Company, (c) any actions taken by such Person in bad faith and (d) any actions taken in connection with a transaction involving an improper personal benefit in favor of such Person. The Company may pay the expenses incurred by a party indemnified hereunder in settling a claim, or in defending a civil or criminal action prior to final disposition upon receipt of an undertaking of the indemnified party to repay such expenses if he is adjudicated not to be entitled to indemnification. This right of indemnification shall be in addition to any rights to which the Person seeking indemnification may otherwise be entitled and shall inure to the benefit of the

successors, assigns, executors, or administrators of the Persons or entities granted such right. No Person or entity may satisfy any right of indemnity or reimbursement so granted or to which he may be otherwise entitled except out of the assets of the Company, and no Member shall be personally liable with respect to any such claim for indemnity or reimbursement.

7.2 Indemnification of Agents and Other Indemnities. The Company shall be authorized but not required to indemnify to the fullest extent permitted by law all investment bankers, attorneys or accountants or other advisors or consultants engaged on behalf of the Company and each of their respective partners, shareholders, directors, officers, employees and agents, against any losses, claims, damages, or liabilities (including legal or other expenses reasonably incurred in investigating or defending against any such loss, claim, damage, or liability), joint or several, arising out of any such persons' or entities' activities or involvement with the Company, except for acts that constitute negligence or willful misconduct. The Company may pay the expenses incurred by a party indemnified hereunder in settling a claim, or in defending a civil or criminal action prior to final disposition, upon receipt of an undertaking of the indemnified party to repay such expenses if he is adjudicated not to be entitled to indemnification. This right of indemnification shall be in addition to any rights to which the person or entity seeking indemnification may otherwise be entitled and shall inure to the benefit of the successors, assigns, executors, or administrators of the Persons or entities granted such right. No Person or entity may satisfy any right of indemnity or reimbursement so granted or to which he may be otherwise entitled except out of the assets of the Company, and no Member shall be personally liable with respect to any such claim for indemnity or reimbursement.

ARTICLE VIII

BOOKS OF ACCOUNT; TAX MATTERS

8.1 Maintenance of Books; Right to Inspect. The Management Committee shall keep books of account of the Company, at the principal office of the Company or at any other place as the Management Committee shall advise the Members in writing. Each Member or its authorized agents, employees, or representatives may

inspect and copy the books at all reasonable times for any purpose reasonably related to such Member's Company Interest. The Company shall provide the Members with all necessary tax information as soon as it is reasonably practicable to do so. At all such times as the Company shall have two or more Members, the Management Committee shall cause the books to reflect the transactions of the Company in accordance with tax accounting principles employed in preparing the Company's federal income tax returns.

8.2 Tax Matters Member; Tax Audits; Income Tax Elections. At all such times as the Company shall have two or more Members:

(a) The Management Committee shall select one of the Members to be the "tax matters partner" of the Company, as defined in Section 6231(a)(7) of the Code, and such tax matters partner shall act in accordance with the applicable provisions of the Code and Treasury Regulations promulgated under the Code. The tax matters partner shall notify each Member of any challenges by the Internal Revenue Service to the tax treatment of any Company items and of any proceedings to adjust those items at the partnership level. All costs incurred in connection

with the foregoing activities, including legal and accounting costs, shall be borne by the Company. Neither the tax matters partner nor the Company is obligated to defend any Member against any claim asserted by the Internal Revenue Service or any state, local or foreign tax authority of additional tax liability arising out of the ownership of an interest in the Company, to pay any legal or accounting costs of an audit of a Member's tax return, even if an audit is occasioned by an audit of the Company's tax return, or to reimburse any Member for any additional tax liability (including interest and penalties) resulting from an audit.

(b) The Management Committee may, in its sole and absolute discretion, make the election under Section 754 of the Code and any other income tax election that may be made only by the Company and not by individual Members.

ARTICLE IX

DURATION AND TERMINATION OF COMPANY

9.1 Events Causing Dissolution and Winding Up. The Company shall be dissolved and its affairs shall be wound up at any time there are no remaining Members or upon the occurrence of any of the following events:

(a) the expiration of the term of the Company, as provided in Section 1.8 hereof;

(b) an entry of a decree of judicial dissolution of the Company pursuant to Section 18-802 of the Delaware Act; or

(c) the determination of the Management Committee.

For purposes of this Article IX, the term "Dissolution Date" shall mean the date established by applicable law.

9.2 Winding Up.

(a) Upon dissolution of the Company, the following actions shall be taken:

(i) The Management Committee or liquidating trustee (if appointed by the Management Committee) shall cause the Company's accountants to prepare, in accordance with accounting principles consistently applied with prior periods, a balance sheet of the Company as of the Dissolution Date.

(ii) Subject to the provisions of Section 9.2(b) hereof, the assets of the Company shall be liquidated by the Management Committee or liquidating trustee, as applicable, as promptly as possible, but in an orderly and businesslike manner so as not to involve undue sacrifice. During such period, the business of the Company, and its liquidation, shall be managed by the Management Committee or liquidating trustee, as applicable.

(iii) The assets of the Company shall be applied and distributed as follows, and in the following order of priority:

(A) to creditors, including Members who are creditors, to the extent permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities to Members on account of their Capital Accounts, if applicable; and

(B) to the Members in accordance with Section 4.2 hereof.

(b) Notwithstanding the provisions of Section 9.2(a)(ii) hereof, the Company shall not liquidate any asset then held by the Company unless such liquidation is required to satisfy the liabilities of the Company. Any such asset not liquidated shall be distributed to the Members in accordance with (and subject to the priorities of) Section 9.2(a)(iii) hereof.

(c) Notwithstanding Section 3.3 hereof and only if the Company has two or more Members at the time of such dissolution, each item of income, gain, loss or deduction comprising Net Profit or Net Loss arising out of the disposition of Company property during the course of liquidation of the Company (or which would result if property to be distributed to the Members in kind were instead to be sold at Fair Market Value) shall be allocated among the Members for the current fiscal year and succeeding fiscal years in such manner as will, to the extent possible, (i) eliminate any deficit Capital Account balance and (ii) cause the Capital Account balances of the Members to equal the aggregate amount of liquidation proceeds that the Members have received or will receive under Section 9.2(a)(ii)(B).

(d) If, in the determination of the Management Committee or liquidating trustee managing the liquidation of the Company in accordance with Section 9.2(a)(ii) hereof, the reserves set up in accordance with Section 9.2(a)(iii)(A) hereof are inadequate for any reason to satisfy all of the Company's liabilities and obligations, then no further distribution shall be made until such time as, in the good-faith judgment of the Management Committee or the liquidating trustee, as applicable, the Company has all amounts necessary to satisfy all such liabilities and obligations.

(e) The Company shall terminate when, in accordance with this Section 9.2, all assets of the Company, after payment of, or due provision for, all obligations or liabilities to Company creditors (including the Fund), shall have been distributed to the Members. Upon such termination, the Management Committee or liquidating trustee managing the liquidation of the Company in accordance with Section 9.2(a)(ii) hereof shall cause to be filed a certificate of cancellation of the Certificate of Formation and any and all other documents required to be filed in connection with the dissolution and termination of the Company.

ARTICLE X

GENERAL

10.1 Governing Law; Severability of Provisions. It is the intention of the parties that the internal laws of the State of Delaware govern the validity of this Agreement, the construction of its terms and interpretation of the rights and duties of the parties. If any provision of this Agreement shall be held to be invalid, the remainder of this Agreement shall not be affected thereby.

10.2 Successors and Assigns. The agreements contained herein shall be binding upon and inure to the benefit of the heirs, executors, administrators, personal or legal representatives, successors and assigns of the respective parties hereto.

10.3 Notices. All notices, requests, demands, consents or approvals permitted or required to be given to the Management Committee or the Members under this Agreement shall be given to the address set forth in Exhibit A hereto or, in the case of a Member, such other mailing address of which the Member shall advise the Management Committee in writing. Any notice hereunder shall be in writing and shall be deemed to have been duly given (a) if sent by United States Express Mail or other overnight courier, on the following business day in the location to which it was sent, (b) if sent by facsimile transmission or electronic mail (with electronic confirmation of receipt) on the following business day in the location to which it was sent, and (c) if delivered by hand on a business day in the location to which it was sent, on the date of receipt.

10.4 Entire Agreement; Amendment. This Agreement constitutes all of the agreements and understandings of the parties with respect to the subject matter hereof and supersedes with respect to the subject matter hereof any prior agreement or understandings among them, oral or written, all of which are hereby canceled. This Agreement may be modified or amended from time to time by the

Members and the Management Committee.

10.5 Headings. The headings in this Agreement are inserted for convenience of reference only and shall not affect the interpretation of this Agreement. Wherever from the context it appears appropriate, each term stated in either the singular or the plural shall include the singular and the plural, and pronouns stated in either the masculine or feminine gender shall include the masculine, the feminine and the neuter.

10.6 Defined Terms. All capitalized terms not defined herein shall have the meanings ascribed to them in the Fund Agreement.

10.7 Counterparts. This Agreement may be executed in any number of counterparts, and each counterpart shall for all purposes be deemed an original. All counterparts shall together constitute but one and the same agreement.

10.8 Assignability. A Member may assign his, hers or its rights or delegate his, hers or its responsibilities under this Agreement as provided in Article V1 above. Each of the Managers may not assign his or its rights or delegate his or its duties hereunder.

10.9 Further Action and Documents. Each party agrees to execute, acknowledge and deliver such further instruments or documents, and to do all such further acts and things, as may be required by law, or as may be necessary or advisable, to carry out the intent and purposes of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

MEMBER

CB RICHARD ELLIS INVESTORS, LLC

By: /s/ Robert Zerbst
Robert Zerbst, President

INITIAL MANAGEMENT COMMITTEE MEMBERS

S /s/ Richard A. Magnuson
Richard A. Magnuson

/s/ Robert Zerbst
Robert Zerbst

/s/ Michael Foust
Michael Foust

/s/ Bill Harris
Bill Harris

EXHIBIT 3.11

AMENDED AND RESTATED
PARTNERSHIP AGREEMENT OF
HOLDPAR A
Effective October 1, 1995

This Amended and Restated Partnership Agreement is entered into effective October 1, 1995 by, between and among Westmark Real Estate Acquisition Partnership, L.P. ("WREAP") and HoldPar B, a Delaware general partnership (individually "Partner" and collectively "Partners").

W I T N E S S E T H:

WHEREAS, this Partnership was formed in order to hold certain interests in Westmark Realty Advisors L.L.C.; and

WHEREAS, this Partnership's original partners included five corporations who have transferred their interests in this Partnership to WREAP; and

WHEREAS, WREAP and HoldPar B desire to amend and restate the Partnership Agreement of HoldPar A in its entirety to read as set forth herein;

NOW THEREFORE, the parties hereto hereby agree to amend and restate the Partnership Agreement of HoldPar A as follows:

ARTICLE I.

Definitions

The following words and terms when used herein in capitalized form shall have the meaning or meanings indicated:

A. "Partner" means any one of Westmark Real Estate Acquisition Partnership, L.P., a Delaware limited partnership, and HoldPar B, a Delaware general partnership or any other person who becomes a partner pursuant hereto.

B. "Partners" means more than one Partner.

C. "Majority of Partnership Interests" means the owners of more than fifty percent (50%) of all Partnership interests.

D. "Percentage Interest" means the percentage interest of each Partner in the Partnership as set forth in Exhibit A hereto as amended from time to time.

E. "WREAP" means Westmark Real Estate Acquisition Partnership, L.P., a Delaware limited partnership.

ARTICLE II.

Organizational Matters

A. The Partnership. The Partners hereby create a general partnership pursuant to the Delaware Uniform Partnership Act (the "Act") . The rights and liabilities of the Partners and the administration, dissolution and termination of the Partnership shall be as provided for in the Act except as hereinafter expressly stated to the contrary. A Partner's interest in the Partnership shall be personal property for all purposes. All real and personal property owned by the Partnership shall be deemed owned by the Partnership as an entity and no Partner, in his or her individual or separate capacity, shall have any direct ownership of such property.

B. Certificates. The Partners hereby agree to execute all certificates or other documents and all amendments thereto to accomplish all filings, publishings, recordings and other acts as may be appropriate to comply with the requirements of law for the establishment, continuation and operation of a Partnership under the laws of the State of Delaware. The Partners also agree to execute any certificates or other documents to accomplish all filings, recordings, publishings and other acts as may be appropriate to comply with the requirements of law for the formation, continuation and operation of a partnership in any other jurisdiction where the Partnership shall propose to conduct business. Prior to conducting any business in any jurisdiction, the Partners shall, to the full extent permitted by the laws of such jurisdiction, cause the Partnership to comply with all requirements for the qualification of the Partnership to conduct business as a partnership in such jurisdiction.

C. Partnership Name. The name of the Partnership shall be HoldPar A

and the business of the Partnership shall be conducted under such name in the State of California and under such name or any variation thereof as may be necessary to comply with the laws of the other jurisdiction in which the Partnership may conduct its business.

D. Offices. The principal office and place of business of the Partnership shall be at 533 South Fremont Avenue, Los Angeles, California 90071-1798 or elsewhere as the Partners may from time to time select. The Partnership may have such additional offices and places of business as may be established from time to time by the Administrative Partner.

E. Term. The Partnership shall continue in existence until December 31, 2010 or until the earlier termination of the Partnership in accordance with Article X.

ARTICLE III.

Business Purpose of the Partnership

The business purpose of the Partnership shall be to hold limited liability company interests in Westmark and to exercise the rights associated with such interests.

ARTICLE IV.

Management

A. Management Authority. All determination, decisions, approvals and actions affecting the Partnership and its business and affairs shall be determined, made, approved or authorized only by the affirmative vote of a Majority of Partnership Interests.

B. Other Business of Partners. Each of the Partners shall be entitled to and may have business interests and engage in business activities in addition to those relating to the Partnership (even if such interest or activities compete with or are in conflict with the business or activities of the Partnership), for his or her own account and for the account of others, without having or incurring any obligation to offer any interest in such businesses or activities or properties owned or acquired in connection therewith to the Partnership or any Partner, and no other provisions of this Agreement shall be deemed to prohibit any Partner from conducting such other businesses and activities. Neither the Partnership nor any of the Partners shall have any rights by virtue of this Agreement in any such business venture or properties of such Partner.

C. Indemnification of the Partners.

1. The Partners (individually referred to in this Section IV.C. as "Indemnitee") shall each, to the extent permitted by law, be indemnified and held harmless by the Partnership from and against any and all losses, claims, damages, liability, joint and several, expenses (including legal fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, costs, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Indemnitee may be involved, or threatened to be involved, as a party or otherwise by reason of his or her status as a Partner or his or her management of the affairs of the Partnership, or which relate to the Partnership, its property, business or affairs, whether or not the Indemnitee continues to be a Partner at the time any such liability or expense is paid or incurred, if the Indemnitee acted in good faith and in a manner he or it reasonably believed to be in, or not opposed to, the best interests of the Partnership, and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not of itself create a presumption that the Indemnitee did not act in good faith and in a manner which the Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Partnership or a presumption that the Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

2. An Indemnitee shall not be entitled to indemnification under this Section IV.C. with respect to any claim, issue or matter in which he, she or it has violated an express provision of this Agreement or been adjudged liable for gross negligence or willful misconduct.

3. Expenses (including legal fees and expenses) incurred in defending any proceeding shall be paid by the Partnership in advance of the

final disposition of such proceeding upon receipt of (a) an undertaking by or on behalf of the Indemnitee to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that the Indemnitee is not

entitled to be indemnified by the Partnership as authorized hereunder and (b) reasonable proof of his, her or its ability to make such repayment.

4. The indemnification provided by this Section IV.C. shall be in addition to any other rights to which those indemnified may be entitled under any agreement, vote of the Partners, as a matter of law or otherwise, both as to action in the Indemnitee's capacity as a Partner and to action in another capacity relating to the Partnership, and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnitee.

5. The Partnership may purchase and maintain insurance on behalf of the Partners and other Indemnities against any liability which may be asserted against or expense which may be incurred by such Persons in connection with the Partnership's activities, whether or not the Partnership would have the power to indemnify such Persons against such liability under the provisions of this Agreement.

6. An Indemnitee shall not be denied indemnification in whole or in part under this Section IV.C. because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

7. The provisions of this Section IV.C. are for the benefit of the Indemnities and shall not be deemed to create any rights for the benefit of any other persons (other than the heirs, successors, assigns or administrators of the Indemnitee).

8. Any other provision of this Section IV.C. to the contrary notwithstanding, the right of any Partner to indemnity, whether under this Agreement or otherwise, shall be limited to the assets of the Partnership and no Partner shall have any claim hereunder against any other Partner or any right to require any other Partner to contribute funds to the Partnership to meet the indemnity requirements of this Section IV.C.

D. Limitation on Liability of Partner. No Partner shall be liable, responsible or accountable in damages or otherwise to the Partnership or any of the Partners for any act or omission performed or omitted by such Partner in good faith pursuant to the authority granted to him, her or it by this Agreement and in a manner reasonably believed by him, her or it to be within the scope of the authority granted by this Agreement and in the best interests of the Partnership, provided that such Partner was not guilty of negligence, misconduct, fraud or bad faith.

E. Action by Meeting or Unanimous Written Consent. Any action which requires the approval of a Majority of Partnership Interests or all of the Partners may be taken either (a) with the written consent of a Majority of Partnership Interests or all of the Partners, as appropriate, or (b) at a meeting held and noticed in such a manner as is deemed appropriate by a Majority of Partnership Interests.

ARTICLE V.

Partners and Capital

A. Capital.

1. The capital of the Partnership shall be as set forth in Exhibit A to this Agreement.

2. Additional contributions of cash or property may be made to the capital of the Partnership only as agreed by a Majority of Partnership Interests.

B. Capital Position. Except as set forth herein, no Partner shall have any right, claim or interest in the capital of the Partnership.

C. Additional Funds. Any additional funds required by the Partnership to meet its cash requirements may be borrowed by the Partnership (i) from any Partner or (ii) from one or more third parties upon such terms and

conditions as a Majority of Partnership Interests deems necessary or appropriate.

D. Capital Accounts.

1. A separate capital account shall be established and maintained for each Partner. Such capital account shall be increased by (a) the amount of cash and the adjusted basis for Federal income tax purposes of all property contributed by such Partner to the Partnership (net of liabilities of the Partner assumed by the Partnership or to which the contributed property is subject), (b) that Partner's allocable share (determined by reference to Section VI.A. hereof) of income and gain for Federal income tax purposes, (c) that Partner's allocable share (determined by reference to Section VI.A.1. hereof) of income exempt from tax described in Section 705 of the Internal Revenue Code of 1986, as amended (the "Code"), and decreased by (d) the amount of cash and the adjusted basis for Federal income tax purposes of property distributed other than in liquidation of the Partnership to such Partner (net of liabilities assumed by the Partner or to which such property is subject), (e) the fair market value of unsold property distributed to such Partner (net of liabilities assumed by the Partner or to which the property is subject) upon liquidation of the Partnership, (f) that Partner's allocable share (determined by reference to Section VI.A. hereof) of losses and other items of deduction for Federal income tax purposes, and (g) that Partner's allocable share (determined by reference to Section VI.A.1. hereof) of expenditures described in Section 705 of the Code.

2. The following provisions shall be observed in maintaining each Partner's capital account:

a. Except as provided herein, the recognition and classification of items of income, gain, loss and deduction for purposes hereof shall be the same as their recognition and classification for Federal income tax purposes except that the computation of such items of income, gain, loss and deduction shall be made

without regard to any adjustments resulting from any election which may be made by the Partnership pursuant to Section 754 of the Code.

b. If the Partnership's adjusted basis in a depreciable or cost recovery property is reduced for Federal income tax purposes pursuant to Section 48(q)(1) of the Code, the amount of such reduction shall, solely for the purposes hereof, be deemed to be an additional depreciation or cost recovery deduction in the year such property is placed in service and shall be allocated among the Partners pursuant to Section VI.A.1. Any restoration of such basis pursuant to Section 48(q)(2) of the Code shall be allocated in the same manner to the Partners to whom such deemed deduction was allocated.

c. Immediately prior to the distribution of any Partnership property in liquidation of the Partnership pursuant to Section X.C., any difference between the fair market value (as determined pursuant to Section X.B.) of such property and its adjusted basis for Federal income tax purposes shall be determined (any excess of such fair market value over adjusted basis will be referred to as "Unrealized Gain," while any excess of adjusted basis over fair market value will be referred to as "Unrealized Loss"). Any Unrealized Gain or Unrealized Loss attributable to such property shall, for purposes of capital account maintenance, be deemed to be gain or loss recognized by the Partnership and shall be allocated among the Partners pursuant to Section VI.A.2.

E. Interest on and Return of Capital. Except as provided in Section VI.C. below, no Partner shall be entitled to any interest on his, her or its capital account or on his, her or its contributions to the capital of the Partnership, and no Partner shall have the right to demand or to receive the return of all or any part of his, her or its capital account in the Partnership. No Partner shall have the right to demand or receive property other than cash in return for the contribution of such Partner to the Partnership.

F. Waiver of Right of Partition and Dissolution. Having previously been advised that he, she or it may have the right to bring an action for partition, each of the Partners does hereby agree to and does hereby irrevocably waive for the duration of this Agreement any right or power any such Partner might have to cause the Partnership or any of its assets to be partitioned, to cause the appointment of a receiver for the assets of the Partnership, to compel any sale of all or any portion of the assets of the Partnership pursuant to any applicable law or laws, or to file a complaint or to institute any proceeding at law or in equity to cause the termination or dissolution of the Partnership except as expressly provided herein. Each of the Partners hereby acknowledges and agrees that such Partner has been induced to enter into this Agreement in reliance upon the mutual waivers set forth in this Section V.F. and, without

such waivers, no Partner would have entered into this Agreement. No Partner has any interest in specific Partnership property but the interests of all Partners in the Partnership are, for all purposes, personal property.

G. Negative Accounts. Upon the dissolution and winding up of the Partnership, after the allocations of any gains and/or losses resulting from the liquidation of the

Partnership in accordance with the terms hereof, each Partner shall be required to pay to the Partnership any deficit or negative balance which may then exist in his, her or its capital account maintained in accordance with Section V.D. hereof.

ARTICLE VI.

Profits and Losses and Distributions

A. Profits, Losses and Distributive Shares of Tax Items.

1. The Partnership's net profits or net loss, as the case may be, for each fiscal year of the Partnership, as determined in accordance with such method of accounting as may be adopted for the Partnership by the Management Committee pursuant to Section VII.C. hereof, shall be allocated to the Partners for both financial accounting and income tax purposes as follows in the ratio of each Partner's Percentage Interest:

a. In the absence of any other agreement among the Partners, in the ratio of each Partner's Percentage Interest; or

b. If all of the Partners otherwise agree in writing pursuant to Article XII with respect to a particular project, in accordance with such agreement.

2. Notwithstanding the foregoing, any gain or loss on Partnership assets occurring in connection with the sale of all or substantially all the assets of the Partnership or the dissolution and liquidation of the Partnership shall be credited or charged to the Partners in the following order of priority:

a. Gains shall be allocated as follows:

i. first, an amount of gains up to the negative balances, if any, in the capital accounts of the Partners shall be allocated to the Partners having negative capital account balances in proportion to their respective negative capital account balances, until the balances of the capital accounts of such Partners equal zero;

ii. then, gains shall be allocated to the Partners in a manner, as nearly as can be, to cause the capital accounts of the Partners to stand in the ratio of their respective Percentage Interests in the Partnership; or

b. Losses shall be allocated as follows:

i. first, losses shall be allocated to the Partners in a manner, as nearly as can be, to cause the capital accounts of the Partners to stand in the ratio of their respective Percentage Interests in the Partnership; and

ii. all remaining losses shall be allocated to the Partners in proportion to their respective Percentage Interest in the Partnership.

B. Distributions. It is the policy of the Partnership to make distributions to the Partners at such times and in such amounts, if any, that a Majority of Partnership Interests determine.

ARTICLE VII.

Accounting and Tax Matters

A. Fiscal Year. The fiscal year of the Partnership shall end on the last day of December of each year, unless another fiscal year end is selected by a Majority of Partnership Interests.

B. Books of Account. The Partnership books of account shall be maintained at the principal office designated in Section II.D. hereof or at such

other locations and by such Person or Persons as may be designated by a Majority of Partnership Interests. The Partnership shall pay (in amounts not to exceed reasonable commercial rates) the expense of maintaining its books of account. Each Partner shall have, during reasonable business hours and upon reasonable notice, access to the books of the Partnership and shall have the right to copy such books. The Partnership, shall prepare and distribute to each Partner such financial statements as a Majority of Partnership Interests determine and as are required by law.

C. Method of Accounting. The Partnership books of account shall be maintained and kept, and its income, gains, losses and deductions shall be accounted for, in accordance with sound principles of cash basis accounting consistently applied, or such other method of accounting as may be adopted hereafter by a Majority of Partnership Interests.

D. Tax Returns and Elections.

1. The Partnership shall prepare and file all tax and information returns which the Partnership may be required to file and shall, on behalf of the Partnership, make such tax elections and determinations as are necessary or appropriate in its sole discretion.

ARTICLE VIII.

Transfer of Interest

A. Transfer.

1. The term "transfer" when used in this Article with respect to any interest in the Partnership includes a sale, assignment, gift, pledge, encumbrance, hypothecation, mortgage, exchange or any other disposition.

2. No Partner may transfer all or any part of his, her or its interest in the Partnership without the consent of all other Partners. Any transfer or purported transfer of any interest in the Partnership not made in accordance with this Article VIII shall be null and void.

ARTICLE IX.

Removal of a Partner

A. Any Partner may be removed as a Partner in the Partnership with or without cause upon the vote of a Majority of Partnership Interests calculated including the Percentage Interest of the Partner to be removed.

ARTICLE X.

Dissolution, Liquidation and Termination

A. Dissolution.

1. The Partnership shall be dissolved upon the occurrence of any of the following:

a. the agreement of a Majority of Partnership Interests to dissolve the Partnership;

b. the bankruptcy of the Partnership;

c. the death, bankruptcy, insolvency, removal or withdrawal of a Partner if following such event, the Partnership has only one Partner;

d. any event which makes it unlawful for the Partnership business to be continued.

For purposes of this Section, bankruptcy of the Partnership or a Partner shall be deemed to have occurred when (i) it or he or she commences a voluntary proceeding seeking liquidation, reorganization or other relief under any bankruptcy, insolvency or other similar law now or hereafter in effect, (ii) a final and non-appealable order for relief is entered against it or him or her under the Federal bankruptcy laws as now or hereafter in effect, or (iii) it or he or she executes and delivers a general assignment for the benefit of its, his or her creditors.

2. The dissolution shall be effective on the day on which the event occurs giving rise to the dissolution, but the Partnership shall not terminate until the assets have been distributed in accordance with this Article X.

3. The removal, insanity, insolvency, bankruptcy, death or withdrawal of a Partner shall not cause the dissolution of the Partnership if at least two Partners remain as Partners of the Partnership.

B. Method of Liquidation. Upon the dissolution of the Partnership pursuant to Section X.A. above, such Person or Persons as a Majority of Partnership Interests shall designate (the "Liquidator") shall commence to wind up the Partnership's affairs and distribute

its assets as promptly as possible. The Liquidator (if other than a Partner) shall be entitled to receive such compensation for its services as may be approved by the vote of a Majority of Partnership Interests. Except as expressly provided in this Article X, the Liquidator appointed in the manner provided herein shall have and may exercise, without further authorization or consent of any of the parties hereto, all the powers of the Partnership under the terms of this Agreement (but subject to all the applicable limitations, contractual and otherwise, upon the exercise of such powers) to the extent necessary or desirable in the good faith judgment of the Liquidator to complete the winding up and liquidation of the Partnership as provided for herein. The Partnership's business and affairs shall be liquidated in an orderly manner and the Liquidator may sell such properties of the Partnership as may be required for such purposes, including without limitation any property which may not be susceptible to division upon distribution to the Partners. The Partners shall continue to share net cash flow, profits and losses during the period of liquidation in the same proportions as before dissolution. The proceeds from liquidation or other Partnership assets, including any assets to be distributed in kind (valued using such reasonable method of valuation as the Management Committee shall determine, as though such assets were liquidated and reduced to cash), shall be applied in the order of priority as follows:

1. Debts of the Partnership, other than to Partners; then

2. To the establishment of any reserves deemed reasonably necessary or appropriate by the Liquidator for any contingent or unforeseen liabilities or obligations of the Partnership. Such reserves established hereunder shall be held for the purpose of paying any such contingent or unforeseen liabilities or obligations and, at the expiration of such period as the Liquidator reasonably deems advisable, of distributing the balance of such reserves in the manner provided hereinafter in this Section; then

3. To the repayment of any liabilities or debts, other than capital accounts, of the Partnership to any of the Partners; then

4. To the Partners in proportion to and to the extent of positive capital account balances and thereafter in proportion to their respective Percentage Interests in the Partnership.

C. Distributions in Liquidation. All distributions of Partnership property pursuant to the terms of this Agreement shall be subject to such liens, encumbrances, obligations, commitments, undertakings or restrictions as may affect such property at the date of such distribution.

ARTICLE XI.

Amendments

A. Amendments. This Agreement may be amended by the consent of a Majority of Partnership Interests.

ARTICLE XII.

General

A. Notices. All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or made if mailed from within the United States by first class United States mail, postage prepaid, or if telegraphed by prepaid telegram, and addressed to the address for notice set forth below each Partner's signature to this Agreement. Any Partner may change his or her address by giving notice in writing to the other Partners, stating his or her new address.

B. Law Governing. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

C. Successors and Assigns. This Agreement and all the terms and provisions hereof shall be binding upon the Partners and their legal representatives, heirs, successors and assigns.

D. Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if the Partners hereto had all signed the same document. All counterparts of this Agreement so executed by the Partners shall constitute one instrument.

E. Arbitration. Any controversy or dispute (whether between the Partnership and one or more of the Partners or between two or more of the Partners) with respect to the interpretation or meaning of this Agreement, the operation of the Partnership or the rights or obligations of the Partners shall be resolved by arbitration in [Los Angeles, California] under the rules of the American Arbitration Association. Any award made pursuant to such arbitration shall be conclusive and binding upon the Partners and the Partnership and may be enforced by any court of competent jurisdiction. Each party shall bear its own costs (including attorney fees) relating to the arbitration, and the parties shall bear equally the fees of the arbitrator and other costs of the arbitration as such. For purposes of this Section XII.E. and Section XII.F., the term "Partner" includes any former Partner.

F. Attorneys Fees. In the event of any suit, action or proceeding relating to this Agreement (other than pursuant to Section XII.E.), the operation of the Partnership or the rights or obligations of the Partners, the prevailing party shall be entitled to his or her costs and reasonable attorney fees.

G. Miscellaneous.

1. The headings in this Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

2. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Agreement.

3. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any Partner shall not preclude or waive his or her right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the Partners may have by law, statute, ordinance or otherwise.

IN WITNESS WHEREOF, the undersigned Partners have executed this Agreement as of the 1st day of October, 1995.

WESTMARK REAL ESTATE ACQUISITION
PARTNERSHIP, L.P.

By: CB Commercial Real Estate Group,
Inc., its General Partner

By: /s/ David Davidson

Name: David Davidson
Title: Senior Executive Vice President

Address for Notice:

533 S. Fremont Avenue
Los Angeles, California 90071

HOLDPAR B,
a Delaware General Partnership

By: Westmark Real Estate Acquisition

Partnership, L.P., its General Partner

By: CB Commercial Real Estate Group, Inc., its General Partner

By: /s/ David Davidson

Name: David Davidson
Title: Senior Executive Vice President

Address for Notice:

533 S. Fremont Avenue
Los Angeles, California 90071

EXHIBIT A

Capital Contributions By and Interests in Profits and Losses of Each Partner

Name	Capital Contribution	Percentage Interest in Profits and Losses
Westmark Real Estate Acquisition Partnership, L.P.	79.13%*	99.00066
HoldPar B, a Delaware General Partnership	$100.00	.00034

* This is a percentage interest in Westmark Realty Advisers, L.L.C., a, Delaware Limited Liability Company, rounded to the nearest one hundredth of a percent and represents the contributions made by the predecessor and partners of WREAP.

EXHIBIT 3.12

PARTNERSHIP AGREEMENT OF
HOLDPAR B

This PARTNERSHIP AGREEMENT is entered into by, between and among those individuals listed on the signature pages hereto and HoldPar A, a Delaware General Partnership (individually "Partner," and collectively "Partners").

W I T N E S S E T H:

Whereas the parties hereto desire to enter into a general partnership in order to hold limited liability company interests in Westmark Realty Advisers, L.L.C., a Delaware Limited Liability Company ("Westmark") and to exercise the rights associated with such Interests:

Now, Therefore, the parties hereto hereby agree as follows:

ARTICLE I.

Definitions

The following words and terms when used herein in capitalized form shall have the meaning or meanings indicated:

A. "Partner" means any one of those individuals listed on the signature pages hereto and HoldPar A, a Delaware General Partnership or any other person who becomes a partner pursuant hereto.

B. "Partners" means more than one of those individuals listed on the signature pages hereto and HoldPar A, a Delaware General Partnership, and all other persons who become partners pursuant hereto.

C. "Majority of Partnership Interests" means the owners of more than fifty percent (50%) of all Partnership interests.

D. "Percentage Interest" means the percentage interest of each Partner in the Partnership as set forth in Exhibit A hereto as amended from time to time.

ARTICLE II.

Organizational Matters

A. The Partnership. The Partners hereby create a general partnership pursuant to the Delaware Uniform Partnership Act (the "Act"). The rights and liabilities of the Partners and the administration, dissolution and termination of the Partnership shall be as provided for in the Act except as hereinafter expressly stated to the contrary. A Partner's interest in the Partnership shall be personal property for all purposes. All real and personal property

owned by the Partnership shall be deemed owned by the Partnership as an entity and no Partner, in his or her individual or separate capacity, shall have any direct ownership of such property.

B. Certificates. The Partners hereby agree to execute all certificates or other documents and all amendments thereto to accomplish all filings, publishings, recordings and other acts as may be appropriate to comply with the requirements of law for the establishment, continuation and operation of a Partnership under the laws of the State of Delaware. The Partners also agree to execute any certificates or other documents to accomplish all filings, recordings, publishings and other acts as may be appropriate to comply with the requirements of law for the formation, continuation and operation of a partnership in any other jurisdiction where the Partnership shall propose to conduct business. Prior to conducting any business in any jurisdiction, the Partners shall, to the full extent permitted by the laws of such jurisdiction, cause the Partnership to comply with all requirements for the qualification of the Partnership to conduct business as a partnership in such jurisdiction.

C. Partnership Name. The name of the Partnership shall be HoldPar B and the business of the Partnership shall be conducted under such name in the State of California and under such name or any variation thereof as may be necessary to comply with the laws of the other jurisdiction in which the Partnership may conduct its business.

D. Offices. The principal office and place of business of the Partnership shall be at 533 South Fremont Avenue, Los Angeles, California

90071-1798 or elsewhere as the Partners may from time to time select. The Partnership may have such additional offices and places of business as may be established from time to time by the Administrative Partner.

E. Term. The Partnership shall continue in existence until December 31, 2010 or until the earlier termination of the Partnership in accordance with Article X.

ARTICLE III.

Business Purpose of the Partnership

The business purpose of the Partnership shall be to hold limited liability company interests in Westmark and to exercise the rights associated with such interests.

ARTICLE IV.

Management

A. Management Authority. All determination, decisions, approvals and actions affecting the Partnership and its business and affairs shall be determined, made, approved or authorized only by the affirmative vote of a Majority of Partnership Interests.

B. Other Business of Partners. Each of the Partners shall be entitled to and may have business interests and engage in business activities in addition to those relating to the Partnership (even if such interest or activities compete with or are in conflict with the business or

activities of the Partnership), for his or her own account and for the account of others, without having or incurring any obligation to offer any interest in such businesses or activities or properties owned or acquired in connection therewith to the Partnership or any Partner, and no other provisions of this Agreement shall be deemed to prohibit any Partner from conducting such other businesses and activities. Neither the Partnership nor any of the Partners shall have any rights by virtue of this Agreement in any such business venture or properties of such Partner.

C. Indemnification of the Partners.

1. The Partners (individually referred to in this Section IV.C. as "Indemnitee") shall each, to the extent permitted by law, be indemnified and held harmless by the Partnership from and against any and all losses, claims, damages, liability, joint and several, expenses (including legal fees and expenses), judgments, fines, settlements and other amounts arising from any and all claims, costs, demands, actions, suits or proceedings, civil, criminal, administrative or investigative, in which the Indemnitee may be involved, or threatened to be involved, as a party or otherwise by reason of his or her status as a Partner or his or her management of the affairs of the Partnership, or which relate to the Partnership, its property, business or affairs, whether or not the Indemnitee continues to be a Partner at the time any such liability or expense is paid or incurred, if the Indemnitee acted in good faith and in a manner he or it reasonably believed to be in, or not opposed to, the best interests of the Partnership, and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not of itself create a presumption that the Indemnitee did not act in good faith and in a manner which the Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Partnership or a presumption that the Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

2. An Indemnitee shall not be entitled to indemnification under this Section IV.C. with respect to any claim, issue or matter in which he, she or it has violated an express provision of this Agreement or been adjudged liable for gross negligence or willful misconduct.

3. Expenses (including legal fees and expenses) incurred in defending any proceeding shall be paid by the Partnership in advance of the final disposition of such proceeding upon receipt of (a) an undertaking by or on behalf of the Indemnitee to repay such amount if it shall ultimately be determined by a court of competent jurisdiction that the Indemnitee is not entitled to be indemnified by the Partnership as authorized hereunder and (b) reasonable proof of his, her or its ability to make such repayment.

4. The indemnification provided by this Section IV.C. shall be in addition to any other rights to which those indemnified may be entitled under any agreement, vote of the Partners, as a matter of law or otherwise, both as to action in the Indemnitee's capacity as a Partner and to action in another capacity relating to the Partnership, and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnitee.

5. The Partnership may purchase and maintain insurance on behalf of the Partners and other Indemnities against any liability which may be asserted against or expense

which may be incurred by such Persons in connection with the Partnership's activities, whether or not the Partnership would have the power to indemnify such Persons against such liability under the provisions of this Agreement.

6. An Indemnitee shall not be denied indemnification in whole or in part under this Section IV.C. because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

7. The provisions of this Section IV.C. are for the benefit of the Indemnities and shall not be deemed to create any rights for the benefit of any other persons (other than the heirs, successors, assigns or administrators of the Indemnitee).

8. Any other provision of this Section IV.C. to the contrary notwithstanding, the right of any Partner to indemnity, whether under this Agreement or otherwise, shall be limited to the assets of the Partnership and no Partner shall have any claim hereunder against any other Partner or any right to require any other Partner to contribute funds to the Partnership to meet the indemnity requirements of this Section IV.C.

D. Limitation on Liability of Partner. No Partner shall be liable, responsible or accountable in damages or otherwise to the Partnership or any of the Partners for any act or omission performed or omitted by such Partner in good faith pursuant to the authority granted to him, her or it by this Agreement and in a manner reasonably believed by him, her or it to be within the scope of the authority granted by this Agreement and in the best interests of the Partnership, provided that such Partner was not guilty of negligence, misconduct, fraud or bad faith.

E. Action by Meeting or Unanimous Written Consent. Any action which requires the approval of a majority of Partnership Interests or all of the Partners may be taken either (a) with the written consent of a Majority of Partnership Interests or all of the Partners, as appropriate, or (b) at a meeting held and noticed in such a manner as is deemed appropriate by a Majority of Partnership Interests.

ARTICLE V.

Partners and Capital

A. Capital.

1. The capital of the Partnership shall be as set forth in Exhibit A to this Agreement.

2. Additional contributions of cash or property may be made to the capital of the Partnership only as agreed by a Majority of Partnership Interests.

B. Capital Position. Except as set forth herein, no Partner shall have any right, claim or interest in the capital of the Partnership.

C. Additional Funds. Any additional funds required by the Partnership to meet its cash requirements may be borrowed by the Partnership (i) from any Partner or (ii) from one or more third parties upon such terms and conditions as a Majority of Partnership Interests deems necessary or appropriate.

D. Capital Accounts.

1. A separate capital account shall be established and maintained for each Partner. Such capital account shall be increased by (a) the amount of cash and the adjusted basis for Federal income tax purposes of all property contributed by such Partner to the Partnership (net of liabilities of the Partner assumed by the Partnership or to which the contributed property is subject), (b) that Partner's allocable share (determined by reference to Section VI.A. hereof) of income and gain for Federal income tax purposes, (c) that Partner's allocable share (determined by reference to Section VI.A.1. hereof) of income exempt from tax described in Section 705 of the Internal Revenue Code of 1986, as amended (the "Code"), and decreased by (d) the amount of cash and the adjusted basis for Federal income tax purposes of property distributed other than in liquidation of the Partnership to such Partner (net of liabilities assumed by the Partner or to which such property is subject), (e) the fair market value of unsold property distributed to such Partner (net of liabilities assumed by the Partner or to which the property is subject) upon liquidation of the Partnership, (f) that Partner's allocable share (determined by reference to Section VI.A. hereof) of losses and other items of deduction for Federal income tax purposes, and (g) that Partner's allocable share (determined by reference to Section VI.A.1. hereof) of expenditures described in Section 705 of the Code.

2. The following provisions shall be observed in maintaining each Partner's capital account:

a. Except as provided herein, the recognition and classification of items of income, gain, loss and deduction for purposes hereof shall be the same as their recognition and classification for Federal income tax purposes except that the computation of such items of income, gain, loss and deduction shall be made without regard to any adjustments resulting from any election which may be made by the Partnership pursuant to Section 754 of the Code.

b. If the Partnership's adjusted basis in a depreciable or cost recovery property is reduced for Federal income tax purposes pursuant to Section 48(q)(1) of the Code, the amount of such reduction shall, solely for the purposes hereof, be deemed to be an additional depreciation or cost recovery deduction in the year such property is placed in service and shall be allocated among the Partners pursuant to Section VI.A.1. Any restoration of such basis pursuant to Section 48(q)(2) of the Code shall be allocated in the same manner to the Partners to whom such deemed deduction was allocated.

c. Immediately prior to the distribution of any Partnership property in liquidation of the Partnership pursuant to Section X.C., any difference between the fair market value (as determined pursuant to Section X.B.) of such property and its adjusted basis for Federal income tax purposes shall be determined (any excess of such fair market value over adjusted basis will be referred to as "Unrealized Gain," while any excess of adjusted basis over fair market value will be referred to as "Unrealized Loss"). Any Unrealized Gain or Unrealized Loss attributable to such property shall, for purposes of capital account maintenance, be deemed to be gain or loss recognized by the Partnership and shall be allocated among the Partners pursuant to Section VI.A.2.

E. Interest on and Return of Capital. Except as provided in Section VI.C. below, no Partner shall be entitled to any interest on his, her or its capital account or on his, her or its contributions to the capital of the Partnership, and no Partner shall have the right to demand or to receive the return of all or any part of his, her or its capital account in the Partnership. No Partner shall have the right to demand or receive property other than cash in return for the contribution of such Partner to the Partnership.

F. Waiver of Right of Partition and Dissolution. Having previously been advised that he, she or it may have the right to bring an action for partition, each of the Partners does hereby agree to and does hereby irrevocably waive for the duration of this Agreement any right or power any such Partner might have to cause the Partnership or any of its assets to be partitioned, to cause the appointment of a receiver for the assets of the Partnership, to compel any sale of all or any portion of the assets of the Partnership pursuant to any applicable law or laws, or to file a complaint or to institute any proceeding at law or in equity to cause the termination or dissolution of the Partnership except as expressly provided herein. Each of the Partners hereby acknowledges and agrees that such Partner has been induced to enter into this Agreement in reliance upon the mutual waivers set forth in this Section V.F. and, without such waivers, no Partner would have entered into this Agreement. No Partner has any interest in specific Partnership property but the interests of all Partners

in the Partnership are, for all purposes, personal property.

G. Negative Accounts. Upon the dissolution and winding up of the Partnership, after the allocations of any gains and/or losses resulting from the liquidation of the Partnership in accordance with the terms hereof, each Partner shall be required to pay to the Partnership any deficit or negative balance which may then exist in his, her or its capital account maintained in accordance with Section V.D. hereof.

ARTICLE VI.

Profits and Losses and Distributions

A. Profits, Losses and Distributive Shares of Tax Items.

1. The Partnership's net profits or net loss, as the case may be, for each fiscal year of the Partnership, as determined in accordance with such method of accounting as may be

adopted for the Partnership by the Management Committee pursuant to Section VII.C. hereof, shall be allocated to the Partners for both financial accounting and income tax purposes as follows in the ratio of each Partner's Percentage Interest:

a. In the absence of any other agreement among the Partners, in the ratio of each Partner's Percentage Interest; or

b. If all of the Partners otherwise agree in writing pursuant to Article XII with respect to a particular project, in accordance with such agreement.

2. Notwithstanding the foregoing, any gain or loss on Partnership assets occurring in connection with the sale of all or substantially all the assets of the Partnership or the dissolution and liquidation of the Partnership shall be credited or charged to the Partners in the following order of priority:

a. Gains shall be allocated as follows:

i. first, an amount of gains up to the negative balances, if any, in the capital accounts of the Partners shall be allocated to the Partners having negative capital account balances in proportion to their respective negative capital account balances, until the balances of the capital accounts of such Partners equal zero;

ii. then, gains shall be allocated to the Partners in a manner, as nearly as can be, to cause the capital accounts of the Partners to stand in the ratio of their respective Percentage Interests in the Partnership; or

b. Losses shall be allocated as follows:

i. first, losses shall be allocated to the Partners in a manner, as nearly as can be, to cause the capital accounts of the Partners to stand in the ratio of their respective Percentage Interests in the Partnership; and

ii. all remaining losses shall be allocated to the Partners in proportion to their respective Percentage Interest in the Partnership.

B. Distributions. It is the policy of the Partnership to make distributions to the Partners at such times and in such amounts, if any, that a Majority of Partnership Interests determine.

ARTICLE VII.

Accounting and Tax Matters

A. Fiscal Year. The fiscal year of the Partnership shall end on the last day of December of each year, unless another fiscal year end is selected by a Majority of Partnership Interests.

B. Books of Account. The Partnership books of account shall be

maintained at the principal office designated in Section II.D. hereof or at such other locations and by such Person or Persons as may be designated by a Majority of Partnership Interests. The Partnership shall pay (in amounts not to exceed reasonable commercial rates) the expense of maintaining its books of account. Each Partner shall have, during reasonable business hours and upon reasonable notice, access to the books of the Partnership and shall have the right to copy such books. The Partnership, shall prepare and distribute to each Partner such financial statements as a Majority of Partnership Interests determine and as are required by law.

C. Method of Accounting. The Partnership books of account shall be maintained and kept, and its income, gains, losses and deductions shall be accounted for, in accordance with sound principles of cash basis accounting consistently applied, or such other method of accounting as may be adopted hereafter by a Majority of Partnership Interests.

D. Tax Returns and Elections.

1. The Partnership shall prepare and file all tax and information returns which the Partnership may be required to file and shall, on behalf of the Partnership, make such tax elections and determinations as are necessary or appropriate in its sole discretion.

ARTICLE VIII.

Transfer of Interest

A. Transfer.

1. The term "transfer" when used in this Article with respect to any interest in the Partnership includes a sale, assignment, gift, pledge, encumbrance, hypothecation, mortgage, exchange or any other disposition.

2. No Partner may transfer all or any part of his, her or its interest in the Partnership without the consent of all other Partners. Except that the Partners may transfer their interests to CB Commercial Real Estate Group, Inc., Westmark Real Estate Acquisition Partnership L.P., or any affiliate thereof. Any transfer or purported transfer of any interest in the Partnership not made in accordance with this Article VIII shall be null and void.

ARTICLE IX.

Removal of a Partner

A. Any Partner may be removed as a Partner in the Partnership with or without cause upon the vote of a Majority of Partnership Interests calculated including the Percentage Interest of the Partner to be removed.

ARTICLE X.

Dissolution, Liquidation and Termination

A. Dissolution.

1. The Partnership shall be dissolved upon the occurrence of any of the following:

a. the agreement of a Majority of Partnership Interests to dissolve the Partnership;

b. the bankruptcy of the Partnership;

c. the death, bankruptcy, insolvency, removal or withdrawal of a Partner if following such event, the Partnership has only one Partner;

d. any event which makes it unlawful for the Partnership business to be continued.

For purposes of this Section, bankruptcy of the Partnership or a Partner shall be deemed to have occurred when (i) it or he or she commences a voluntary proceeding seeking liquidation, reorganization or other relief under any bankruptcy, insolvency or other similar law now or hereafter in effect, (ii) a final and non-appealable order for relief is entered against it or him or her under the Federal bankruptcy laws as now or hereafter in effect, or (iii) it or

he or she executes and delivers a general assignment for the benefit of its, his or her creditors.

2. The dissolution shall be effective on the day on which the event occurs giving rise to the dissolution, but the Partnership shall not terminate until the assets have been distributed in accordance with this Article X.

3. The removal, insanity, insolvency, bankruptcy, death or withdrawal of a Partner shall not cause the dissolution of the Partnership if at least two Partners remain as Partners of the Partnership.

B. Method of Liquidation. Upon the dissolution of the Partnership pursuant to Section X.A. above, such Person or Persons as a Majority of Partnership Interests shall designate (the "Liquidator") shall commence to wind up the Partnership's affairs and distribute its assets as promptly as possible. The Liquidator (if other than a Partner) shall be entitled to receive such compensation for its services as may be approved by the vote of a Majority of Partnership Interests. Except as expressly provided in this Article X, the Liquidator appointed in the manner provided herein shall have and may exercise, without further authorization or consent of any of the parties hereto, all the powers of the Partnership under the terms of this Agreement

(but subject to all the applicable limitations, contractual and otherwise, upon the exercise of such powers) to the extent necessary or desirable in the good faith judgment of the Liquidator to complete the winding up and liquidation of the Partnership as provided for herein. The Partnership's business and affairs shall be liquidated in an orderly manner and the Liquidator may sell such properties of the Partnership as may be required for such purposes, including without limitation any property which may not be susceptible to division upon distribution to the Partners. The Partners shall continue to share net cash flow, profits and losses during the period of liquidation in the same proportions as before dissolution. The proceeds from liquidation or other Partnership assets, including any assets to be distributed in kind (valued using such reasonable method of valuation as the Management Committee shall determine, as though such assets were liquidated and reduced to cash), shall be applied in the order of priority as follows:

1. Debts of the Partnership, other than to Partners; then

2. To the establishment of any reserves deemed reasonably necessary or appropriate by the Liquidator for any contingent or unforeseen liabilities or obligations of the Partnership. Such reserves established hereunder shall be held for the purpose of paying any such contingent or unforeseen liabilities or obligations and, at the expiration of such period as the Liquidator reasonably deems advisable, of distributing the balance of such reserves in the manner provided hereinafter in this Section; then

3. To the repayment of any liabilities or debts, other than capital accounts, of the Partnership to any of the Partners; then

4. To the Partners in proportion to and to the extent of positive capital account balances and thereafter in proportion to their respective Percentage Interests in the Partnership.

C. Distributions in Liquidation. All distributions of Partnership property pursuant to the terms of this Agreement shall be subject to such liens, encumbrances, obligations, commitments, undertakings or restrictions as may affect such property at the date of such distribution.

ARTICLE XI.

Amendments.

A. Amendments. This Agreement may be amended by the consent of a Majority of Partnership Interests.

ARTICLE XII.

General

A. Notices. All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or

made if mailed from within the United States by first class United States mail, postage prepaid, or if telegraphed by prepaid telegram, and in the case of Partners who are individuals, addressed to Stanton H. Zarrow, 865 S. Figueroa Street, Suite 3500, Los Angeles, California 90017 or, in any other case, to the address for notice set forth below such Partner's signature to this Agreement. Any Partner may change his or her address by giving notice to the other Partners, stating his or her new address.

B. Law Governing. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

C. Successors and Assigns. This Agreement and all the terms and provisions hereof shall be binding upon the Partners and their legal representatives, heirs, successors and assigns.

D. Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if the Partners hereto had all signed the same document. All counterparts of this Agreement so executed by the Partners shall constitute one instrument.

E. Arbitration. Any controversy or dispute (whether between the Partnership and one or more of the Partners or between two or more of the Partners) with respect to the interpretation or meaning of this Agreement, the operation of the Partnership or the rights or obligations of the Partners shall be resolved by arbitration in [Los Angeles, California] under the rules of the American Arbitration Association. Any award made pursuant to such arbitration shall be conclusive and binding upon the Partners and the Partnership and may be enforced by any court of competent jurisdiction. Each party shall bear its own costs (including attorney fees) relating to the arbitration, and the parties shall bear equally the fees of the arbitrator and other costs of the arbitration as such. For purposes of this Section XII.E. and Section XII.F., the term "Partner" includes any former Partner.

F. Attorneys Fees. In the event of any suit, action or proceeding relating to this Agreement (other than pursuant to Section XII.E.), the operation of the Partnership or the rights or obligations of the Partners, the prevailing party shall be entitled to his or her costs and reasonable attorney fees.

G. Miscellaneous.

1. The headings in this Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

2. Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the Agreement.

3. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any Partner shall not preclude or waive his or her right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the Partners may have by law, statute, ordinance or otherwise.

IN WITNESS WHEREOF, the undersigned Partners have executed this Agreement as of the 30/th/ day of June, 1995.

/s/ William K. Krauch

William K. Krauch

/s/ Thomas A. Herta

Thomas A. Herta

/s/ Richard R. Grantham

Richard R. Grantham

/s/ Michael J.N. Gray

Michael J.N. Gray

/s/ Nicholas Tsiantar

Nicholas Tsiantar

/s/ Richard I. Pink

Richard I. Pink

/s/ Arthur J. Briggs

Arthur J. Briggs

/s/ Douglas J. Herzbrun

Douglas J. Herzbrun

/s/ Penelope C. Morris

Penelope C. Morris

/s/ Elizabeth T. Coleman

Elizabeth T. Coleman

/s/ Bette Harris Dagel

Bette Harris Dagel

/s/ Jane H. Dorrel

Jane H. Dorrel

/s/ Christopher W. Roscoe

Christopher W. Roscoe

/s/ Michael J. Everly

Michael J. Everly

/s/ Jeffrey J. Miller

Jeffrey J. Miller

/s/ Timothy M. Shine

Timothy M. Shine

/s/ Donald W. Morse

Donald W. Morse

/s/ Todd Evan Stark

Todd Evan Stark

/s/ Richard B. Swartz

Richard B. Swartz

/s/ Aurora T. Abanilla

Aurora T. Abanilla

/s/ James E. Bell

James E. Bell

/s/ Tsilah B. Burman

Tsilah B. Burman

/s/ William H. Paine

William H. Paine

/s/ Victor S. Bucchere

Victor S. Bucchere

/s/ Edward H. Chazen

Edward H. Chazen

/s/ Philip Hugh Dirstine, Jr.

Philip Hugh Dirstine, Jr.

/s/ Cynthia A. Leuty

Cynthia A. Leuty

/s/ Richard R. Liebermann

Richard R. Liebermann

/s/ Henry G. Metzger, Jr.

Henry G. Metzger, Jr.

/s/ Gary G. Neumeier

Gary G. Neumeier

HoldPar A,
a Delaware General Partnership

By: Stanton H. Zarrow, Inc.,
A General Partner

By: /s/ Stanton H. Zarrow

Name: Stanton H. Zarrow
Title: President

Address for Notice:

865 South Figueroa Street
Suite 3500
Los Angeles, California 90017

EXHIBIT A

Initial Capital Contributions By
and Interests in Profits
and Losses of Each Partner

Name	Capital Contribution*	Percentage Interest in Profits and Losses**
William K. Krauch	6.13%	29.38
Thomas A. Herta	3.27%	15.67
Richard R. Grantham	.57%	2.71
Michael J.N. Gray	1.80%	8.63
Nicholas Tsiantar	1.64%	7.85
Richard I. Pink	2.67%	12.78
Arthur J. Briggs	1.16%	5.54
Douglas J. Herzbrun	.54%	2.57
Penelope C. Morris	1.08%	5.17
Elizabeth T. Coleman	.16%	.76
Bette Harris Dagel	.30%	1.45
Jane H. Dorrel	.45%	2.14

Christopher W. Roscoe	.23%	1.12
Michael J. Everly	.53%	2.53
Jeffrey J. Miller	.04%	.17
Timothy M. Shine	.04%	.19
Donald W. Morse	.03%	.14
Todd Evan Stark	.03%	.14
Richard B. Swartz	.03%	.14
Aurora T. Abanilla	.01%	.06
James E. Bell	.03%	.12
Tsilah B. Burman	.02%	.09
William H. Paine	.03%	.12
Victor S. Bucchere	.02%	.08
Edward H. Chazen	.02%	.08
Philip Hugh Dirstine, Jr.	.02%	.08

Name	Capital Contribution*	Percentage Interest in Profits and Losses**
Cynthia A. Leuty	.02%	.08
Richard R. Liebermann	.02%	.08
Henry G. Metzger, Jr.	.02%	.08
Gary G. Neumeier	.02%	.08
HoldPar A.	$ 100	.001

---

* All percentages are percentage interests in Westmark Realty Advisers, L.L.C., a Delaware Limited Liability Company, rounded to the nearest one hundredth of a percent.

* Rounded to nearest one hundredth of a percent, except in case of HoldPar A.

CERTIFICATE OF INCORPORATION
OF
KEA/1, INC.

The undersigned, for the purpose of incorporating a corporation under the General Corporation Law of the State of Delaware, does hereby certify as follows:

FIRST. The name of the Corporation is KEA/1, Inc.

SECOND. The address of the Corporation's registered office in the State of Delaware is 1013 Centre Road in the City of Wilmington, County of New Castle, 19805. The name of its registered agent at such address is Corporation Service Company.

THIRD. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH. The total number of shares which the Corporation shall have authority to issue is Twenty Thousand (20,000) shares of capital stock, all of which shall be designated "Common Stock," with a par value of $.01 per share.

FIFTH. The name and mailing address of the incorporator is Thomas C. Foster, 18400 Von Karman Avenue, Fourth Floor, Irvine, California 92715.

SIXTH. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation is expressly authorized to make, alter or repeal the by-laws of the Corporation.

SEVENTH. A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation in respect of any act or omission occurring prior to the time of such amendment, modification or repeal.

EIGHTH. Elections of directors need not be by written ballot except and to the extent provided in the by-laws of the Corporation.

NINTH. The Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law, and all rights, preferences

and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation, as may be amended from time to time, are granted subject to the rights reserved in this Article NINTH.

IN WITNESS WHEREOF, the undersigned incorporator does hereby execute this Certificate of Incorporation this 23/rd/ day of October, 1995.

/s/ Thomas C. Foster

THOMAS C. FOSTER, Incorporator

EXHIBIT 3.13(b)

BYLAWS

OF

KEA/1, INC.

INDEX

<TABLE>
<CAPTION>

BY-LAWS

OF

KOLL STRATEGIC ASSETS, INC.

ARTICLE I
STOCKHOLDERS

Section 1.1 Annual Meetings. An annual meeting of stockholders shall be held for the election of directors at such date, time and place, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting.

Section 1.2 Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Board of Directors, or by a committee of the Board of Directors that has been duly designated by the Board of Directors and whose powers and authority, as expressly provided in a resolution of the Board of Directors, include the power to call such meetings, but such special meetings may not be called by any other person or persons.

Section 1.3 Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given that shall state the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the certificate of incorporation or these bylaws, the written notice of any meeting shall be given not less than ten nor more than sixty days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the corporation.

Section 1.4 Adjournments. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 1.5 Quorum. Except as otherwise provided by law, the certificate of incorporation or these bylaws, at each meeting of stockholders the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. In the absence of a quorum, the stockholders so present may, by majority vote, adjourn the meeting from time to time in the manner provided in Section 1.4 of these bylaws until a quorum shall attend. Shares of its own stock belonging to the corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the corporation, shall neither be entitled to vote nor be counted for quorum purposes;

provided, however, that the foregoing shall not limit the right of the corporation or any subsidiary of the corporation to vote stock, including, but not limited to, its own stock, held by it in a fiduciary capacity.

Section 1.6 Organization. Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board, if any, or in his absence by the President, or in his absence by a Vice President, or in the absence of the foregoing persons by a

chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting. The chairman of the meeting shall announce at the meeting of stockholders the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote.

Section 1.7 Voting; Proxies. Except as otherwise provided by the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by him which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or by delivering a proxy in accordance with applicable law bearing a later date to the Secretary of the corporation. Voting at meetings of stockholders need not be by written ballot. At all meetings of stockholders for the election of directors, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. All other elections and questions shall, unless otherwise provided by law, the certificate of incorporation or these bylaws, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock which are present in person or represented by proxy at the meeting and entitled to vote thereon.

Section 1.8 Fixing Date for Determination of Stockholders of Record. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date: (a) in the case of determination of stockholders entitled to vote at any meeting of stockholders or adjournment thereof, shall, unless otherwise required by law, not be more than sixty nor less than ten days before the date of such meeting; (b) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than ten days from the date upon which the resolution fixing the record date is adopted by the Board of Directors; and (c) in the case of any other action, shall not be more than sixty days prior to such other action. If no record date is fixed: (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day

next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; (ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action of the Board of Directors is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation in accordance with applicable law, or, if prior action by the Board of Directors is required by law, shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action; and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 1.9 List of Stockholders Entitled to Vote. The Secretary shall prepare and make, at least ten days before every meeting of stockholders, a complete list of stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present. Upon the willful

neglect or refusal of the directors to produce such a list at any meeting for the election of directors, they shall be ineligible for election to any office at such meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list of stockholders or the books of the corporation, or to vote in person or by proxy at any meeting of stockholders.

Section 1.10 Action by Consent of Stockholders. Unless otherwise restricted by the certificate of incorporation, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered (by hand or by certified or registered mail, return receipt requested) to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

Section 1.11 Inspectors of Election. The corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so

appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (a) ascertain the number of shares of capital stock of the corporation outstanding and the voting power of each such share, (b) determine the shares of capital stock of the corporation represented at the meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (e) certify their determination of the number of shares of capital stock of the corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election. If required by law, the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting. To the extent required by law, no ballot, proxies or votes, nor any revocations thereof or changes thereto, shall be accepted by the inspector or inspectors after the closing of the polls unless the Court of Chancery upon application by a stockholder shall determine otherwise.

Section 1.12 Conduct of Meetings. The Board of Directors of the corporation may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; (c) limitations on attendance at or participation in the meeting to stockholders of record of the corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE II
BOARD OF DIRECTORS

Section 2.1 Number; Qualifications. The authorized number of directors shall be two (2) until changed by a duly adopted amendment to this bylaw. Directors need not be stockholders.

Section 2.2 Election; Resignation; Removal; Vacancies. The Board of Directors shall initially consist of the persons elected as directors by the incorporator, and each

director so elected shall hold office until the first annual meeting of stockholders or until his successor is elected and qualified. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect directors each of whom shall hold office for a term of one year or until his successor is elected and qualified. Any director may resign at any time upon written notice to the corporation. Any newly created directorship or any vacancy occurring in the Board of Directors for any cause may be filled by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, or by a plurality of the votes cast at a meeting of stockholders, and each director so elected shall hold office until the expiration of the term of office of the director whom he has replaced or until his successor is elected and qualified.

Section 2.3 Regular Meetings. Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine, and if so determined notices thereof need not be given.

Section 2.4 Special Meetings. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the President, any Vice President, the Secretary, or by any member of the Board of Directors. Notice of a special meeting of the Board of Directors shall be given by the person or persons calling the meeting at least twenty-four hours before the special meeting.

Section 2.5 Telephonic Meetings Permitted. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this bylaw shall constitute presence in person at such meeting.

Section 2.6 Quorum; Vote Required for Action. At all meetings of the Board of Directors a majority of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the certificate of incorporation, these bylaws or applicable law otherwise provides, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.7 Organization. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board, if any, or in his absence by the President, or in their absence by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8 Informal Action by Directors. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or such committee.

ARTICLE III
COMMITTEES

Section 3.1 Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, designate one or more

committees, each committee to consist of one or more of the directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it. No such committee shall have power or authority in reference to amending the Certificate of Incorporation of the corporation, adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the corporation's property and assets, recommending to the stockholders a dissolution of the corporation or revocation of dissolution, or amending these bylaws; and, unless the resolution expressly so provides, no such committee shall have the power or authority to declare a dividend, to authorize the issuance of stock or adopt a certificate of ownership and merger.

Section 3.2 Committee Rules. Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these bylaws.

ARTICLE IV
OFFICERS

Section 4.1 Executive Officers; Election; Qualifications; Term of Office; Resignation; Removal; Vacancies. The Board of Directors shall elect a President, a Secretary and a Treasurer, and it may, if it so determines, choose a Chairman of the Board and a Vice Chairman of the Board from among its members. The Board of Directors may also choose one or more Vice Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers. Each such officer shall hold office until the first meeting of the Board of Directors after the annual meeting of stockholders next succeeding his election, and until his successor is elected and qualified or until his earlier death, resignation or removal. Any officer may resign at any time upon written notice to the corporation. The Board of Directors may remove any officer with or without cause at any time, but such removal shall be without prejudice to the contractual rights of such officer, if any, with the corporation. Any number of offices may be held by the same person. Any vacancy occurring in any office of the corporation by death, resignation, removal or otherwise may be filled for the unexpired portion of the term by the Board of Directors at any regular or special meeting.

Section 4.2 Chairman of the Board. The Chairman of the Board, if such an officer be elected, shall, if present, preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time prescribed by the bylaws. If there is no President, the Chairman of the Board shall in addition be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 4.3 of this Article IV.

Section 4.3 President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation. He shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the bylaws.

Section 4.4 Vice Presidents. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such

other duties as from time to time may be prescribed for them respectively by the Board of Directors, the bylaws, the President or the Chairman of the Board.

Section 4.5 Secretary. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at directors' meetings, the number of shares present or represented at stockholders' meetings, and the proceedings.

The Secretary shall keep, or cause to be kept, at the principal executive office or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required by the bylaws or by law to be given, and shall keep the seal of the corporation if one be adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the bylaws, the President or the Chairman of the Board.

Section 4.6 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts,

disbursements, gains, losses, capital, retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any director.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors, the bylaws, the President or the Chairman of the Board.

ARTICLE V
STOCK

Section 5.1 Certificates. Every holder of stock shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman or Vice Chairman of the Board of Directors, if any, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the corporation certifying the number of shares owned by him in the corporation. Any of or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 5.2 Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

ARTICLE VI
INDEMNIFICATION

Section 6.1 Right to Indemnification. The corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is

made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans (an "indemnitee"), against all judgments, fines, amounts paid in settlement, liabilities and losses suffered and expenses (including attorneys' fees) actually and reasonably incurred by such indemnitee in connection with such proceeding. The corporation shall be required to indemnify an indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if the initiation of such proceeding (or part thereof) by the indemnitee was authorized by the Board of Directors of the corporation.

Section 6.2 Prepayment of Expenses. The corporation shall pay the expenses (including attorneys' fees) incurred by an indemnitee in defending any proceeding in advance of its final disposition, provided, however, that the payment of expenses incurred by a director or officer in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by or on behalf of the director or officer to repay all amounts advanced if it should be ultimately determined that the director or officer is not entitled to be indemnified under this Article or otherwise.

Section 6.3 Claims. If a claim for indemnification or payment of expenses under this Article is not paid in full within sixty days after a written claim therefor by the indemnitee has been received by the corporation, the indemnitee may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the corporation shall have the burden of proving that the indemnitee was not entitled to the requested indemnification or payment of expenses under applicable law.

Section 6.4 Nonexclusivity of Rights. The rights conferred on any person by this Article VI shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the certificate of incorporation, these bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 6.5 Other Indemnification. The corporation's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise or nonprofit enterprise.

Section 6.6 Amendment or Repeal. Any repeal or modification of the foregoing provisions of this Article VI shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

ARTICLE VII
MISCELLANEOUS

Section 7.1 Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 7.2 Seal. The corporate seal shall have the name of the corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 7.3 Waiver of Notice of Meetings of Stockholders, Directors and Committees. Any written waiver of notice, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the stockholders,

directors, or members of a committee of directors need be specified in any written waiver of notice.

Section 7.4 Interested Directors; Quorum. No contract or transaction between the corporation and one or more of its directors or officers, or between the corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if: (a) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (b) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (c) the contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof, or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

Section 7.5 Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or be in the form of, punch cards, magnetic tape, photographs, microphotographs, or any other information storage device, provided that the records so kept can be converted into clearly legible form within a reasonable time.

Section 7.6 Amendment of Bylaws. These bylaws may be altered, amended or repealed or new bylaws may be adopted by the stockholders or by the Board of Directors, when such power is conferred upon the Board of Directors by the Certificate of Incorporation, at any regular meeting of the stockholders or of the Board of Directors or at any special meeting of the stockholders or of the Board of Directors if notice of such alteration, amendment, repeal or adoption of new bylaws be contained in the notice of such special meeting. If the power to adopt, amend or repeal bylaws is conferred upon the Board of Directors by the Certificate of Incorporation it shall not divest or limit the power of the stockholders to adopt, amend or repeal bylaws.

CERTIFICATE OF SECRETARY

I HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of Koll Strategic Assets, Inc., and that the above and foregoing Bylaws were adopted as the Bylaws of said corporation on the 10th day of October, 1996, by the Incorporator of this corporation and were ratified by the directors of the corporation pursuant to an Organizational Action dated October 10, 1996.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 10th day of October, 1996.

/s/ Nicholas S. Patin

Nicholas S. Patin, Secretary

EXHIBIT 3.14(a)

CERTIFICATE OF INCORPORATION
OF
KEA/II, INC.
a Delaware corporation

The undersigned, for the purpose of incorporating a corporation under the General Corporation Law of the State of Delaware, does hereby certify as follows:

FIRST. The name of the Corporation is KEA/II INC.

SECOND. The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH. The total number of shares which the Corporation shall have authority to issue is One Hundred Thousand (100,000) shares of capital stock, all of which shall be designated "Common Stock," with a par value of $.01 per share.

FIFTH. The name and mailing address of the incorporator is Thomas C. Foster, 18400 Von Karman Avenue, Fourth Floor, Irvine, California 92715.

SIXTH. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation is expressly authorized to make, alter or repeal the by-laws of the Corporation.

SEVENTH. A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation in respect of any act or omission occurring prior to the time of such amendment, modification or repeal.

EIGHTH. Elections of directors need not be by written ballot except and to the extent provided in the by-laws of the Corporation.

NINTH. The Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation, as may be amended from time to time, are granted subject to the rights reserved in this Article NINTH.

IN WITNESS WHEREOF, the undersigned incorporator does hereby execute this Certificate of Incorporation this 6th day of June, 1997.

/s/ THOMAS C. FOSTER

THOMAS C. FOSTER, Incorporator

EXHIBIT 3.14(b)

BYLAWS

OF

KEA/II, INC.

INDEX

</TABLE>

BY-LAWS

OF

KEA/II, INC.

ARTICLE I
STOCKHOLDERS

Section 1.1 Annual Meetings. An annual meeting of stockholders shall be held for the election of directors at such date, time and place, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting.

Section 1.2 Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Board of Directors, or by a committee of the Board of Directors that has been duly designated by the Board of Directors and whose powers and authority, as expressly provided in a resolution of the Board of Directors, include the power to call such meetings, but such special meetings may not be called by any other person or persons.

Section 1.3 Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given that shall state the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the certificate of incorporation or these bylaws, the written notice of any meeting shall be given not less than ten nor more than sixty days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the corporation.

Section 1.4 Adjournments. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 1.5 Quorum. Except as otherwise provided by law, the certificate of incorporation or these bylaws, at each meeting of stockholders the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. In the absence of a quorum, the stockholders so present may, by majority vote, adjourn the meeting from time to time in the manner provided in Section 1.4 of these bylaws until a quorum shall attend. Shares of its own stock belonging to the corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly,

by the corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the corporation or any subsidiary of the corporation to vote stock, including, but not limited to, its own stock, held by it in a fiduciary capacity.

Section 1.6 Organization. Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board, if any, or in his absence by the President, or in his absence by a Vice President, or in the absence of the foregoing persons by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting. The chairman of the meeting shall announce at the meeting of stockholders the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote.

Section 1.7 Voting; Proxies. Except as otherwise provided by the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by

him which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or by delivering a proxy in accordance with applicable law bearing a later date to the Secretary of the corporation. Voting at meetings of stockholders need not be by written ballot. At all meetings of stockholders for the election of directors, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. All other elections and questions shall, unless otherwise provided by law, the certificate of incorporation or these bylaws, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock which are present in person or represented by proxy at the meeting and entitled to vote thereon.

Section 1.8 Fixing Date for Determination of Stockholders of Record. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date: (a) in the case of determination of stockholders entitled to vote at any meeting of stockholders or adjournment thereof, shall, unless otherwise required by law, not be more than sixty nor less than ten days before the date of such meeting; (b) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than ten days from the date upon which the resolution fixing the record date is adopted by the Board of Directors; and (c) in the case of any other action, shall not be more than sixty days prior to such

other action. If no record date is fixed: (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; (ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action of the Board of Directors is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation in accordance with applicable law, or, if prior action by the Board of Directors is required by law, shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action; and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 1.9 List of Stockholders Entitled to Vote. The Secretary shall prepare and make, at least ten days before every meeting of stockholders, a complete list of stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present. Upon the willful neglect or refusal of the directors to produce such a list at any meeting for the election of directors, they shall be ineligible for election to any office at such meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list of stockholders or the books of the corporation, or to vote in person or by proxy at any meeting of stockholders.

Section 1.10 Action by Consent of Stockholders. Unless otherwise

restricted by the certificate of incorporation, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered (by hand or by certified or registered mail, return receipt requested) to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

Section 1.11 Inspectors of Election. The corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election,

who may be employees of the corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (a) ascertain the number of shares of capital stock of the corporation outstanding and the voting power of each such share, (b) determine the shares of capital stock of the corporation represented at the meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (e) certify their determination of the number of shares of capital stock of the corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election. If required by law, the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting. To the extent required by law, no ballot, proxies or votes, nor any revocations thereof or changes thereto, shall be accepted by the inspector or inspectors after the closing of the polls unless the Court of Chancery upon application by a stockholder shall determine otherwise.

Section 1.12 Conduct of Meetings. The Board of Directors of the corporation may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; (c) limitations on attendance at or participation in the meeting to stockholders of record of the corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE II
BOARD OF DIRECTORS

Section 2.1 Number; Qualifications. The authorized number of directors shall be three (3) until changed by a duly adopted amendment to this

bylaw. Directors need not be stockholders.

Section 2.2 Election; Resignation; Removal; Vacancies. The Board of Directors shall initially consist of the persons elected as directors by the incorporator, and each director so elected shall hold office until the first annual meeting of stockholders or until his successor is elected and qualified. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect directors each of whom shall hold office for a term of one year or until his successor is elected and qualified. Any director may resign at any time upon written notice to the corporation. Any newly created directorship or any vacancy occurring in the Board of Directors for any cause may be filled by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, or by a plurality of the votes cast at a meeting of stockholders, and each director so elected shall hold office until the expiration of the term of office of the director whom he has replaced or until his successor is elected and qualified.

Section 2.3 Regular Meetings. Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine, and if so determined notices thereof need not be given.

Section 2.4 Special Meetings. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the President, any Vice President, the Secretary, or by any member of the Board of Directors. Notice of a special meeting of the Board of Directors shall be given by the person or persons calling the meeting at least twenty-four hours before the special meeting.

Section 2.5 Telephonic Meetings Permitted. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this bylaw shall constitute presence in person at such meeting.

Section 2.6 Quorum; Vote Required for Action. At all meetings of the Board of Directors a majority of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the certificate of incorporation, these bylaws or applicable law otherwise provides, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.7 Organization. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board, if any, or in his absence by the President, or in their absence by a chairman chosen at the

meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8 Informal Action by Directors. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or such committee.

ARTICLE III
COMMITTEES

Section 3.1 Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee,

to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it. No such committee shall have power or authority in reference to amending the Certificate of Incorporation of the corporation, adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the corporation's property and assets, recommending to the stockholders a dissolution of the corporation or revocation of dissolution, or amending these bylaws; and, unless the resolution expressly so provides, no such committee shall have the power or authority to declare a dividend, to authorize the issuance of stock or adopt a certificate of ownership and merger.

Section 3.2 Committee Rules. Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these bylaws.

ARTICLE IV
OFFICERS

Section 4.1 Executive Officers; Election; Qualifications; Term of Office; Resignation; Removal; Vacancies. The Board of Directors shall elect a President, a Secretary and a Treasurer, and it may, if it so determines, choose a Chairman of the Board and a Vice Chairman of the Board from among its members. The Board of Directors may also choose one

or more Vice Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers. Each such officer shall hold office until the first meeting of the Board of Directors after the annual meeting of stockholders next succeeding his election, and until his successor is elected and qualified or until his earlier death, resignation or removal. Any officer may resign at any time upon written notice to the corporation. The Board of Directors may remove any officer with or without cause at any time, but such removal shall be without prejudice to the contractual rights of such officer, if any, with the corporation. Any number of offices may be held by the same person. Any vacancy occurring in any office of the corporation by death, resignation, removal or otherwise may be filled for the unexpired portion of the term by the Board of Directors at any regular or special meeting,

Section 4.2 Chairman of the Board. The Chairman of the Board, if such an officer be elected, shall, if present, preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time prescribed by the bylaws. If there is no President, the Chairman of the Board shall in addition be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 4.3 of this Article IV.

Section 4.3 President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation. He shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the bylaws.

Section 4.4 Vice Presidents. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, the bylaws, the President or the Chairman of the Board.

Section 4.5 Secretary. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of

directors, committees of directors, and stockholders, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at directors' meetings, the number of shares present or represented at stockholders' meetings, and the proceedings.

The Secretary shall keep, or cause to be kept, at the principal executive office or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and

date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required by the bylaws or by law to be given, and shall keep the seal of the corporation if one be adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the bylaws, the President or the Chairman of the Board.

Section 4.6 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any director.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors, the bylaws, the President or the Chairman of the Board.

ARTICLE V
STOCK

Section 5.1 Certificates. Every holder of stock shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman or Vice Chairman of the Board of Directors, if any, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the corporation certifying the number of shares owned by him in the corporation. Any of or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 5.2 Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

ARTICLE VI
INDEMNIFICATION

Section 6.1 Right to Indemnification. The corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he, or a person for whom he is the

legal representative, is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans (an "indemnitee"), against all judgments, fines, amounts paid in settlement, liabilities and losses suffered and expenses (including attorneys' fees) actually and reasonably incurred by such indemnitee in connection with such proceeding. The corporation shall be required to indemnify an indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if the initiation of such proceeding (or part thereof) by the indemnitee was authorized by the Board of Directors of the corporation.

Section 6.2 Prepayment of Expenses. The corporation shall pay the expenses (including attorneys' fees) incurred by an indemnitee in defending any proceeding in advance of its final disposition, provided, however, that the payment of expenses incurred by a director or officer in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by or on behalf of the director or officer to repay all amounts advanced if it should be ultimately determined that the director or officer is not entitled to be indemnified under this Article or otherwise.

Section 6.3 Claims. If a claim for indemnification or payment of expenses under this Article is not paid in full within sixty days after a written claim therefor by the indemnitee has been received by the corporation, the indemnitee may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the corporation shall have the burden of proving that the indemnitee was not entitled to the requested indemnification or payment of expenses under applicable law.

Section 6.4 Nonexclusivity of Rights. The rights conferred on any person by this Article VI shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the certificate of incorporation, these bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 6.5 Other Indemnification. The corporation's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise or nonprofit enterprise.

Section 6.6 Amendment or Repeal. Any repeal or modification of the foregoing provisions of this Article VI shall not adversely affect any right or protection hereunder of any

person in respect of any act or omission occurring prior to the time of such repeal or modification.

ARTICLE VII
MISCELLANEOUS

Section 7.1 Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 7.2 Seal. The corporate seal shall have the name of the corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 7.3 Waiver of Notice of Meetings of Stockholders, Directors and Committees. Any written waiver of notice, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

Section 7.4 Interested Directors; Quorum. No contract or transaction between the corporation and one or more of its directors or officers, or between the corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if: (a) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (b) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (c) the contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof, or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

Section 7.5 Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or be in the form of, punch cards, magnetictape, photographs, microphotographs, or any other information storage device, provided that the records so kept can be converted into clearly legible form within a reasonable time.

Section 7.6 Amendment of Bylaws. These bylaws may be altered, amended or repealed or new bylaws may be adopted by the stockholders or by the Board of Directors, when such power is conferred upon the Board of Directors by the Certificate of Incorporation, at any regular meeting of the stockholders or of the Board of Directors or at any special meeting of the stockholders or of the Board of Directors if notice of such alteration, amendment, repeal or adoption of new bylaws be contained in the notice of such special meeting. If the power to adopt, amend or repeal bylaws is conferred upon the Board of Directors by the Certificate of Incorporation it shall not divest or limit the power of the stockholders to adopt, amend or repeal bylaws.

CERTIFICATE OF SECRETARY

I HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of KEA/II, Inc., and that the above and foregoing Bylaws were adopted as the Bylaws of said corporation on the 6th day of June, 1997, by the Incorporator of this corporation and were ratified by the directors of the corporation pursuant to an Organizational Action dated June 6, 1997.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 6th day of June, 1997.

/s/ Herbert L. Roth

Herbert L. Roth, Secretary

KEA/II, INC.

ASSISTANT SECRETARY'S CERTIFICATE

The undersigned, TRUDE A. TSUJIMOTO, does hereby certify that she is the duly elected and acting Assistant Secretary of KEA/II, INC., a Delaware corporation (the "Corporation"), and that the following amendment to Article II, Section 2.1 of the By-laws of the Corporation was adopted by the sole stockholder of the Corporation by Written Consent of the Sole Stockholder of the Corporation as of December 16, 1997:

"RESOLVED, that Article II, Section 2.1 of the By-laws of the Corporation is hereby amended to read in its entirety as follows:

Section 2.1 Number; Qualifications. The authorized
number of directors shall be three (3) until changed by
a duly adopted amendment to this by-law. Directors need
not be stockholders."

The remainder of the Corporation's By-laws remain in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 16th day of December, 1997.

/s/ Trude A. Tsujimoto

Trude A. Tsujimoto, Assistant Secretary

EXHIBIT 3.15(a)

CERTIFICATE OF INCORPORATION
OF
KOLL CAPITAL MARKETS GROUP, INC.

The undersigned, for the purpose of incorporating a corporation under the General Corporation Law of the State of Delaware, does hereby certify as follows:

FIRST. The name of the Corporation is KOLL CAPITAL MARKETS GROUP, INC.

SECOND. The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH. Authorized Shares. The total number of shares which the Corporation shall have authority to issue is one hundred thousand (100,000) shares of capital stock, all of which shall be designated "Common Stock," with a par value of $.01 per share.

FIFTH. The name and mailing address of the incorporator is D. Glen Raiger, 4343 Von Karman Avenue, Newport Beach, California 92660.

SIXTH. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation is expressly authorized to make, alter or repeal the by-laws of the Corporation.

SEVENTH. A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation in respect of any act or omission occurring prior to the time of such amendment, modification or repeal.

EIGHTH. Elections of directors need not be by written ballot except and to the extent provided in the by-laws of the Corporation.

NINTH. The Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation, as may be amended from time to time, are granted subject to the rights reserved in this Article NINTH.

IN WITNESS WHEREOF, the undersigned incorporator does hereby execute this Certificate of Incorporation this 17/th/ day of February, 1993.

/s/ D. Glen Raiger

_____

D. Glen Raiger, Incorporator

Exhibit 3.15(b)

BY-LAWS

OF

KOLL CAPITAL MARKETS GROUP, INC.

ARTICLE I

STOCKHOLDERS

Section 1.1 Annual Meetings. An annual meeting of stockholders shall be held for the election of directors at such date, time and place, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting.

Section 1.2 Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Board of Directors, or by a committee of the Board of Directors that has been duly designated by the Board of Directors and whose powers and authority, as expressly provided in a resolution of the Board of Directors, include the power to call such meetings, but such special meetings may not be called by any other person or persons.

Section 1.3 Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given that shall state the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the certificate of incorporation or these by-laws, the written notice of any meeting shall be given not less than ten nor more than sixty days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the corporation.

Section 1.4 Adjournments. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 1.5 Quorum. Except as otherwise provided by law, the certificate of incorporation or these by-laws, at each meeting of stockholders the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. In the absence of a quorum, the stockholders so present may, by majority vote, adjourn the meeting from time to

time in the manner provided in Section 1.4 of these by-laws until a quorum shall attend. Shares of its own stock belonging to the corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the corporation or any subsidiary of the corporation to vote stock, including, but not limited to, its own stock, held by it in a fiduciary capacity.

Section 1.6 Organization. Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board, if any, or in his absence by the President, or in his absence by a Vice President, or in the absence of the foregoing persons by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting. The chairman of the meeting shall announce at the meeting of stockholders the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote.

Section 1.7 Voting; Proxies. Except as otherwise provided by the certificate of incorporation, each stockholder entitled to vote at any meeting

of stockholders shall be entitled to one vote for each share of stock held by him which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or by delivering a proxy in accordance with applicable law bearing a later date to the Secretary of the corporation. Voting at meetings of stockholders need not be by written ballot. At all meetings of stockholders for the election of directors, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. All other elections and questions shall, unless otherwise provided by law, the certificate of incorporation or these by-laws, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock which are present in person or represented by proxy at the meeting and entitled to vote thereon.

Section 1.8 Fixing Date for Determination of Stockholders of Record.

In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date: (a) in the case of determination of stockholders entitled to vote at any meeting of stockholders or adjournment thereof, shall, unless otherwise required by law, not be more than sixty nor less than ten days

before the date of such meeting; (b) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than ten days from the date upon which the resolution fixing the record date is adopted by the Board of Directors; and (c) in the case of any other action, shall not be more than sixty days prior to such other action. If no record date is fixed: (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; (ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action of the Board of Directors is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation in accordance with applicable law, or, if prior action by the Board of Directors is required by law, shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action; and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 1.9 List of Stockholders Entitled to Vote. The Secretary

shall prepare and make, at least ten days before every meeting of stockholders, a complete list of stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present. Upon the willful neglect or refusal of the directors to produce such a list at any meeting for the election of directors, they shall be ineligible for election to any office at such meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list of stockholders or the books of the corporation, or to vote in person or by proxy at any meeting of stockholders.

Section 1.10 Action by Consent of Stockholders. Unless otherwise

restricted by the certificate of incorporation, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered (by hand or by certified or registered mail, return receipt requested) to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of minutes of stockholders are recorded.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

Section 1.11 Inspectors of Election. The corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (a) ascertain the number of shares of capital stock of the corporation outstanding and the voting power of each such share, (b) determine the shares of capital stock of the corporation represented at the meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (e) certify their determination of the number of shares of capital stock of the corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election.

Section 1.12 Conduct of Meetings. The Board of Directors of the corporation may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; (c) limitations on attendance at or participation in the meeting to stockholders of record of the corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE II

BOARD OF DIRECTORS

Section 2.1 Number; Qualifications. The authorized number of directors shall be three (3) until changed by a duly adopted amendment to this by-law. Directors need not be stockholders.

Section 2.2 Election; Resignation; Removal; Vacancies. The Board of Directors shall initially consist of the persons elected as directors by the incorporator, and each director so elected shall hold office until the first annual meeting of stockholders or until his successor is elected and qualified.

At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect directors each of whom shall hold office for a term of one year or until his successor is elected and qualified. Any director may resign at any time upon written notice to the corporation. Any newly created directorship or any vacancy occurring in the Board of Directors for any cause may be filled by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, or by a plurality of the votes cast at a meeting of stockholders, and each director so elected shall hold office until the expiration of the term of office of the director whom he has replaced or until his successor is elected and qualified.

Section 2.3 Regular Meetings. Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine, and if so determined notices thereof need not be given.

Section 2.4 Special Meetings. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the President, any Vice President, the Secretary, or by any member of the Board of Directors. Notice of a special meeting of the Board of Directors shall be given by the person or persons calling the meeting at least twenty-four hours before the special meeting.

Section 2.5 Telephonic Meetings Permitted. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this by-law shall constitute presence in person at such meeting.

Section 2.6 Quorum; Vote Required for Action. At all meetings of the Board of Directors a majority of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the certificate of incorporation, these by-laws or applicable law otherwise provides, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.7 Organization. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board,

if any, or in his absence by the President, or in their absence by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8 Informal Action by Directors. Unless otherwise restricted by the certificate of incorporation or these by-laws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or such committee.

ARTICLE III

COMMITTEES

Section 3.1 Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it.

Section 3.2 Committee Rules. Unless the Board of Directors otherwise

provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these by-laws.

ARTICLE IV

OFFICERS

Section 4.1 Executive Officers; Election; Qualifications; Term of Office; Resignation; Removal; Vacancies. The Board of Directors shall elect a President, a Secretary and a Treasurer, and it may, if it so determines, choose a Chairman of the Board and a Vice Chairman of the Board from among its members. The Board of Directors may also choose one or more Vice Presidents, one or more Assistant Secretaries, and one or more Assistant

Treasurers. Each such officer shall hold office until the first meeting of the Board of Directors after the annual meeting of stockholders next succeeding his election, and until his successor is elected and qualified or until his earlier resignation or removal. Any officer may resign at any time upon written notice to the corporation. The Board of Directors may remove any officer with or without cause at any time, but such removal shall be without prejudice to the contractual rights of such officer, if any, with the corporation. Any number of offices may be held by the same person. Any vacancy occurring in any office of the corporation by death, resignation, removal or otherwise may be filled for the unexpired portion of the term by the Board of Directors at any regular or special meeting.

Section 4.2 Chairman of the Board. The Chairman of the Board, if such an officer be elected, shall, if present, preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time prescribed by the by-laws. If there is no President, the Chairman of the Board shall in addition be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 4.3 of this Article IV.

Section 4.3 President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation. He shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the by-laws.

Section 4.4 Vice Presidents. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, the by-laws, the President or the Chairman of the Board.

Section 4.5 Secretary. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at directors' meetings, the number of shares present or represented at stockholders' meetings, and the proceedings.

The Secretary shall keep, or cause to be kept, at the principal executive office or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and

date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required by the by-laws or by law to be given, and shall keep the seal of the corporation if one be adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the by-laws, the President or the Chairman of the Board.

Section 4.6 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any director.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors, the by-laws, the President or the Chairman of the Board.

ARTICLE V

STOCK

Section 5.1 Certificates. Every holder of stock shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman or Vice Chairman of the Board of Directors, if any, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the corporation certifying the number of shares owned by him in the corporation. Any of or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 5.2 Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

ARTICLE VI

INDEMNIFICATION

Section 6.1 Right to Indemnification. The corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans (an "indemnitee"), against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such indemnitee. The corporation shall be required to indemnify an indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if the initiation of such proceeding (or part thereof) by the indemnitee was authorized by the Board of Directors of the corporation.

Section 6.2 Prepayment of Expenses. The corporation shall pay the

expenses (including attorneys' fees) incurred by an indemnitee in defending any proceeding in advance of its final disposition, provided, however, that the payment of expenses incurred by a director or officer in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the director or officer to repay all amounts advanced if it should be ultimately determined that the director or officer is not entitled to be indemnified under this Article or otherwise.

Section 6.3 Claims. If a claim for indemnification or payment of expenses under this Article is not paid in full within sixty days after a written claim therefor by the indemnitee has been received by the corporation, the indemnitee may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the corporation shall have the burden of proving that the indemnitee was not entitled to the requested indemnification or payment of expenses under applicable law.

Section 6.4 Nonexclusivity of Rights. The rights conferred on any person by this Article VI shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the certificate of incorporation, these by-laws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 6.5 Other Indemnification. The corporation's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise or nonprofit enterprise.

Section 6.6 Amendment or Repeal. Any repeal or modification of the foregoing provisions of this Article VI shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 7.2 Seal. The corporate seal shall have the name of the corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 7.3 Waiver of Notice of Meetings of Stockholders, Directors and Committees. Any written waiver of notice, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

Section 7.4 Interested Directors; Quorum. No contract or transaction between the corporation and one or more of its directors or officers, or between the corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if: (a) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (b) the material facts as to his relationship or

interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (c) the contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof, or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

Section 7.5 Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or be in the form of, punch cards, magnetic tape, photographs, microphotographs, or any other information storage device, provided that the records so kept can be converted into clearly legible form within a reasonable time.

Section 7.6 Amendment of By-Laws. These by-laws may be altered, amended or repealed or new by-laws may be adopted by the stockholders or by the Board of Directors, when such power is conferred upon the Board of Directors by the Certificate of Incorporation, at any regular meeting of the stockholders or of the Board of Directors or at any special meeting of the stockholders or of the Board of Directors if notice of such alteration, amendment, repeal or adoption of new by-laws be contained in the notice of such special meeting. If the power to adopt, amend or repeal by-laws is conferred upon the Board of Directors by the Certificate of Incorporation it shall not divest or limit the power of the stockholders to adopt, amend or repeal by-laws.

CERTIFICATE OF SECRETARY

I HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of Koll Capital Markets Group, Inc., and that the above and foregoing By-laws were adopted as the By-laws of said corporation on the 18th day of March, 1993, by the Incorporator of this corporation and were ratified by the directors of the corporation pursuant to an Organizational Action dated March 18, 1993.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 18th day of March, 1993.

/s/ D. Glen Raiger

D. Glen Raiger, Secretary

EXHIBIT 3.16(a)

ARTICLES OF INCORPORATION
OF
KOLL INVESTMENT MANAGEMENT, INC.

I

The name of the Corporation is KOLL INVESTMENT MANAGEMENT, INC.

II

The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business, or the practice of a professional permitted to be incorporated by the California Corporations Code.

III

The name and address of the Corporation's initial agent for service of process in the State of California is Raymond E. Wirta, 4343 Von Karman Avenue, Newport Beach, California 92660.

IV

This corporation is authorized to issue only one class of shares of stock; and the total number of shares which this corporation is authorized to issue is one thousand (1,000).

V

The liability of the directors of this corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

VI

The corporation is authorized to provide indemnification of agents (as defined in Section 317 of the Corporations Code) for breach of duty to the corporation and its stockholders through bylaw provisions or through agreements with the agents or both, in excess of indemnification otherwise permitted by Section 317 of the Corporations Code, subject to the limits on such excess indemnification set forth in Section 204 of the Corporations Code.

DATED: July 20, 1989

/s/ Raymond E. Wirta

Raymond E. Wirta, Incorporator

Exhibit 3.16(b)

BYLAWS

OF

KOLL INVESTMENT
MANAGEMENT, INC.

BYLAWS

OF

KOLL REALTY ADVISORS

INDEX

<TABLE>
<CAPTION>

</TABLE>

<TABLE>
<CAPTION>

CERTIFICATE OF SECRETARY

I HEREBY CERTIFY that I am a duly elected, qualified and acting Secretary of KOLL REALTY ADVISORS, and that the above and foregoing Bylaws were adopted as the Bylaws of said corporation on the 21st day of July, 1989, by the unanimous written consent of the directors of the corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this 21st day of July, 1989.

/s/ Lawrence W. Kellner

Lawrence W. Kellner, Secretary

BYLAWS

OF

KOLL REALTY ADVISORS

ARTICLE I

OFFICES

Section 1. PRINCIPAL OFFICES. The Board of Directors shall fix the location of the principal executive office of the corporation at any place within or outside the State of California. If the principal executive office is located outside this State, and the corporation has one or more business offices in this State, the Board of Directors shall fix and designate a principal business office in the State of California.

Section 2. OTHER OFFICES. The Board of Directors may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

ARTICLE II

MEETINGS OF SHAREHOLDERS

Section 1. PLACE OF MEETINGS. Meetings of shareholders shall be held either at the principal executive office of the corporation or at any other place within or without the State of California which may be designated either by the Board of Directors or by the written consent of all persons entitled to vote thereat given either before or after the meeting and filed with the Secretary.

Section 2. ANNUAL MEETING. The annual meeting of shareholders shall be held each year on a date and at a time designated by the Board of Directors. At each annual meeting directors shall be elected, and any other proper business may be transacted.

Section 3. SPECIAL MEETINGS. A special meeting of the shareholders may be called at any time by the Board of Directors, or by the Chairman of the Board, or by the President, or by one or more shareholders holding shares in the aggregate entitled to cast not less than ten percent (10%) of the votes at that meeting.

If a special meeting is called by any person or persons other than the Board of Directors, the request shall be in writing, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the Chairman of the Board, the President, any Vice President, or the Secretary of the corporation. The officer receiving the request shall cause notice to be promptly given to the shareholders entitled to vote, in accordance with the provisions of Sections 4 and 5 of this Article II, that a meeting will be held at the time

requested by the person or persons calling the meeting, not less than thirty-five (35) nor more than sixty (60) days after the receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the person or persons requesting the meeting may give the notice. Nothing contained in this paragraph of this Section 3 shall be construed as limiting, fixing or affecting the time when a meeting of shareholders called by action of the Board of Directors may be held.

Section 4. NOTICE OF SHAREHOLDERS' MEETINGS. All notices of meeting of shareholders shall be sent or otherwise given in accordance with Section 5 of this Article II not less than ten (10) nor more than sixty (60) days before the date of the meeting. The notice shall specify the place, date and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, or (ii) in the case of the annual meeting, those matters which the Board of Directors, at the time of giving the notice, intends to present for action by the shareholders, but, subject to the provisions of applicable law, any proper matter may be presented at the meeting for such action. The notice of any meeting at which directors are to be elected shall include the name of any nominee or nominees whom, at the time of the notice, management intends to present for election.

If action is proposed to be taken at any meeting for approval of (i) a contract or transaction in which a director has a direct or indirect financial interest, pursuant to Section 310 of the California General Corporation Law,

(ii) an amendment of the Articles of Incorporation, pursuant to Section 902 of that Law, (iii) a reorganization of the corporation, pursuant to Section 1201 of that Law, (iv) a voluntary dissolution of the corporation, pursuant to Section 1900 of that Law, or (v) a distribution in dissolution other than in accordance with the rights of outstanding preferred shares, pursuant to Section 2007 of that Law, the notice shall also state the general nature of that proposal.

Section 5. MANNER OF GIVING NOTICE; AFFIDAVIT OF NOTICE. Notice of any meeting of shareholders shall be given either personally or by first class mail or telegraphic or other written communication, charges prepaid, addressed to the shareholder at the address of that shareholder appearing on the books of the corporation or given by the shareholder to the corporation for the purpose of notice. If no such address appears on the corporation's books or is given, notice shall be deemed to have been given if sent to that shareholder by first class mail or telegraphic or other written communication to the corporation's principal executive office, or if published at least once in a newspaper of general circulation in the county where that office is located. Notice shall be deemed to have been given at the time when delivered personally to the recipient or deposited in the mail or sent by telegram or other means of written communication.

If any notice addressed to a shareholder at the address of that shareholder appearing on the books of the corporation is returned to the corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the shareholder at that address, all future notices or reports shall be deemed to have been duly given without further mailing if these shall be available to the shareholder on written demand of the shareholder at the principal executive office of the corporation for a period of one year from the date of the giving of the notice.

An affidavit of the mailing or other means of giving any notice of any shareholder's meeting shall be executed by any officer or any transfer agent of the corporation giving the notice, and shall be filed and maintained in the minute book of the corporation.

Section 6. QUORUM. The presence in person or by proxy of the holders of a majority of the shares entitled to vote shall constitute a quorum at any meeting of shareholders. The shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the shares required to constitute a quorum.

Section 7. ADJOURNED MEETING; NOTICE. Any shareholders meeting, whether or not a quorum is present, may be adjourned from time to time by vote of the majority of the shares represented at that meeting, either in person or by proxy, but in the absence of a quorum, no other business may be transacted at that meeting, except as provided in Section 6 of this Article II.

When any meeting of shareholders, either annual or special, is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place are announced at a meeting at which the adjournment is taken, unless a new record date for the adjourned meeting is fixed, or unless the adjournment is for more than forty-five (45) days from the date set for the original meeting, in which case the Board of Directors shall set a new record date. Notice of any such adjourned meeting shall be given to each shareholder of record entitled to vote at the adjourned meeting in accordance with the provisions of Sections 4 and 5 of this Article II. At any adjourned meeting the corporation may transact any business which might have been transacted at the original meeting.

Section 8. VOTING. The shareholders entitled to vote at any meeting of shareholders shall be determined in accordance with the provisions of Section 11 of this Article II, subject to the provisions of Sections 702 to 704, inclusive, of the California General Corporation Law (relating to voting shares held by a fiduciary, in the name of a corporation, or in joint ownership). The shareholders' vote may be by voice or by ballot; provided, however, that any election for directors must be by ballot if demanded by any shareholder before the voting has begun. On any matter other than elections of directors, any shareholder may vote part of the shares in favor of the proposal and refrain from voting the remaining shares or vote them against the proposal, but, if the shareholder fails to specify the number of shares which the shareholder is voting affirmatively, it will be conclusively presumed that the shareholder's approving vote is with respect to all shares that the shareholder is entitled to vote. If a quorum is present, the affirmative vote of a majority of the shares represented at the meeting and entitled to vote on any matter (other than the election of Directors) shall be the act of the shareholders, unless the vote of

a greater number or voting by classes is required by the California General Corporation Law or by the Articles of Incorporation.

At a shareholders' meeting at which Directors are to be elected, no shareholder shall be entitled to cumulate votes (i.e., cast for any one or more candidates a number of votes greater than the shareholder's shares) unless the candidates' names have been placed in nomination prior to commencement of the voting and a shareholder has given notice prior to

commencement of the voting of the shareholder's intention to cumulate votes. If any shareholder has given such a notice, then every shareholder entitled to vote may cumulate votes for candidates in nomination and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which that shareholder's shares are entitled, or distribute the shareholder's votes on the same principle among any or all of the candidates, as the shareholder thinks fit. The candidates receiving the highest number of votes, up to the number of directors to be elected, shall be elected.

Section 9. WAIVER OF NOTICE OR CONSENT BY ABSENT SHAREHOLDERS. The transactions of any meeting of shareholders, however called and noticed, and wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if, either before or after the meeting, each person entitled to vote, who was not present in person or by proxy, signs a written waiver of notice or a consent to holding of the meeting, or an approval of the minutes thereof. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any annual or special meeting of shareholders, except that if action is taken or proposed to be taken for approval of any of those matters specified in the second paragraph of Section 4 of this Article II, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Attendance by a person at a meeting shall also constitute a waiver of notice of that meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting if that objection is expressly made at the meeting.

Section 10. SHAREHOLDERS ACTION BY WRITTEN CONSENT WITHOUT A MEETING. Any action which may be taken at any annual or special meeting of shareholders may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, is signed by the holders of outstanding shares not having less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all shares entitled to vote on that action were present and voted. In the case of election of Directors, such consent shall be effective only if signed by the holders of all outstanding shares entitled to vote for the election of Directors; provided, however, that a Director may be elected at any time to fill a vacancy on the Board of Directors that has not been filled by the Directors, by written consent of the holders of a majority of the outstanding shares entitled to vote for the election of Directors. All such consents shall be filed with the Secretary of the corporation and shall be maintained in the corporate records. Any shareholder giving a written consent, or the shareholder's proxy holders, or a transferee of the shares or a personal representative of the shareholder or their respective proxy holders, may revoke the consent by a writing received by the Secretary of the corporation before written consents of the number of shares required to authorize the proposed action have been filed with the Secretary.

If the consents of all shareholders entitled to vote have not been solicited in writing, and if the unanimous written consent of all such shareholders shall not have been received, the Secretary shall give prompt notice of the corporate action approved by the

shareholders without a meeting. This notice shall be given in the manner specified in Section 5 of this Article II. In the case of approval of (i) contracts or transactions in which a Director has a direct or indirect financial interest, pursuant to Section 310 of the California General Corporate Law, (ii) indemnification of agents of the corporation, pursuant to Section 317 of that law, (iii) a reorganization of the corporation, pursuant to Section 1201 of that Law, and (iv) a distribution in dissolution other than in accordance with the rights of outstanding preferred shares, pursuant to Section 2007 of that Law, the notice shall be given at least ten (10) days before the consummation of any

action authorized by that approval.

Section 11. RECORD DATE FOR SHAREHOLDER NOTICE, VOTING, AND GIVING CONSENTS. For purposes of determining the shareholders entitled to notice of any meeting or to vote or entitled to give consent to corporate action without a meeting, the Board or Directors may fix, in advance, a record date, which shall not be more than sixty (60) days nor less than ten (10) days before the date of any such meeting nor more than sixty (60) days before any such action without a meeting, and in this event only shareholders of record on the date so fixed are entitled to notice and to vote or to give consents, as the case may be, notwithstanding any transfer of any shares on the books of the corporation after the record date, except as otherwise provided in the California General Corporation Law.

If the Board of Directors does not so fix a record date:

(a) The record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business of the business day next preceding the day on which the meeting is held.

(b) The record date for determining shareholders entitled to give consent to corporate action in writing without a meeting, (i) when no prior action by the Board has been taken, shall be the day on which the first written consent is given, or (ii) when prior action of the Board has been taken, shall be at the close of business on the day on which the Board adopts the resolution relating to that action, or the sixtieth (60th) day before the date of such other action, whichever is later.

Section 12. PROXIES. Every person entitled to vote shares has the right to do so either in person or by one or more agents authorized by a written proxy signed by the person and filed with the Secretary of the corporation. A proxy shall be deemed signed if the shareholder's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the shareholder or the shareholder's attorney-in-fact. A validly executed proxy which does not state that it is irrevocable shall continue in full force and effect unless (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the corporation stating that the proxy is revoked, or by a subsequent proxy executed by, or attendance at the meeting and voting in person by, the person executing the proxy; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the corporation before the vote pursuant to that proxy is counted; provided, however that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy. The revocability of a proxy that states on its face that it is

irrevocable shall be governed by the provisions of Sections 705(e) and 705(f) of the California General Corporation Law.

Section 13. INSPECTORS OF ELECTION. Before any meeting of shareholders, the Board of Directors may appoint any persons other than nominees for office to act as inspectors of election at the meeting or any adjournment thereof. If no inspectors of election are so appointed, the Chairman of the meeting may, and on the request of any shareholder or a shareholder's proxy shall, appoint inspectors of election at the meeting. The number of inspectors shall be either one (1) or three (3). If inspectors are appointed at a meeting on the request of one or more shareholders or proxies, the holders of a majority of shares or their proxies present at the meeting shall determine whether one (1) or three (3) inspectors are to be appointed. If any person appointed as inspector fails to appear or fails or refuses to act, the Chairman of the meeting may, and upon the request of any shareholder or a shareholder's proxy shall, appoint a person to fill that vacancy.

The duties of the inspectors shall be as prescribed by Section 707(b) of the California General Corporation Law and shall include: determining the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, the authenticity, validity, and effect of proxies; receiving votes, ballots, or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining when the polls shall close; determining the result; and doing any other acts that may be proper to conduct the election or vote with fairness to all shareholders.

If there are three (3) inspectors of election, the decision, act, or certificate of a majority is effective in all respects as the decision, act, or

certificate of all.

ARTICLE III

DIRECTORS

Section 1. POWERS. Subject to the provisions of the California General Corporation Law and any limitations in the Articles of Incorporation and these Bylaws relating to action required to be approved by the shareholders or by the outstanding shares, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

Section 2. NUMBER AND QUALIFICATION OF DIRECTORS. The authorized number of directors shall be three (3) until changed by a duly adopted amendment to this Bylaw duly adopted by the vote or written consent of holders of the majority of the outstanding shares entitled to vote; provided, however, that an amendment reducing the number of directors to a number less than five (5) cannot be adopted if the votes cast against its adoption at a meeting, or the shares not consenting in the case of an action by written consent, are equal to more than sixteen and two-thirds percent (16 2/3%) of the outstanding shares entitled to vote thereon.

Section 3. ELECTION AND TERM OF OFFICE OF DIRECTORS. Directors shall be elected at each annual meeting of shareholders to hold office until the next annual meeting. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

Section 4. VACANCIES. Vacancies in the Board of Directors may be filled by a majority of the remaining Directors, though less than a quorum, or by a sole remaining Director, except that a vacancy created by the removal of a Director by the vote or written consent of the shareholders or by court order may be filled only by the vote of a majority of the shares entitled to vote represented at a duly held meeting at which a quorum is present, or by the written consent of holders of a majority of the outstanding shares entitled to vote. Each Director so elected shall hold office until the annual meeting of the shareholders and until a successor has been elected and qualified.

A vacancy or vacancies in the Board of Directors shall be deemed to exist in the event of the death, resignation, or removal of any Director, or if the Board of Directors by resolution declares vacant the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony, or if the authorized number of Directors is increased, or if the shareholders fail, at any meeting of shareholders at which any Director or Directors are elected, to elect the number of Directors to be voted for at that meeting.

The shareholders may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors, but any such election by written consent shall require the consent of a majority of the outstanding shares entitled to vote.

Any Director may resign effective on giving written notice to the Chairman of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for such resignation to become effective. If the resignation of a Director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective.

No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

Section 5. PLACE OF MEETINGS. Regular or special meetings of the Board of Directors shall be held at any place within or without the State of California which has been designated from time to time by resolution of the Board. In the absence of such a designation, regular or special meetings shall be held at the principal executive office of the corporation.

Section 6. MEETINGS BY TELEPHONE. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed present in person at the meeting.

Section 7. ANNUAL MEETINGS. Immediately following each annual meeting of shareholders, the Board of Directors shall hold an annual meeting for the purpose of organization, any desired election of officers, and the transaction of other business. Other regular

meetings of the Board of Directors may be held at such time as shall from time to time be fixed by the Board of Directors. Call and notice of all regular meetings shall not be required.

Section 8. SPECIAL MEETINGS. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chairman of the Board or the President or any Vice President or the Secretary or any two Directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone, telegram, telex, or other similar means of communication to each Director or sent by first class mail, addressed to each director at the Director's address as it is shown on the records of the corporation. In case the notice is mailed, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. In case the notice is delivered personally, or by telephone, telegram, telex, or other similar means of communication, it shall be given at least forty-eight (48) hours before the time of the holding of the meeting. Notice by mail shall be deemed to have been given at the time written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving notice by electronic means, to the recipient. Any oral notice given personally or by telephone may be communicated either to the Director or to a person at the office of the Director who the person giving the notice has reason to believe will promptly communicate it to the Director. The notice need not specify the purpose of the meeting nor the place if the meeting is to be held at the principal executive office of the corporation.

Section 9. QUORUM. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 11 of this Article III. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, subject to the provisions of Section 310 of the California General Corporation Law (as to approval of contracts or transactions in which a Director has a direct or indirect material financial interest), Section 311 of that Law (as to appointment of committees), and Section 371(e) of that Law (as to indemnification of Directors). A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum of the meeting.

Section 10. WAIVER OF NOTICE. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting, before or at its commencement, the lack of notice to that Director.

Section 11. ADJOURNMENT. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 12. NOTICE OF ADJOURNMENT. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of the time and place shall be given before the time of the adjourned meeting, in the manner specified in Section 8 of this Article III, to the Directors who were not present at the

time of adjournment.

Section 13. ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to that action. Such action by written consent shall have the same force and effect as an unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 14. FEES AND COMPENSATION OF DIRECTORS. Directors and members of committees may receive such compensation, if any, for their services, and such reimbursements of expenses, as may be fixed or determined by resolution of the Board of Directors. This Section 14 shall not be construed to preclude any Director from serving the corporation in any other capacity as an officer, agent, employee or otherwise, or from receiving compensation for those services.

ARTICLE IV

COMMITTEES

Section 1. COMMITTEES OF DIRECTORS. The Board of Directors may, by resolution adopted by a majority of the authorized number of Directors, designate one or more committees, each consisting of two (2) or more Directors, to serve at the pleasure of the Board. The Board may designate one (1) or more Directors as alternate members of the committee, who may replace any absent member at any meeting of the committee. Any committee, to the extent provided in the resolution of the Board, shall have all the authority to the Board, except with respect to:

(a) The approval of any action which, under the California General Corporation Law, also requires shareholders' approval or approval of the outstanding shares;

(b) The filling of vacancies on the Board of Directors or in any committee;

(c) The fixing of compensation of the directors for serving on the Board or on any committee;

(d) The amendment or repeal of Bylaws or the adoption of new Bylaws;

(e) The amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable;

(f) A distribution to the shareholders of the corporation, except at a rate or in a periodic amount or within a price range determined by the Board of Directors; or

(g) The appointment of any other committees of the Board of Directors or the members of these committees.

Section 2. MEETINGS AND ACTION OF COMMITTEES. Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of Article II of these Bylaws, Sections 1 (place of meetings), 2 (regular meetings), 3 (special meetings), 4 (notice), 6 (quorum), 7 (notice of adjournment), 9 (waiver of notice), 10 (action without meeting), and 11 (adjournment), with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee; special meetings of committees may also be called by resolution of the Board of Directors; and notice of special meetings of committees shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the government of any committee which rules are not to be inconsistent with the provisions of these Bylaws.

ARTICLE V

OFFICERS

Section 1. OFFICERS. The Officers of the corporation shall be a

President, a Secretary, and a Chief Financial officer. The corporation may also have, at the discretion of the Board of Directors, a Chairman of the Board, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Financial Officers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article V. Any number of offices may be held by the same person.

Section 2. ELECTION OF OFFICERS. The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article V, shall be chosen by the Board of Directors, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

Section 3. SUBORDINATE OFFICERS. The Board of Directors may appoint, and may empower the President to appoint, such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

Section 4. REMOVAL AND RESIGNATION OF OFFICERS. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board of Directors, at any regular or special meeting of the Board, or, except in case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the

resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

Section 5. VACANCIES IN OFFICES. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office.

Section 6. CHAIRMAN OF THE BOARD. The Chairman of the Board, if such an officer be elected, shall, if present, preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors or prescribed by the Bylaws. Unless otherwise specified by the Board of Directors, the Chairman of the Board shall in addition be the Chief Executive Officer of the corporation and shall have the powers and duties prescribed in Section 7 of this Article V.

Section 7. PRESIDENT. Subject to such supervisory powers, if any, a s may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the Chief Operating Officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation. He shall preside at all meetings of the shareholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He shall have the general powers and duties as from time to time may be prescribed by the Board of Directors or the Bylaws.

Section 8. VICE PRESIDENTS. In the absence or disability of the P resident, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors, or, if not ranked, a Vice President designated by the Board of Directors, shall perform all duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or the Bylaws and the President, or the Chairman of the Board.

Section 9. SECRETARY. The Secretary shall keep, or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of Directors, committees of Directors, and shareholders, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice

given, the names of those present at Directors' meetings or committee meetings, the number of shares present or represented at shareholders' meetings, and the proceedings.

The Secretary shall keep, or cause to be kept, at the principal executive office or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all shareholders and their addresses, the number and classes of shares held by each, the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the shareholders and of the Board of Directors required by the Bylaws or by law to be given, and he shall keep the seal of the corporation, if one be adopted, in safe custody, and shall have such

other powers and perform such other duties as may be prescribed by the Board of Directors or by the Bylaws.

Section 10. CHIEF FINANCIAL OFFICER. The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any Director.

The Chief Financial Officer shall deposit all monies and other valuables in the name and to the credit of the corporation with such depositaries as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and Directors, whenever they may request it, an account of all of his transactions as Chief Financial Officer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS, OFFICERS EMPLOYEES AND OTHER AGENTS

The corporation shall have the power, to the maximum extent permitted by the California General Corporation Law, to indemnify each of its agents against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact any such person is or was an agent of the corporation. For purposes of this Section, an "agent" of the corporation includes any person who is or was a Director, officer, employee, or other agent of the corporation, or who is or was serving at the request of the corporation as a Director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, or was a Director, officer, employee, or agent of a corporation which was a predecessor corporation of the corporation or of another enterprise, at the request of such predecessor corporation.

Section 1.

RECORDS AND REPORTS MAINTENANCE AND INSPECTION OF SHARE REGISTER. The corporation shall keep at its principal executive office, or at the office of its transfer agent or registrar, if either be appointed and as determined by resolution of the Board of Directors, a record of its shareholders, giving the names and addresses of all shareholders and the number and class of shares held by each shareholder.

A shareholder or shareholders of the corporation holding at lease five per cent (5%) in the aggregate of the outstanding voting shares of the corporation may (i) inspect and copy the records of shareholders' names and addresses and shareholdings during usual business hours on five (5) days prior written demand on the corporation, and (ii) obtain from the transfer agent of the corporation, on written demand and on the tender of such transfer agent's usual charges for such list, a list of the shareholders' names and addresses, who are entitled to vote for the election of Directors, and their shareholdings, as of the most recent record date for which that

list has been compiled or as of a date specified by the shareholder after the date of demand. This list shall be made available to any such shareholder by the transfer agent on or before the later of five (5) days after the demand is received or the date specified in the demand as the date as of which is to be compiled. The record of shareholders shall also be open to inspection on the written demand of any shareholder or holder of a voting trust certificate, at any time during usual business hours, for a purpose reasonably related to the holder's interests as a shareholder or as the holder of a voting trust certificate. Any inspection and copying under this Section I may be made in person or by an agent or attorney of the shareholder or holder of a voting trust certificate making the demand.

Section 2. MAINTENANCE AND INSPECTION OF BYLAWS. The corporation shall keep at its principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this state, the original or a copy of the Bylaws as amended to date, which shall be open to inspection by the shareholders at all reasonable times during office hours. If the principal executive office of the corporation is outside the State of California and the corporation has no principal business office in this state, the Secretary shall, upon the written request of any shareholder, furnish to that shareholder a copy of the Bylaws as amended to date.

Section 3. MAINTENANCE AND INSPECTION OF OTHER CORPORATE RECORDS. The accounting books and records and minutes of proceedings of the shareholders and the Board of Directors and any committee or committees of the Board of Directors shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the principal executive office of the corporation. The minutes shall be kept either in written form or in any other form capable of being converted into written form. The minutes and accounting books and records shall be open to inspection upon the written demand of any shareholder or holder of a voting trust certificate, at any reasonable time during usual business hours, for a purpose reasonably related to the holder's interests as a shareholder or as the holder of a voting trust certificate. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts. These rights of inspection shall extend to the records of each subsidiary corporation of the corporation.

Section 4. INSPECTION BY DIRECTORS. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

Section 5. ANNUAL REPORT TO SHAREHOLDERS. The annual report to shareholders referred to in Section 1501 of the California General Corporation Law is expressly dispensed with, but nothing herein shall be interpreted as prohibiting the Board of Directors from issuing annual or other periodic reports to the shareholders of the corporation as they consider appropriate.

Section 6. FINANCIAL STATEMENTS. A copy of any annual financial statement and any income statement of the corporation for each quarterly period of each fiscal year, and any accompanying balance sheet of the corporation as of the end of each such period,

that has been prepared by the corporation shall be kept on file in the principal executive office of the corporation for twelve (12) months and each such statement shall be exhibited at all reasonable times to any shareholder demanding an examination of any such statement, or a copy shall be mailed to any such shareholder.

If a shareholder or shareholders holding at lease five percent (5%) of the outstanding shares of any class of stock of the corporation makes a written request to the corporation for an income statement of the corporation for the three-month, six-month or nine-month period of the then current fiscal year ended more than thirty (30) days before the date of the request, and a balance sheet of the corporation as of the end of that period, the Chief Financial Officer shall cause that statement to be prepared, if not already prepared, and shall deliver personally or mail that statement or statements to the person making the request within thirty (30) days after the receipt of the request. If the corporation has not sent to the shareholders its annual report for the last fiscal year, this report shall likewise be delivered or mailed to the shareholder or shareholders within thirty (30) days after the request.

The corporation shall also, on the written request of any shareholder, mail to the shareholder a copy of the last annual, semi-annual, or quarterly income statement which it has prepared, and a balance sheet as of the end of that period.

The quarterly income statements and balance sheets referred to in this section shall be accompanied by the report, if any, of any independent accountants engaged by the corporation or the certificate of an authorized officer of the corporation that the financial statements were prepared without audit from the books and records of the corporation.

Section 7. ANNUAL STATEMENT OF GENERAL INFORMATION. The corporation shall, during the applicable filing period, as defined in Section 1502(c) of the California General Corporation Law, file with the Secretary of State of the State of California, on the prescribed form, a statement setting forth the authorized number of Directors, the names and complete business or residence addresses of all incumbent Directors, the names and complete business or residence addresses of the Chief Executive Officer, Secretary, and Chief Financial Officer, the street address of its principal executive office or principal business office in this state, and the general type of business constituting the principal business activity of the corporation, together with a designation of the agent of the corporation for the purpose of service of process, all in compliance with Section 1502 of the California General Corporation Law.

ARTICLE VII

GENERAL CORPORATE MATTERS

Section 1. RECORD DATE FOR PURPOSES OTHER THAN NOTICE AND VOTING. For purposes of determining the shareholders entitled to receive payment of any dividend or other distribution or allotment of any rights or entitled to exercise any rights in respect of any other lawful action (other than action by shareholders by written consent without a meeting), the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) days before any such action, and in that case only shareholders of record on the date so fixed are entitled to receive the dividend, distribution, or allotment of rights or to exercise the

rights, as the case may be, notwithstanding any transfer of any shares on the books of the corporation after the record date so fixed, except as otherwise provided in the California General Corporation Law.

If the Board of Directors does not so fix a record date, the record date for determining shareholders for any such purpose shall be at the close of business on the day on which the Board adopts the applicable resolution or the sixtieth (60th) day before the date of that action, whichever is later.

Section 2. CHECKS, DRAFTS, EVIDENCES OF INDEBTEDNESS. All checks, drafts, or other orders for payment of money, notes, or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 3. CORPORATE CONTRACTS AND INSTRUMENTS; HOW EXECUTED. The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation, and this authority may be general or confined to specific instances; and, unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 4. CERTIFICATES FOR SHARES. A certificate or certificates for shares of the capital stock of the corporation shall be issued to each shareholder when any of these shares are fully paid, and the Board of Directors may authorize the issuance of certificates or shares as partly paid, provided that these certificates shall state the amount of the consideration to be paid for them and the amount paid. All certificates shall be signed in the name of the corporation by the Chairman of the Board or Vice Chairman of the Board or the President or Vice President and by the Chief Financial Officer or an Assistant Treasurer or the Secretary or any Assistant Secretary, certifying the number of shares and the class or series of shares owned by the shareholder. Any or all of the signatures on the certificate may be facsimile. In case any

officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed on a certificate shall have ceased to be that officer, transfer agent or registrar before that certificate is issued, it may be issued by the corporation with the same effect as if that person were an officer, transfer agent, or registrar at the date of issue.

Section 5. LOST CERTIFICATES. Except as provided in this Section 5, no new certificates for shares shall be issued to replace an old certificate unless the latter is surrendered to the corporation and cancelled at the same time. The Board of Directors may, in case any share certificate or certificate for any other security is lost, stolen or destroyed, authorize the issuance of a replacement certificate on such terms and conditions as the Board may require, including provision for indemnification of the corporation secured by a bond or other adequate security sufficient to protect the corporation against any claim that may be made against it, including any expense or liability, on account of the alleged loss, theft, or destruction of the certificate or the issuance of the replacement certificate.

Section 6. REPRESENTATION OF SHARES OF OTHER CORPORATIONS. The Chairman of the Board, the President, or any Vice President, or any other person authorized by resolution of the Board of Directors or by any of the foregoing designated officers, is authorized to vote on behalf of the corporation any and all shares of any other corporation or corporations, foreign or domestic, standing in the name of the corporation. The authority granted to these officers to vote or represent on behalf of the corporation any and all shares held by the corporation in any other corporation or corporations may be exercised by any of these officers in person or by any person authorized to do so by a proxy duly executed by these officers.

Section 7. CONSTRUCTION AND DEFINITIONS. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California General Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

ARTICLE VIII

AMENDMENTS

Section 1. AMENDMENT BY SHAREHOLDERS. New Bylaws may be adopted or these Bylaws may be amended or repealed by the vote or written consent of holders of a majority of the outstanding shares entitled to vote; provided, however, that if the Articles of Incorporation of the corporation set forth the number of authorized Directors of the corporation, the authorized number of Directors may be changed only by an amendment of the Articles of Incorporation.

Section 2. AMENDMENT BY DIRECTORS. Subject to the rights of the shareholders as provided in Section 1 of this Article IX, Bylaws, other than a Bylaw or an amendment of a Bylaw changing the authorized number of directors, may be adopted, amended, or repealed by the Board of Directors.

EXHIBIT 3.17(a)

CERTIFICATE OF INCORPORATION
OF
KOLL PARTNERSHIPS I, INC.

The undersigned, for the purpose of incorporating a corporation under the General Corporation Law of the State of Delaware, does hereby certify as follows:

FIRST. The name of the Corporation is KOLL PARTNERSHIPS I, INC.

SECOND. The address of the Corporation's registered office in the State of Delaware is 1290 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH. The total number of shares which the Corporation shall have authority to issue is Twenty Thousand (20,000) shares of capital stock, all of which shall be designated "Common Stock," with a par value of $.01 per share.

FIFTH. The name and mailing address of the incorporator is Thomas C. Foster, 18400 Von Karman Avenue, Fourth Floor, Irvine, California 92715.

SIXTH. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation is expressly authorized to make, alter or repeal the by-laws of the Corporation.

SEVENTH. A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation in respect of any act or omission occurring prior to the time of such amendment, modification or repeal.

EIGHTH. Elections of directors need not be by written ballot except and to the extent provided in the by-laws of the Corporation.

NINTH. The Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation, as may be amended from time to time, are granted subject to the rights reserved in this Article NINTH.

IN WITNESS WHEREOF, the undersigned incorporator does hereby execute this Certificate of Incorporation this 24th day of January, 1994.

/s/ THOMAS C. FOSTER

THOMAS C. FOSTER, Incorporator

Exhibit 3.17(b)

BY-LAWS

OF

KOLL PARTNERSHIPS I, INC.

INDEX

BY-LAWS

OF

KOLL PARTNERSHIPS I, INC.

ARTICLE I

STOCKHOLDERS

Section 1.1 Annual Meetings. An annual meeting of stockholders shall be held for the election of directors at such date, time and place, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting.

Section 1.2 Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Board of Directors, or by a committee of the Board of Directors that has been duly designated by the Board of Directors and whose powers and authority, as expressly provided in a resolution of the Board of Directors, include the power to call such meetings, but such special meetings may not be called by any other person or persons.

Section 1.3 Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given that shall state the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the certificate of incorporation or these by-laws, the written notice of any meeting shall be given not less than ten nor more than sixty days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the corporation.

Section 1.4 Adjournments. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 1.5 Quorum. Except as otherwise provided by law, the certificate of incorporation or these by-laws, at each meeting of stockholders the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. In the absence of a

quorum, the stockholders so present may, by majority vote, adjourn the meeting from time to time in the manner provided in Section 1.4 of these by-laws until a quorum shall attend. Shares of its own stock belonging to the corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the corporation or any subsidiary of the corporation to vote stock, including, but not limited to, its own stock, held by it in a fiduciary capacity.

Section 1.6 Organization. Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board, if any, or in his absence by the President, or in his absence by a Vice President, or in the absence of the foregoing persons by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting. The chairman of the meeting shall announce at the meeting of stockholders the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote.

Section 1.7 Voting; Proxies. Except as otherwise provided by the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by him which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in

writing revoking the proxy or by delivering a proxy in accordance with applicable law bearing a later date to the Secretary of the corporation. Voting at meetings of stockholders need not be by written ballot. At all meetings of stockholders for the election of directors, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. All other elections and questions shall, unless otherwise provided by law, the certificate of incorporation or these by-laws, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock which are present in person or represented by proxy at the meeting and entitled to vote thereon.

Section 1.8 Fixing Date for Determination of Stockholders of Record. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date: (a) in the case of determination of stockholders entitled to vote at any meeting of stockholders or adjournment

thereof, shall, unless otherwise required by law, not be more than sixty nor less than ten days before the date of such meeting; (b) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than ten days from the date upon which the resolution fixing the record date is adopted by the Board of Directors; and (c) in the case of any other action, shall not be more than sixty days prior to such other action. If no record date is fixed: (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; (ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action of the Board of Directors is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation in accordance with applicable law, or, if prior action by the Board of Directors is required by law, shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action; and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 1.9 List of Stockholders Entitled to Vote. The Secretary shall prepare and make, at least ten days before every meeting of stockholders, a complete list of stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present. Upon the willful neglect or refusal of the directors to produce such a list at any meeting for the election of directors, they shall be ineligible for election to any office at such meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list of stockholders or the books of the corporation, or to vote in person or by proxy at any meeting of stockholders.

Section 1.10 Action by Consent of Stockholders. Unless otherwise restricted by the certificate of incorporation, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered (by hand or by certified or registered mail, return receipt requested) to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation

having custody of the book in which proceedings of meetings of stockholders are recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

Section 1.11 Inspectors of Election. The corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (a) ascertain the number of shares of capital stock of the corporation outstanding and the voting power of each such share, (b) determine the shares of capital stock of the corporation represented at the meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (e) certify their determination of the number of shares of capital stock of the corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election. If required by law, the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting. To the extent required by law, no ballot, proxies or votes, nor any revocations thereof or changes thereto, shall be accepted by the inspector or inspectors after the closing of the polls unless the Court of Chancery upon application by a stockholder shall determine otherwise.

Section 1.12 Conduct of Meetings. The Board of Directors of the corporation may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; (c) limitations on attendance at or participation in the meeting to stockholders of record of the corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof, and (e) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE II

BOARD OF DIRECTORS

Section 2.1 Number; Qualifications. The authorized number of directors shall be three (3) until changed by a duly adopted amendment to this by-law. Directors need not be stockholders.

Section 2.2 Election; Resignation; Removal; Vacancies. The Board of Directors shall initially consist of the persons elected as directors by the incorporator, and each director so elected shall hold office until the first annual meeting of stockholders or until his successor is elected and qualified. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect directors each of whom shall hold office for a term of one year or until his successor is elected and qualified. Any director may resign at any time upon written notice to the corporation. Any newly created directorship or any vacancy occurring in the Board of Directors for any cause may be filled by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, or by a plurality of the votes cast at a meeting of stockholders, and each director so elected shall hold office until the expiration of the term of office of the director whom he has replaced or until his successor is elected and qualified.

Section 2.3 Regular Meetings. Regular meetings of the Board of Directors

may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine, and if so determined notices thereof need not be given.

Section 2.4 Special Meetings. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the President, any Vice President, the Secretary, or by any member of the Board of Directors. Notice of a special meeting of the Board of Directors shall be given by the person or persons calling the meeting at least twenty-four hours before the special meeting.

Section 2.5 Telephonic Meetings Permitted. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this by-law shall constitute presence in person at such meeting.

Section 2.6 Quorum; Vote Required for Action. At all meetings of the Board of Directors a majority of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the certificate of incorporation, these by-laws or applicable law otherwise provides, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.7 Organization. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board,

if any, or in his absence by the President, or in their absence by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8 Informal Action by Directors. Unless otherwise restricted by the certificate of incorporation or these by-laws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or such committee.

ARTICLE III

COMMITTEES

Section 3.1 Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it. No such committee shall have power or authority in reference to amending the Certificate of Incorporation of the corporation, adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the corporation's property and assets, recommending to the stockholders a dissolution of the corporation or revocation of dissolution, or amending these by-laws; and, unless the resolution expressly so provides, no such committee shall have the power or authority to declare a dividend, to authorize the issuance of stock or adopt a certificate of ownership and merger.

Section 3.2 Committee Rules. Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these by-laws.

ARTICLE IV

OFFICERS

Section 4.1 Executive Officers; Election; Qualifications; Term of Office; Resignation; Removal, Vacancies. The Board of Directors shall elect a President, a Secretary and a Treasurer, and it may, if it so determines, choose a Chairman of the Board and a Vice Chairman of the Board from among its members. The Board of Directors may also choose one or more Vice Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers. Each such officer shall hold office until the first meeting of the Board of Directors after the annual meeting of stockholders next succeeding his election, and until his successor is elected and qualified or until his earlier death, resignation or removal. Any officer may resign at any time upon written notice to the corporation. The Board of Directors may remove any officer with or without cause at any time, but such removal shall be without prejudice to the contractual rights of such officer, if any, with the corporation. Any number of offices may be held by the same person. Any vacancy occurring in any office of the corporation by death, resignation, removal or otherwise may be filled for the unexpired portion of the term by the Board of Directors at any regular or special meeting.

Section 4.2 Chairman of the Board. The Chairman of the Board, if such an officer be elected, shall, if present, preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time prescribed by the by-laws. If there is no President, the Chairman of the Board shall in addition be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 4.3 of this Article IV.

Section 4.3 President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation. He shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the by-laws.

Section 4.4 Vice Presidents. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, the by-laws, the President or the Chairman of the Board.

Section 4.5 Secretary. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders, with

the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at directors' meetings, the number of shares present or represented at stockholders' meetings, and the proceedings.

The Secretary shall keep, or cause to be kept, at the principal executive office or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required by the by-laws or by law to be given, and shall keep the seal of the corporation if one be adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the by-laws, the President or the Chairman of the Board.

Section 4.6 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any director.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the

corporation as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors, the by-laws, the President or the Chairman of the Board.

ARTICLE V

STOCK

Section 5.1 Certificates. Every holder of stock shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman or Vice Chairman of the Board of Directors, if any, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the corporation certifying the number of shares owned by him in the corporation. Any of or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 5.2 Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

ARTICLE VI

INDEMNIFICATION

Section 6.1 Right to Indemnification. The corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans (an "indemnitee"), against all judgments, fines, amounts paid in settlement, liabilities and losses suffered and expenses (including attorneys' fees) actually and reasonably incurred by such indemnitee in connection with such proceeding. The corporation shall be required to indemnify an indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if the initiation of such proceeding (or part thereof) by the indemnitee was authorized by the Board of Directors of the corporation.

Section 6.2 Prepayment of Expenses. The corporation shall pay the expenses (including attorneys' fees) incurred by an indemnitee in defending any proceeding in advance of its final disposition, provided, however, that the payment of expenses incurred by a director or officer in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by or on behalf of the director or officer to repay all amounts advanced if it should be ultimately determined that the director or officer is not entitled to be indemnified under this Article or otherwise.

Section 6.3 Claims. If a claim for indemnification or payment of expenses under this Article is not paid in full within sixty days after a written claim therefor by the indemnitee has been received by the corporation, the indemnitee may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the corporation shall have the burden of proving that the indemnitee was not entitled to the requested indemnification or payment of expenses under applicable law.

Section 6.4 Nonexclusivity of Rights. The rights conferred on any person by this Article VI shall not be exclusive of any other fights which such person may have or hereafter

acquire under any statute, provision of the certificate of incorporation, these by-laws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 6.5 Other Indemnification. The corporation's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise or nonprofit enterprise.

Section 6.6 Amendment or Repeal. Any repeal or modification of the foregoing provisions of this Article VI shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 7.2 Seal. The corporate seal shall have the name of the corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 7.3 Waiver of Notice of Meetings of Stockholders, Directors and Committees. Any written waiver of notice, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

Section 7.4 Interested Directors; Quorum. No contract or transaction between the corporation and one or more of its directors or officers, or between the corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if: (a) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (b) the

material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (c) the contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof, or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

Section 7.5 Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or be in the form of, punch cards, magnetic tape, photographs, microphotographs, or any other information storage device, provided that the records so kept can be converted into clearly legible form within a reasonable time.

Section 7.6 Amendment of By-Laws. These by-laws may be altered, amended or repealed or new by-laws may be adopted by the stockholders or by the Board of Directors, when such power is conferred upon the Board of Directors by the Certificate of Incorporation, at any regular meeting of the stockholders or of the Board of Directors or at any special meeting of the stockholders or of the Board of Directors if notice of such alteration, amendment, repeal or adoption of new by-laws be contained in the notice of such special meeting. If the power to adopt, amend or repeal by-laws is conferred upon the Board of Directors by the Certificate of Incorporation it shall not divest or limit the power of the stockholders to adopt, amend or repeal by-laws.

CERTIFICATE OF SECRETARY

I HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of Koll Partnerships I, Inc., and that the above and foregoing By-laws were adopted as the By-laws of said corporation on the 28th day of January, 1994, by the Incorporator of this corporation and were ratified by the directors of the corporation pursuant to an Organizational Action dated January 28, 1994.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 28th day of January, 1994.

/s/ Robert C. Peterson

Robert C. Peterson, Secretary

KOLL PARTNERSHIPS I, INC.

SECRETARY'S CERTIFICATE

The undersigned, TRUDE A. TSUJIMOTO, does hereby certify that she is the duly elected and acting Secretary of KOLL PARTNERSHIPS I, INC., a Delaware corporation (the "Corporation"), and that the following amendment to Article II, Section 2.1 of the By-laws of the Corporation was adopted by the sole stockholder of the Corporation by Written Consent of the Sole Stockholder of the Corporation as of November 1, 1997:

"RESOLVED, that Article II, Section 2.1 of the By-laws of the Corporation is hereby amended to read in its entirety as follows:

Section 2.1 Number; Qualifications. The authorized number of directors shall be three (3) until changed by a duly adopted amendment to this by-law. Directors need not be stockholders."

The remainder of the Corporation's By-laws remain in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 1st day of November, 1997.

/s/ Trude A .Tsujimoto

Trude A. Tsujimoto, Secretary
KOLL PARTNERSHIP I, INC.

KOLL PARTNERSHIPS I, INC.

SECRETARY'S CERTIFICATE

The undersigned, WILLIAM S. ROTHE, does hereby certify that he is the duly elected and acting Secretary of KOLL PARTNERSHIPS I, INC., a Delaware corporation (the "Corporation"), and that the following amendment to Article II, Section 2.1 of the By-laws of the Corporation was adopted by the sole stockholder of the Corporation by Written Consent of the Sole Stockholder of the Corporation as of March 12, 1996:

"NOW, THEREFORE, BE IT RESOLVED, that Article II, Section 2.1 of the By-Laws of this Corporation is hereby amended to read in its entirety as follows:

Section 2 1. Number; Qualifications. The authorized number of directors shall be two (2) until changed by a duly adopted amendment to this by-law. Directors need not be stockholders."

The remainder of the Corporation's By-laws remain in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of April 1996.

/s/ WILLIAM S. ROTHE

WILLIAM S. ROTHE, Secretary
KOLL PARTNERSHIP I, INC.

EXHIBIT 3.18(a)

CERTIFICATE OF INCORPORATION
OF
KOLL PARTNERSHIPS II, INC.

The undersigned, for the purpose of incorporating a corporation under the General Corporation Law of the State of Delaware, does hereby certify as follows:

FIRST. The name of the Corporation is KOLL PARTNERSHIPS II, INC.

SECOND. The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH. The total number of shares which the Corporation shall have authority to issue is One Thousand (1,000) shares of capital stock, all of which shall be designated "Common Stock," with a par value of $.01 per share.

FIFTH. The name and mailing address of the incorporator is Thomas C. Foster, 18400 Von Karman Avenue, Fourth Floor, Irvine, California 92715.

SIXTH. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation is expressly authorized to make, alter or repeal the by-laws of the Corporation.

SEVENTH. A director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as the same exists or may hereafter be amended. Any amendment, modification or repeal of the foregoing sentence by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation in respect of any act or omission occurring prior to the time of such amendment, modification or repeal.

EIGHTH. Elections or directors need not be by written ballot except and to the extent provided in the by-laws of the Corporation.

NINTH. The Corporation reserves the right at any time, and from time to time, to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and other provisions authorized by the laws of the State of Delaware at the time in force may be added or inserted, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation, as may be amended from time to time, are granted subject to the rights reserved in this Article NINTH.

IN WITNESS WHEREOF, the undersigned incorporator does hereby execute this Certificate of Incorporation this 3/rd/ day of May, 1994

/s/ Thomas C. Foster

THOMAS C. FOSTER, Incorporator

EXHIBIT 3.18(b)

BY-LAWS

OF

KOLL PARTNERSHIPS II, INC.

INDEX

<TABLE>
<CAPTION>

</TABLE>

<TABLE>

BY-LAWS

OF

KOLL PARTNERSHIPS II, INC.

ARTICLE I

STOCKHOLDERS

Section 1.1 Annual Meetings. An annual meeting of stockholders shall be held for the election of directors at such date, time and place, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting.

Section 1.2 Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Board of Directors, or by a committee of the Board of Directors that has been duly designated by the Board of Directors and whose powers and authority, as expressly provided in a resolution of the Board of Directors, include the power to call such meetings, but such special meetings may not be called by any other person or persons.

Section 1.3 Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given that shall state the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the certificate of incorporation or these by-laws, the written notice of any meeting shall be given not less than ten nor more than sixty days before the date of the meeting to each stockholder entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the corporation.

Section 1.4 Adjournments. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 1.5 Quorum. Except as otherwise provided by law, the certificate of incorporation or these by-laws, at each meeting of stockholders the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. In the absence of a quorum, the stockholders so present may, by majority vote, adjourn the meeting from time to time in the manner provided in Section 1.4 of these by-laws until a quorum shall attend. Shares

of its own stock belonging to the corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the corporation or any subsidiary of the corporation to vote stock, including, but not limited to, its own stock, held by it in a fiduciary capacity.

Section 1.6 Organization. Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board, if any, or in his absence by the President, or in his absence by a Vice President, or in the absence of the foregoing persons by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person

to act as secretary of the meeting. The chairman of the meeting shall announce at the meeting of stockholders the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote.

Section 1.7 Voting; Proxies. Except as otherwise provided by the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by him which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by filing an instrument in writing revoking the proxy or by delivering a proxy in accordance with applicable law bearing a later date to the Secretary of the corporation. Voting at meetings of stockholders need not be by written ballot. At all meetings of stockholders for the election of directors, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. All other elections and questions shall, unless otherwise provided by law, the certificate of incorporation or these by-laws, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock which are present in person or represented by proxy at the meeting and entitled to vote thereon.

Section 1.8 Fixing Date for Determination of Stockholders of Record. In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date: (a) in the case of determination of stockholders entitled to vote at any meeting of stockholders or adjournment thereof, shall, unless otherwise required by law, not be more than sixty nor less than ten days before the date of such meeting; (b) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than ten days

from the date upon which the resolution fixing the record date is adopted by the Board of Directors; and (c) in the case of any other action, shall not be more than sixty days prior to such other action. If no record date is fixed: (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; (ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action of the Board of Directors is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation in accordance with applicable law, or, if prior action by the Board of Directors is required by law, shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action; and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 1.9 List of Stockholders Entitled to Vote. The Secretary shall prepare and make, at least ten days before every meeting of stockholders, a complete list of stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present. Upon the willful neglect or refusal of the directors to produce such a list at any meeting for the election of directors, they shall be ineligible for election to any office at such meeting. Except as otherwise provided by law, the stock ledger shall be

the only evidence as to who are the stockholders entitled to examine the stock ledger, the list of stockholders or the books of the corporation, or to vote in person or by proxy at any meeting of stockholders.

Section 1.10 Action by Consent of Stockholders. Unless otherwise restricted by the certificate of incorporation, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered (by hand or by certified or registered mail, return receipt requested) to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

Section 1.11 Inspectors of Election. The corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (a) ascertain the number of shares of capital stock of the corporation outstanding and the voting power of each such share, (b) determine the shares of capital stock of the corporation represented at the meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (e) certify their determination of the number of shares of capital stock of the corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election. If required by law, the date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting. To the extent required by law, no ballot, proxies or votes, nor any revocations thereof or changes thereto, shall be accepted by the inspector or inspectors after the closing of the polls unless the Court of Chancery upon application by a stockholder shall determine otherwise.

Section 1.12 Conduct of Meetings. The Board of Directors of the corporation may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chairman of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairman of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; (c) limitations on attendance at or participation in the meeting to stockholders of record of the corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE II

BOARD OF DIRECTORS

Section 2.1 Number; Qualifications. The authorized number of directors shall be three (3) until changed by a duly adopted amendment to this by-law. Directors need not be stockholders.

Section 2.2 Election; Resignation; Removal; Vacancies. The Board of Directors shall initially consist of the persons elected as directors by the incorporator, and each director so elected shall hold office until the first annual meeting of stockholders or until his successor is elected and qualified. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect directors each of whom shall hold office for a term of one year or until his successor is elected and qualified. Any director may resign at any time upon written notice to the corporation. Any newly created directorship or any vacancy occurring in the Board of Directors for any cause may be filled by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, or by a plurality of the votes cast at a meeting of stockholders, and each director so elected shall hold office until the expiration of the term of office of the director whom he has replaced or until his successor is elected and qualified.

Section 2.3 Regular Meetings. Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine, and if so determined notices thereof need not be given.

Section 2.4 Special Meetings. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the President, any Vice President, the Secretary, or by any member of the Board of Directors. Notice of a special meeting of the Board of Directors shall be given by the person or persons calling the meeting at least twenty-four hours before the special meeting.

Section 2.5 Telephonic Meetings Permitted. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this by-law shall constitute presence in person at such meeting.

Section 2.6 Quorum; Vote Required for Action. At all meetings of the Board of Directors a majority of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the certificate of incorporation, these by-laws or applicable law otherwise provides, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.7 Organization. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, if any, or in his absence by the Vice Chairman of the Board, if any, or in his absence by the President, or in their absence by a chairman chosen at the

meeting. The Secretary shall act as secretary of the meeting, but in his absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8 Informal Action by Directors. Unless otherwise restricted by the certificate of incorporation or these by-laws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or such committee.

ARTICLE III

COMMITTEES

Section 3.1 Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a

member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it. No such committee shall have power or authority in reference to amending the Certificate of Incorporation of the corporation, adopting an agreement of merger or consolidation, recommending to the stockholders the sale, lease or exchange of all or substantially all of the corporation's property and assets, recommending to the stockholders a dissolution of the corporation or revocation of dissolution, or amending these bylaws; and, unless the resolution expressly so provides, no such committee shall have the power or authority to declare a dividend, to authorize the issuance of stock or adopt a certificate of ownership and merger.

Section 3.2 Committee Rules. Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these by-laws.

ARTICLE IV

OFFICERS

Section 4.1 Executive Officers; Election; Qualifications; Term of Office; Resignation; Removal; Vacancies. The Board of Directors shall elect a President, a Secretary

and a Treasurer, and it may, if it so determines, choose a Chairman of the Board and a Vice Chairman of the Board from among its members. The Board of Directors may also choose one or more Vice Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers. Each such officer shall hold office until the first meeting of the Board of Directors after the annual meeting of stockholders next succeeding his election, and until his successor is elected and qualified or until his earlier death, resignation or removal. Any officer may resign at any time upon written notice to the corporation. The Board of Directors may remove any officer with or without cause at any time, but such removal shall be without prejudice to the contractual rights of such officer, if any, with the corporation. Any number of offices may be held by the same person. Any vacancy occurring in any office of the corporation by death, resignation, removal or otherwise may be filled for the unexpired portion of the term by the Board of Directors at any regular or special meeting.

Section 4.2 Chairman of the Board. The Chairman of the Board, if such an officer be elected, shall, if present, preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time prescribed by the by-laws. If there is no President, the Chairman of the Board shall in addition be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 4.3 of this Article IV.

Section 4.3 President. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be such an officer, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation. He shall preside at all meetings of the stockholders and, in the absence of the Chairman of the Board, or if there be none, at all meetings of the Board of Directors. He shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or the by-laws.

Section 4.4 Vice Presidents. In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a Vice President designated by the Board of Directors, shall perform all the duties of the President, and when so acting-, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, the by-laws, the President or the

Chairman of the Board.

Section 4.5 Secretary. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at directors' meetings, the number of shares present or represented at stockholders' meetings, and the proceedings.

The Secretary shall keep, or cause to be kept, at the principal executive office or at the office of the corporation's transfer agent or registrar, as determined by resolution of the

Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required by the by-laws or by law to be given, and shall keep the seal of the corporation if one be adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors, the bylaws, the President or the Chairman of the Board.

Section 4.6 Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and shares. The books of account shall at all reasonable times be open to inspection by any director.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all of his transactions as Treasurer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the Board of Directors, the by-laws, the President or the Chairman of the Board.

ARTICLE V

STOCK

Section 5.1 Certificates. Every holder of stock shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman or Vice Chairman of the Board of Directors, if any, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the corporation certifying the number of shares owned by him in the corporation. Any of or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 5.2 Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

ARTICLE VI

INDEMNIFICATION

Section 6.1 Right to Indemnification. The corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or officer of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans (an "indemnitee"), against all judgments, fines, amounts paid in settlement, liabilities and losses suffered and expenses (including attorneys' fees) actually and reasonably incurred by such indemnitee in connection with such proceeding. The corporation shall be required to indemnify an indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only, if the initiation of such proceeding (or part thereof) by the indemnitee was authorized by the Board of Directors of the corporation.

Section 6.2 Prepayment of Expenses. The corporation shall pay the expenses (including attorneys' fees) incurred by an indemnitee in defending any proceeding in advance of its final disposition, provided, however, that the payment of expenses incurred by a director or officer in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by or on behalf of the director or officer to repay all amounts advanced if it should be ultimately determined that the director or officer is not entitled to be indemnified under this Article or otherwise.

Section 6.3 Claims. If a claim for indemnification or payment of expenses under this Article is not paid in full within sixty days after a written claim therefor by the indemnitee has been received by the corporation, the indemnitee may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the corporation shall have the burden of proving that the indemnitee was not entitled to the requested indemnification or payment of expenses under applicable law.

Section 6.4 Nonexclusivity of Rights. The rights conferred on any person by this Article VI shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the certificate of incorporation, these by-laws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 6.5 Other Indemnification. The corporation's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise or nonprofit enterprise.

Section 6.6 Amendment or Repeal. Any repeal or modification of the foregoing provisions of this Article VI shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 7.2 Seal. The corporate seal shall have the name of the corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 7.3 Waiver of Notice of Meetings of Stockholders, Directors and Committees. Any written waiver of notice, signed by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a

waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

Section 7.4 Interested Directors; Quorum. No contract or transaction between the corporation and one or more of its directors or officers, or between the corporation and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board of Directors or committee thereof which authorizes the contract or transaction, or solely because his or their votes are counted for such purpose, if: (a) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (b) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (c) the contract or transaction is fair as to the corporation as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof, or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which authorizes the contract or transaction.

Section 7.5 Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books,

may be kept on, or be in the form of, punch cards, magnetic tape, photographs, microphotographs, or any other information storage device, provided that the records so kept can be converted into clearly legible form within a reasonable time.

Section 7.6 Amendment of By-Laws. These by-laws may be altered, amended or repealed or new by-laws may be adopted by the stockholders or by the Board of Directors, when such power is conferred upon the Board of Directors by the Certificate of Incorporation, at any regular meeting of the stockholders or of the Board of Directors or at any special meeting of the stockholders or of the Board of Directors if notice of such alteration, amendment, repeal or adoption of new by-laws be contained in the notice of such special meeting. If the power to adopt, amend or repeal by-laws is conferred upon the Board of Directors by the Certificate of Incorporation it shall not divest or limit the power of the stockholders to adopt, amend or repeal by-laws.

CERTIFICATE OF SECRETARY

I HEREBY CERTIFY that I am the duly elected, qualified and acting Secretary of Koll Partnerships II, Inc., and that the above and foregoing By-laws were adopted as the By-laws of said corporation on the 4th day of May, 1994, by the Incorporator of this corporation and were ratified by the directors of the corporation pursuant to an Organizational Action dated May 4, 1994.

IN WITNESS WHEREOF, I have hereunto set my hand as of this 4th day of May, 1994.

/s/ Robert C. Peterson
Robert C. Peterson, Secretary

KOLL PARTNERSHIPS II, INC.

SECRETARY'S CERTIFICATE

The undersigned, WILLIAM S. ROTHE, does hereby certify that he is the duly elected and acting Secretary of KOLL PARTNERSHIPS II, INC., a Delaware corporation (the "Corporation"), and that the following amendment to Article II, Section 2.1 of the By-laws of the Corporation was adopted by the sole

stockholder of the Corporation by Written Consent of the Sole Stockholder of the Corporation as of March 12, 1996:

"NOW, THEREFORE, BE IT RESOLVED, that Article II, Section 2.1 of the By-laws of this Corporation is hereby amended to read in its entirety as follows:

Section 2.1 Number; Qualifications. The authorized number of directors shall be two (2) until changed by a duly adopted amendment to this by-law. Directors need not be stockholders."

The remainder of the Corporation's By-laws remain in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of April, 1996.

/s/ William S. Rothe

WILLIAM S. ROTHE, Secretary
KOLL PARTNERSHIPS II, INC.

KOLL PARTNERSHIPS II, INC

SECRETARY'S CERTIFICATE

The undersigned, TRUDE A. TSUJIMOTO, does hereby certify that she is the duly elected and acting Secretary of KOLL PARTNERSHIPS II, INC., a Delaware corporation (the "Corporation"), and that the following amendment to Article II, Section 2.1 of the By-laws of the Corporation was adopted by the sole stockholder of the Corporation by Written Consent of the Sole Stockholder of the Corporation as of December 16, 1997:

"RESOLVED, that Article II, Section 2.1 of the By-laws of the Corporation is hereby amended to read in its entirety as follows:

Section 2.1 Number; Qualifications. The authorized number of directors shall be three (3) until changed by a duly adopted amendment to this by-law. Directors need not be stockholders."

The remainder of the Corporation's By-laws remain in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of December, 1997.

/s/ Trude A. Tsujimoto

Trude A. Tsujimoto, Secretary
KOLL PARTNERSHIPS II, INC.

EXHIBIT 3.19(a)

JAN 13, 1978

ARTICLES OF INCORPORATION

OF

L. J. MELODY & COMPANY

The undersigned natural person of the age of eighteen (18) years or more, acting as incorporator of a corporation under the Texas Business Corporation Act, does hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE ONE

The name of the corporation is L. J. Melody & Company.

ARTICLE TWO

The period of its duration is perpetual.

ARTICLE THREE

The purpose for which the corporation is organized is the transaction of all lawful business for which corporations may be organized under the Texas Business Corporation Act.

ARTICLE FOUR

The total number of shares of all classes of stock which the corporation shall have authority to issue is Four Thousand (4,000) shares, of which One Thousand (1,000) shares, par value One Hundred Dollars ($100.00) per share, shall be a class designated "Preferred Stock" and Three Thousand (3,000) shares, par value One Hundred Dollars ($100.00) per share, shall be a class designated "Common Stock".

2

(1) Shares of Preferred Stock may be issued from time to time in one or more series, each such series to have distinctive serial designations, as shall hereafter be determined in the resolution or resolutions providing for the issue of such Preferred Stock from time to time adopted by the Board of Directors pursuant to authority so to do which is hereby vested in the Board of Directors.

(2) Each series of Preferred Stock

(a) may have such number of shares;

(b) may have such voting powers, full or limited, or may be without voting powers;

(c) may be subject to redemption at such time or times and at such prices;

(d) may be entitled to receive dividends (which may be cumulative or noncumulative) at such rate or rates, on such conditions, from such date or dates, and at such times, and payable in preference to, or in such relation to, the dividends payable on any other class or classes or series of stock;

(e) may have such rights upon the dissolution of, or upon any distribution of the assets of, the corporation;

(f) may be made convertible into, or exchangeable for, shares of any other class or classes (except a class having prior or superior rights and preferences as to dividends or distribution of assets upon liquidation) or of any other series of the same or any other class or classes of stock of the corporation at such price or prices or at such rates of exchange, and with such adjustments;

(g) may be entitled to the benefit of a sinking fund or purchase fund to be applied to the purchase or redemption of shares of such series in such amount or amounts;

(h) may be entitled to the benefit of conditions and restrictions upon the creation of indebtedness of the corporation or any subsidiary, upon the issue of any additional

stock (including additional shares of such series or of any other series) and upon the payment of dividends or the making of other distributions on, and the purchase, redemption or other acquisition by the corporation or any subsidiary of any outstanding stock of the corporation; and

(i) may have such other relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof;

all as shall be determined by the Board of Directors and stated in the resolution or resolutions providing for the issue of such Preferred Stock. Except where otherwise set forth in the resolution or resolutions adopted by the Board of Directors providing for the issue of any series of Preferred Stock, the number of shares comprising such series may be increased or decreased (but not below the number of shares then outstanding) from time to time by like action of the Board of Directors.

(3) Shares of any series of Preferred Stock which have been redeemed (whether through the operation of a sinking fund or otherwise) or purchased by the corporation, or which, if convertible or exchangeable, have been converted into or exchanged for shares of stock of any other class or classes shall have the status of authorized and unissued shares of Preferred Stock and may be reissued as a part of the series of which they were originally a part or may be reclassified and reissued as part of a new series of Preferred Stock to be created by resolution or resolutions of the Board of Directors or as part of any other series of Preferred Stock, all subject to the conditions or restrictions on issuance set forth in the resolution or resolutions adopted by the Board of Directors providing for the issue of any series of Preferred Stock and to any filing required by law.

ARTICLE FIVE

The corporation will not commence business until it has received for the issuance of its shares consideration of the value of One Thousand Dollars ($1,000.00), consisting of money, labor done, or property actually received.

ARTICLE SIX

The street address of its initial registered office is 5847 San Felipe, Suite 4400, Houston, Texas. 77057 and the name of its initial registered agent at such address is Lawrence J. Melody.

ARTICLE SEVEN

(1) The number of directors of the corporation shall be fixed by, or in the manner provided in, the ByLaws. The number constituting the initial Board of Directors is three (3), and the names and addresses of the persons who are to serve as directors until the first annual meeting of shareholders or until their successors are elected and qualified are:

Name	Address
Lawrence J. Melody	1717 St. James Place, Suite 430 Houston, Texas 77056
John M. Bradley	1717 St. James Place, Suite 430 Houston, Texas 77056
Peter M. Ramme	1717 St. James Place, Suite 430 Houston, Texas 77056

(2) The corporation may enter into contracts or transact business with one or more of its directors or officers, or with any corporation, firm or association in which any of its directors or officers are stockholders, directors, officers, members, employees or otherwise interested; and no such contract or other transaction shall be void or voidable or otherwise

affected by reason of such directorship or office in the corporation or such interest in such other firm, corporation or association, notwithstanding that a director or directors having such interest are present and counted in determining the existence of a quorum at a meeting of the Board of Directors of the corporation which acts upon or in reference to such contract or transaction, and notwithstanding that the vote of such director or directors shall have been necessary to authorize, approve, ratify, or otherwise obligate the corporation upon such contract or transaction, provided that the fact of such interest shall be disclosed or otherwise known to the Board of Directors, or a majority thereof at the meeting of the Board of Directors which acts upon or in reference to such

contract or transaction; nor shall any director or officer be liable to account to this corporation for any profits realized by or from or through any such transaction or contract of the corporation by reason of such directorship, office or interest.

ARTICLE EIGHT

The name of the incorporator is Perry M. Reaves and his address is 3000 One Shell Plaza, Houston, Texas.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th day of January, 1978.

/s/ Perry M. Reaves

Perry M. Reaves

THE STATE OF TEXAS (S).
(S).
COUNTY OF HARRIS (S)

I, Alice D. Roberts, a notary public, do hereby certify that on the 12th day of January, 1978, personally appeared before me, Perry M. Reaves, who being by me first duly sworn, declared that he is the person who signed the foregoing document as incorporator, and that the statements therein contained are true.

/s/ Alice D. Roberts

Notary Public in and for
Harris County, TEXAS

STATEMENT OF

RESOLUTION ESTABLISHING SERIES OF SHARES

To the Secretary of State

of the State of Texas:

Pursuant to the provisions of Article 2.13 of the Texas Business Corporation Act, the undersigned corporation submits the following statement for the purpose of establishing and designating a series of shares and fixing and determining the relative rights and preferences thereof:

I. The name of the corporation is L. J. Melody & Company

II. The following resolution, establishing and designating a series of shares and fixing and determining the relative rights and preferences thereof, was duly adopted by the board of directors of the corporation on July 12, 1979:

RESOLVED, that pursuant to the authority vested in the board of directors of the corporation by Article Four of the Articles of Incorporation, as amended, the directors do hereby authorize for issuance 200 shares of Preferred Stock, do hereby determine that such 200 shares shall constitute the first series of Preferred Stock, do hereby designate such 200 shares as 8% Preferred Stock and do hereby establish that such 8% Preferred Stock shall have the relative rights, preferences, and limitations as follows:

(a) Dividends. The holders of 8% Preferred Stock are entitled to
---
receive annual dividends at a rate of $8.00 per annum, and no more, on each share, payable annually within a reasonable period of time after the close of each fiscal year of the corporation but in no event later than the last business day of the second full month after the close of each such fiscal year.

(b) Liquidation. In the event of any voluntary or involuntary
---
liquidation; dissolution or winding up of the affairs of the corporation, the holders of the shares of 8% Preferred Stock shall be entitled to receive from the assets of the corporation $100 per share.

(c) Regarding Exchange or Conversion Rights. The shares of 8%

Preferred Stock have no exchange or conversion rights.

(d) Regarding Voting Rights. Except to the extent that a denial

of voting rights is inconsistent with the provisions of the Texas Business Corporation Act, the shares of 8% Preferred Stock have no voting rights.

Dated July 12, 1979.

L. J. MELODY & COMPANY

By /s/ Lawrence J. Melody
Lawrence J. Melody
President

By /s/ John M. Bradley
John M. Bradley
Secretary

THE STATE OF TEXAS (S)
(S)
COUNTY OF HARRIS (S)

I, /s/ Sharon G. Lloyd, a notary public, do hereby certify that on this 12th day of July, 1979, personally appeared before me Lawrence J. Melody, who being by me first duly sworn, declared that he is the president of L. J. Melody & Company, that he signed the foregoing document as president of the corporation, and that the statements therein contained are true.

My commission expires
1-16-81.

[Notarial Seal]

/s/ Sharon G. Lloyd
Notary Public in and for
Harris County, Texas

L. J. MELODY COMPANY

UNANIMOUS CONSENT OF BOARD OF DIRECTORS

WHEREAS, paragraph B of Article 9.10 of the Texas Business Corporation Act provides that, unless otherwise restricted by the articles of incorporation or bylaws of a corporation organized and existing under the laws of the State of Texas, any action required or permitted to be taken at any meeting of the board of directors of such corporation may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the members of the board of directors;

NOW THEREFORE, we, the undersigned, constituting all of the members of the board of directors of L. J. Melody & Company, a Texas corporation ("corporation") do hereby adopt the following resolutions by our unanimous consent in writing on the date hereof, and hereby direct that such shall be filed with the minutes of the proceedings of such board of directors:

RESOLVED, that pursuant to the authority vested in the board of directors of the corporation by Article Four of the Articles of Incorporation, as amended, the directors do hereby authorize for issuance 200 shares of Preferred Stock, do hereby determine that such 200 shares shall constitute the first series of Preferred Stock, do hereby designate such 200 shares as 8% Preferred Stock and do hereby establish that such 8% Preferred Stock shall have the relative rights, preferences, and limitations as follows:

(a) Dividends. The holders of 8% Preferred Stock are entitled to receive annual dividends at a rate of $8.00 per annum, and no more, on each share, payable annually within a reasonable period of time after the close of each fiscal year of the corporation but in no

event later than the last business day of the second full month after the close of each such fiscal year.

(b) Liquidation. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the corporation, the holders of the shares of 8% Preferred Stock shall be entitled to receive from

the assets of the corporation $100 per share.

(c) Regarding Exchange or Conversion Rights. The shares of 8% Preferred Stock have no exchange or conversion rights.

(d) Regarding Voting Rights. Except to the extent that a denial of voting rights is inconsistent with the provisions of the Texas Business Corporation Act, the shares of 8% Preferred Stock have no voting sights; and further

RESOLVED, that the President or any Vice President and the Secretary or any Assistant Secretary of the corporation be and they hereby are authorized and directed to execute a statement in substantially the form submitted with these resolutions and bearing the caption "STATEMENT OF RESOLUTION ESTABLISHING SERIES OF SHARES" dated July 12, 1979 and such statement, verified by one of the officers signing the same, be delivered in duplicate to the Secretary of State of the State of Texas, pursuant to the provisions of Article 2.13 of the Texas Business Corporation Act; and further

RESOLVED, that the consideration for shares of 8% Preferred Stock be and it hereby is fixed at $100.00 per share and that, subsequent to the filing of the statement described in the foregoing resolution as set forth therein, 160 shares of the 8% Preferred Stock, par value $100.00 per share, of the corporation be issued to Lawrence J. Melody in return for $16,000.00,

the receipt of which is hereby acknowledged, and that 40 shares of the 8% Preferred Stock, par value $100.00 per share, of the corporation be issued to John M. Bradley in return for $4,000.00, the receipt of which is hereby acknowledged, and that the proper officers of the corporation be and they hereby are authorized and directed to issue to such persons respectively certificates representing such 160 and 40 shares of 8% Preferred Stock, par value $100.00 per share, of the corporation, such shares when so issued to be fully paid and nonassessable.

IN WITNESS WHEREOF, we have hereunto set our hands this 12th day of July, 1979.

/s/ Lawrence J. Melody

Lawrence J. Melody

/s/ John M. Bradley

John M. Bradley

Exhibit 3.19(b)

BYLAWS

OF

L.J. MELODY & COMPANY

ARTICLE I.

CAPITAL STOCK

Section 1. Certificates Representing Shares. The Corporation shall deliver certificates representing all shares to which shareholders are entitled. Such certificates shall be signed by the President or a Vice President and either the Secretary or any Assistant Secretary, and shall bear the seal of the Corporation or a facsimile thereof. The signatures of such officers upon a certificate may be facsimiles, if the certificate is countersigned by a transfer agent or registered by a registrar, either of which is other than the Corporation itself or an employee of the Corporation. In case any officer who has signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the Corporation with the same effect as if he were such officer at the date of its issuance.

Section 2. Shareholders of Record. The Board of Directors of the Corporation may appoint one or more transfer agents or registrars of any class of stock of the Corporation. Unless and until such appointment is made, the Secretary of the Corporation shall maintain among other records a stock certificate book, the stubs in which shall set forth the names and addresses of the holders of all issued shares of the Corporation, the number of shares held by each, the certificate numbers representing such shares, the date of issue of the certificates representing such shares, and whether or not such shares originate from original issues or from transfer. The names and addresses of shareholders as they appear on the stock certificate book shall be the official list of shareholders of record of the Corporation for all purposes. The Corporation shall be entitled to treat the holder of record of any shares of the Corporation as the owner thereof for all purposes, and shall not be bound to recognize any equitable or other claim to, or interest in, such shares or any rights deriving from such shares on the part of any other person, including (but without limitation) a purchaser, assignee or transferee, unless and until such other person becomes the holder of record of such shares, whether or not the Corporation shall have either actual or constructive notice of the interest of such other person.

Section 3. Transfer of Shares. The shares of the Corporation shall be transferable on the stock certificate books of the Corporation by the holder of record thereof, or his duly authorized attorney or legal representative, upon endorsement and surrender for cancellation of the certificates for such shares. All certificates surrendered for transfer shall be cancelled, and no new certificate shall be issued until a former certificate or certificates for a like number of shares shall have been surrendered and cancelled, except that in the case of a lost, destroyed or mutilated certificate, a new certificate may be issued therefor upon such conditions for the protection of the Corporation and any transfer agent or registrar as the Board of Directors or the Secretary may prescribe.

ARTICLE II.

MEETINGS OF SHAREHOLDERS

Section 1. Place of Meetings. All meetings of shareholders shall be held at the registered office of the Corporation, in the City of Houston, Texas, or at such other place within or without the State of Texas as may be designated by the Board of Directors or officer calling the meeting.

Section 2. Annual Meeting. Commencing with the year 1979 annual meetings of the shareholders shall be held on the first Tuesday in March of each year at such hour as may be designated in the notice of the meeting, if such day is not a legal holiday, and if a holiday, then on the first following day that is not a legal holiday. Failure to hold the annual meeting at the designated time shall not work a dissolution of the Corporation.

Section 3. Special Meetings. Special meetings of the shareholders may

be called by the President or the Board of Directors. Special meetings of shareholders may be called by the Secretary upon the written, request of the holders of shares entitled to not less than ten per cent of all the votes entitled to be cast at such meeting. Such request shall state the purpose or purposes of such meeting and the matters proposed to be acted on thereat.

Section 4. Notice of Meeting. Written notice of all meetings stating the place, day and hour of the meeting and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten nor more than fifty days before the meeting to the shareholders of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the shareholder at his address as it appears on the stock transfer books of the Corporation, with postage thereon prepaid.

Section 5. Closing of Transfer Books and Fixing Record Date. The Board of Directors may fix, in advance, a date as the record date for the purpose of determining shareholders entitled to notice of, or to vote at, any meeting of shareholders, or shareholders entitled to receive payment of any dividend or the allotment of any rights, or in order to make a determination of shareholders for any other proper purpose. Such date, in any case, shall be not more than fifty days, and in case of a meeting of shareholders not less than ten days, prior to the date on which the particular action requiring such determination of shareholders is to be taken. In lieu of fixing a record date, the Board of Directors may provide that the stock transfer books shall be closed for a stated period but not to exceed, in any case, twenty days. If the stock transfer books are closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least ten days immediately preceding such meeting.

Section 6. Voting List. The officer or agent having charge of the stock transfer books of the Corporation shall make, at least ten days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares held by each, which list, for a period of ten days prior to such meeting, shall be kept on file at the registered office of the Corporation and shall be subject to inspection by any shareholder at any time during usual

business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original stock transfer books shall be prima facie evidence as to who are the shareholders entitled to examine such list or transfer books or to vote at any meeting of shareholders. Failure to comply with any requirements of this Section 6 shall not affect the validity of any action taken at such meeting.

Section 7. Voting at Meetings. Any holder of shares of the Corporation entitled to vote shall be entitled to one vote for each such share, either in person or by proxy executed in writing by him or by his duly authorized attorney in fact. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy. Each proxy shall be revocable unless expressly provided therein to be irrevocable and unless otherwise made irrevocable by law.

Section 8. Quorum of Shareholders. The holders of a majority or shares entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders, but, if a quorum is not represented, a majority in interest of those represented may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified. The vote of the holders of a majority of the shares entitled to vote and thus represented at a meeting at which a quorum is present shall be the act of the shareholders' meeting, unless the vote of a greater number is required by law, the Articles of Incorporation or these bylaws.

Section 9. Officers. The President shall preside at, and the Secretary shall keep the records of, each meeting of shareholders. In the absence of either such officer, his duties shall be performed by another officer of the Corporation appointed at the meeting.

ARTICLE III.

DIRECTORS

Section 1. Number and Tenure. The affairs of the Corporation shall be managed by a Board of Directors consisting of three (3) members. Unless sooner removed in accordance with these bylaws, members of the Board of Directors shall hold office until the next annual meeting of shareholders and until their successors shall have been elected and qualified.

Section 2. Qualifications. Directors need not be shareholders of the Corporation.

Section 3. Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors, though less than a quorum of the entire Board; provided, however, that any directorship to be filled by reason of an increase in the number of directors shall be filled by election at an annual meeting or a special meeting of shareholders called for that purpose. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 4. Place of Meeting. Meetings of the Board of Directors may be held either within or without the State of Texas, at whatever place is specified by the officer calling the meeting. In the absence of specific designation, the meetings shall be held at the office of the Corporation in the City of Houston, Texas.

Section 5. Regular Meetings. The Board of Directors shall meet each year immediately following the annual meeting of the shareholders, at the place of such meeting, for the transaction of such business as may properly be brought before it. No notice of annual meetings need be given to either old or new members of the Board of Directors. Regular meetings may be held at such other times as shall be designated by the Board of Directors.

Section 6. Special Meetings. Special meetings of the Board of `Directors may be held at any time upon the call of the President, or any two directors of the Corporation. Notice shall be sent by mail or telegram to the last known address of each director at least four days before the meeting. Oral notice may be substituted for such written notice if given not later than one day before the meeting. Notice of the time, place and purpose of such meeting may be waived in writing before or after such meeting, and shall be equivalent to the giving of notice. Attendance of a director at such meeting shall also constitute a waiver of notice thereof, except where he attends for the announced purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Except as otherwise herein provided, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 7. Quorum. A majority of the number of directors fixed by these bylaws as from time to time amended shall constitute a quorum for the transaction of business, but a smaller number may adjourn from time to time until they can secure the attendance of a quorum. The act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. Any regular or special directors' meeting may be adjourned from time to time by those present, whether a quorum is present or not.

Section 8. Compensation. Directors as such shall not receive any stated salary for their services, but by resolution of the Board a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; provided, that nothing contained herein shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

Section 9. Removal. Any director may be removed, either for or without cause, at any special meeting of shareholders by the affirmative vote of a majority of the outstanding shares entitled to vote at elections of directors. The notice calling such meeting shall give notice of the intention to act upon such matter, and if the notice so provides, the vacancy caused by such removal may be filled at such meeting by vote of a majority of the shares represented at such meeting and entitled to vote for the election of directors.

ARTICLE IV.

OFFICERS

Section 1. Officers. The officers of the Corporation shall be elected by the Board of Directors, and shall consist of a President, a Vice President or Vice Presidents, a Secretary, a Treasurer, and such Assistant Secretaries and Assistant Treasurers as the Board of Directors may from time to time designate, all of whom shall hold office until their successors are elected and qualified. Two or more offices, except the offices of President and Secretary, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity, if such instrument is required by law, the charter or these bylaws to be executed, acknowledged or verified by two or more officers.

The salaries of the officers shall be determined by the Board of Directors, and may be altered by the Board from time to time except as otherwise provided by contract. All officers shall be entitled to be paid or reimbursed for all costs and expenditures incurred in the Corporation's business.

Section 2. Vacancies. Whenever any vacancies shall occur in any office by death, resignation, increase in the number of officers of the Corporation, or otherwise, the same shall be filled by the Board of Directors, and the officer so elected shall hold office until his successor is chosen and qualified.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 4. President. The President shall be the principal executive officer of the Corporation, and subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the shareholders and of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Corporation thereunto authorized by the Board of Directors, certificates for shares of the Corporation, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed and executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 5. Vice President. Any Vice President may perform the usual and customary duties that pertain to such office (but no unusual or extraordinary duties or powers conferred by the Board of Directors upon the President) and, under the direction and subject to the control of the Board of Directors, such other duties as may be assigned to him.

Section 6. Secretary. It shall be the duty of the Secretary to attend all meetings of the shareholders and Board of Directors and record correctly the proceedings had at such

meetings in a book suitable for that purpose. It shall also be the duty of the Secretary to attest with his signature and the seal of the Corporation all stock certificates issued by the Corporation and to keep a stock ledger in which shall be correctly recorded all transactions pertaining to the capital stock of the Corporation. He shall also attest with his signature and the seal of the Corporation all deeds, conveyances or other instruments requiring the seal of the Corporation. The person holding the office of Secretary shall also perform, under the direction and subject to the control of the Board of Directors, such other duties as may be assigned to him. The duties of the Secretary may also be performed by any Assistant Secretary.

Section 7. Treasurer. The Treasurer shall keep such moneys of the Corporation as may be entrusted to his keeping and account for the same. He shall be prepared at all times to give information as to the condition of the Corporation and shall make a detailed annual report of the entire business and financial condition of the Corporation. The person holding the office of Treasurer shall also perform, under the direction and subject to the control of

the Board of Directors, such other duties as may be assigned to him. The duties of the Treasurer may also be performed by any Assistant Treasurer.

Section 8. Delegation of Authority. In the case of any absence of any officer of the Corporation or for any other reason that the Board may deem sufficient, the Board of Directors may delegate some or all of the powers or duties of such officer to any other officer or to any director, employee, shareholder or agent for whatever period of time seems desirable, providing that a majority of the entire Board concurs therein.

ARTICLE V.

MISCELLANEOUS PROVISIONS

Section 1. Indemnification of officers and Directors. Each person who shall have served as a Director or officer of this Corporation, or at its request as director or officer of another corporation in which it now owns or may hereafter own shares of capital stock or of which it now is or may hereafter be a creditor, shall be indemnified by the Corporation against expenses and costs (including attorneys' fees) actually and necessarily incurred by him in connection with any claim asserted against him, by action in court or otherwise, by reason of being or having been such director or officer, except when in any court proceeding he shall have been adjudged guilty of negligence or misconduct in respect of the matter in which indemnity is sought; provided, however, that the foregoing right of indemnification shall not be exclusive of other rights to which he may be entitled by law.

Section 2. Amendments. These bylaws may be altered or repealed at any regular meeting of the shareholders or at any special meeting of the shareholders at which a quorum is present or represented, provided notice of the proposed alteration or repeal be contained in the notice of such special meeting, by the affirmative vote of a majority of the shares entitled to vote at such meeting and present or represented thereat, or by the affirmative vote of a majority of the Board of Directors at any regular meeting of the Board or at any special meeting of the Board if notice of the proposed alteration or repeal be contained in the notice of such special meeting except that the directors shall not alter, amend or repeal any bylaw adopted by the shareholders or enact any bylaw in conflict with a bylaw adopted by the shareholders; provided, however, that

no change of the time or place of the meeting for the election of directors shall be made within sixty (60) days next before the day on which such meeting is to be held, and that in case of any change of said time or place, notice thereof shall be given to each shareholder in person or by letter mailed to his last known post office address at least twenty (20) days before the meeting is held.

Section 3. Waiver. Whenever, under the provisions of any law, the Articles of Incorporation or amendments thereto, or these bylaws, any notice is required to be given to any shareholder, director or committee member, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 4. Conference Telephone Meetings. Meetings of shareholders, directors or any committee, may be held by means of conference telephone or similar communications equipment so long as all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 5. Offices. The principal office of the Corporation shall be located in Houston, Texas unless and until changed by resolution of the Board of Directors. The Corporation may also have offices at such other places as the Board of Directors may from time to time designate, or as the business of the Corporation may require.

Section 6. Resignations. Any director or officer may resign at any time. Such resignations shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 7. Seal. The seal of the Corporation shall be circular in form with a five pointed star in the center and the name of the Corporation around the margin thereof.

Section 8. Fiscal Year. The fiscal year of the Corporation shall end at the close of business on the 31st day of December in each year.

EXHIBIT 3.20(a)

CERTIFICATE OF LIMITED PARTNERSHIP
OF L J MELODY & COMPANY OF TEXAS, LP

1. The name of the limited partnership is L J Melody & Company of Texas, LP.

2. The address of the registered office is 811 Dallas Avenue, Houston, Texas 77002.

3. The name of the registered agent at the above address is CT Corporation System.

4. The address where the records of the limited partnership are to be kept or made available is 5847 San Felipe, Suite 4400, Houston, Texas 77057.

5. The name of the general partner is CBRE/LJM Mortgage Company, LLC and its mailing address and street address is 533 South Fremont Avenue, Los Angeles, CA 90071.

Signed this the 27/th/ day of January, 1999.

GENERAL PARTNER:

CBRE/LJM MORTGAGE COMPANY, LLC
a Delaware limited liability company

By: /s/ Raymond E. Wirta

Raymond E. Wirta,
President

Exhibit 3.20(b)

LIMITED PARTNERSHIP AGREEMENT OF

L.J. MELODY MORTGAGE COMPANY, LP

Table of Contents

<TABLE>
<CAPTION>

</TABLE>

<TABLE>

</TABLE>

LIMITED PARTNERSHIP AGREEMENT OF
L.J. MELODY MORTGAGE COMPANY, LP

THIS LIMITED PARTNERSHIP AGREEMENT, dated as of January 27, 1999, among the parties hereto,

W I T N E S S E T H:

In consideration of the mutual agreements and covenants contained herein, the parties hereto do hereby agree as follows:

ARTICLE I
DEFINITIONS

Any references in this Agreement to an "Article" or " Section" are references to articles or sections of this Agreement and the definitions set forth in this Article shall apply throughout this Agreement.

"Act" - The Texas Revised Limited Partnership Act, as amended.

"Agreement" - This Limited Partnership Agreement, as amended from time to time.

"Code" - The Internal Revenue Code of 1986, as amended.

"General Partner" - A general partner of the Partnership.

"Limited Partner" - A limited partner of the Partnership.

"Partner" - A General Partner or a Limited Partner.

"Partnership" - The limited partnership existing pursuant to this Agreement.

"Person" - An individual, corporation, partnership, limited partnership, limited liability partnership, limited liability company, professional corporation, trust, business trust, estate, custodian, trustee, executor, administrator, or other entity in its own or representative capacity.

"Principal Office" - The principal office of the Partnership where records are to be kept or made available under Section 1.07 of the Act.

"TRPA" - The Texas Revised Partnership Act, as amended.

ARTICLE II
FORMATION AND INITIAL ORGANIZATION

Section 2.1 Formation. The parties hereto hereby form the Partnership as a limited partnership under the Act upon filing the certificate of limited partnership required by Section 2.01 of the Act.

Section 2.2 Term. The Partnership shall be dissolved and liquidated as provided in Article IX.

Section 2.3 Name. The Partnership shall conduct its business and affairs under the name of "L.J. Melody Mortgage Company, LP"; provided that the General Partner may change the Partnership's name after notice to the Partners.

Section 2.4 Principal Office. The Principal Office shall be located at 5847 San Felipe, Suite 4400, Houston, Texas 77057; provided that the General Partner may change the Principal Office to any other location in the United States after notice to the Partners.

Section 2.5 Registered Office and Registered Agent. The Partnership's registered office in Texas is located at 811 Dallas Avenue, Houston, Texas 77002 and the Partnership's registered agent at that address is CT Corporation System. The General Partner may change the registered office and registered agent of the Partnership after notice to the Partners.

Section 2.6 Purpose. The purpose of the Partnership is to transact all lawful business for which partnerships may be organized under the Act.

ARTICLE III
MANAGEMENT

Section 3.1 Powers of the General Partner. The General Partner shall have the power to take any action in managing the Partnership's business and affairs as may be necessary or appropriate to conduct its business including the power:

(a) to acquire, invest in or otherwise participate in other partnerships, corporations or other entities;

(b) to purchase or otherwise acquire, construct, deal in, sell, lease or otherwise dispose of full or fractional interests in real property, depreciable property or personal property of any kind and to buy or hold insurance of any kind;

(c) to provide or contract for services of any kind; to make, enter into, deliver and perform contracts, agreements and other undertakings; to contract for the services of accountants, lawyers, investment managers, appraisers, contractors, or other service providers and to delegate powers to any such person; to retain or employ employees;

(d) to lend money with or without security to any person, including any Partner or an Affiliate of a Partner, on any commercially reasonable terms;

(e) without limitation as to amount or terms, to borrow and raise moneys, to issue, accept, endorse and execute promissory notes; drafts, bills of exchange, warrants, bonds, debentures and other negotiable or nonnegotiable instruments and evidences of indebtedness, and to secure the payment of any such indebtedness and any interest in any such indebtedness by mortgage, pledge, transfer or assignment in trust of all or any part of the Partnership assets, whether owned at the time of any such transactions or acquired thereafter, and, in particular, to use the assets of the Partnership to secure borrowings the proceeds of which may be used to acquire companies or interests in companies in the fastener industry, and to sell, pledge or otherwise dispose of any such obligations of the Partnership;

(f) to guarantee any financial transaction of any kind with or without charging a fee therefor,

(g) to have and maintain one or more offices and to rent or acquire office space, engage personnel, purchase equipment and supplies and do anything else which may be appropriate in connection with the maintenance of offices;

(h) to pay any expenses related to any of the Partnership's businesses or affairs;

(i) to compromise claims against the Partnership;

(j) to establish bank accounts and other similar accounts for the Partnership; to make or delegate the authority to make withdraw from such accounts by check or electronic transfer in the name of the Partnership; and

(k) to acquire real and personal property, arrange financing, enter contracts and complete any other arrangements on behalf of a Partnership, in the name of the Partnership or in the name of a nominee without having to disclose the existence of the Partnership;

provided, however, that without the prior written consent of all of the Partners, the General Partner shall not cause the Partnership to (i) file a petition for relief in bankruptcy under any federal bankruptcy law or any other jurisdiction's debtor relief law; or (ii) make any decision or take any action which would make it impossible to carry on the Partnership's business and affairs.

Section 3.2 Reliance by Third Parties on General Partner. The Partnership shall be bound, to the extent the General Partner purports to act on behalf of the Partnership, to any third party who relies on the authority of the General Partner if the General Partner communicates to the third party that the actions taken by the General Partner are taken on behalf of the

Partnership, and the third party shall not be deemed to have any duty to determine whether the General Partner has the authority to take the action.

Section 3.3 Duties of General Partner; Limitations.

(a) Funds Available. Except to the extent otherwise required by the Act or the TRPA, any obligation of the General Partner to the Partnership and to the other Partners under this Agreement or arising by operation of law shall be performable only to the extent that the Partnership has funds available therefor, and the General Partner shall not be liable personally to furnish such funds.

(b) Duties. In exercising the powers granted by Agreement and in performing the duties required by this Agreement, the General Partner has only the duty of loyalty and the duty of care that are imposed by Section 4.04 of the TRPA.

Section 3.4 Indemnification of General Partner. To the fullest extent permitted by law, the General Partner shall be indemnified and held harmless by the Partnership from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including, without limitation, legal fees and expenses), judgments, fines, penalties, interest and other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which the General Partner may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as a general partner of the Partnership, provided, that in each case the General Partner acted in good faith and in a manner which the General Partner reasonably believed to be in the best interests of the Partnership and, with respect to any criminal proceeding, had no reasonable cause to believe its conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere, or equivalent shall not create a presumption that the General Partner acted in a manner contrary to that specified above. To the fullest extent permitted by law, expenses (including, without limitation, legal fees) incurred by the General Partner in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Partnership prior to the final disposition thereof upon receipt by the Partnership of an undertaking by or on behalf of the General Partner to repay such amount if it shall be determined that the General Partner is not entitled to be indemnified as authorized in this Section.

Section 3.5 Limited Partners.

(a) No Control Over Management. Except for a exercise of a Limited Partner's rights and powers as a Limited Partner, no Limited Partner shall have any authority to participate in the control of the Partnership's business or affairs.

(b) Limited Liability. A Limited Partner shall not be liable for any debts or obligations of the Partnership by reason of being a limited partner in the partnership.

(c) No Return of Contributions. A Limited Partner shall have no right to withdraw from the Partnership or to a return of any contributions to the Partnership made by such Partner except to the extent of distributions made to such Partner as provided herein.

(d) Access to Certain Information. Upon written request by a Limited Partner, at the expense of the Limited Partner and at reasonable times and for a purpose related to the Limited Partner's interest in the Partnership, a Limited Partner may require the Partnership to provide (i) true and full information regarding the status of the business and financial condition of the Partnership; (ii) a copy of the Partnership's federal, state and local income tax return; (iii) a current list of the full name and last known address of each Partner; and (iv) a copy of this Agreement and the certificate of limited partnership of the Partnership.

(e) Competition. A Limited Partner may own, operate or invest in any property or business venture which is not owned or operated by the Partnership and without allowing the participation of the Partnership or the other Partners, such that neither the Partnership nor any Partner shall have any rights with respect to any such properties or business ventures nor any claims with respect to their effect on the Partnership.

(f) Transactions with Partnership. A Limited Partner and any affiliate of a Limited Partner may transact business of any kind with the

Partnership.

Section 3.6 Officers. Pursuant to Article 6132b-3.01 of the TRPA, the Partnership shall have officers who will be agents f the Partnership appointed by the General Partner. Unless otherwise decided by the General Partner, the officers shall have the titles, powers, authority, and duties described below:

(a) Titles and Number. The officers of the Partnership shall be a Chief Executive Officer, a Chief Financial Officer, a President, one or more Vice Presidents, a Secretary, one or more Assistant Secretaries, a Treasurer and one or more Assistant Treasurers and any other officer appointed pursuant to this Section. Any person may hold two or more offices.

(b) Appointment and Term of Office. The officers shall be appointed by the General Partner at such time and for such terms as the General Partner shall determine. Any officer may be removed, with or without cause, only by the General Partner. Vacancies in any office may be filled only by the General Partner.

(c) Chief Executive Officer and President. The President shall be the Chief Executive Officer and, subject to the direction of the General Partner, shall be responsible for the management and direction of the day-to-day business and affairs of the Partnership, its other officers, employees, and agents, shall supervise

generally the affairs of the Partnership and shall have full authority to execute all documents and take all actions that the Partnership may legally take. The Chief Executive Officer and President shall exercise such other powers and perform such other duties as may be assigned to him by the General Partner, including any duties and powers stated in any employment agreement approved by the General Partner.

(d) Chief Financial Officer. The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Partnership, and shall have all other powers and duties as may be prescribed by the General Partner.

(e) Vice Presidents. The Vice Presidents may include, among others, Executive Vice Presidents and Senior Vice Presidents. Each Vice President appointed by the General Partner shall have the power to execute documents on behalf of the Partnership. Each such Vice President shall perform such other duties and may exercise such other powers as may from time to time be assigned to him by the General Partner or the Chief Executive Officer and President.

(f) Secretary and Assistant Secretaries. The Secretary shall record or cause to be recorded in books provided for that purpose the minutes of the actions of the General Partner and meetings of the Partner, shall see that all notices are duly given in accordance with the provisions of this Agreement and as required by law, shall be custodian of all records (other than financial), shall see that the books, reports, statements, certificates and all other documents and records required by law are properly kept and filed, and, in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him by this Agreement, the General Partner, or the Chief Executive Officer and President. The Assistant Secretaries shall exercise the powers of the Secretary during that officer's absence or inability to act.

(g) Treasurer and Assistant Treasurer. The Treasurer shall keep or cause to be kept the books of account of the Partnership and shall render statements of the financial affairs of the Partnership in such form and as often as required by this Agreement, the General Partner or the Chief Executive Officer and President. The Treasurer, subject to the order of the General Partner, shall have the custody of all funds and securities of the Partnership. The Treasurer shall perform all other duties commonly incident to his office and shall perform such other duties and have such other powers as this Agreement, the General Partner or the President shall designate from time to time. The Assistant Treasurers shall exercise the power of the Treasurer during the officer's absence or inability or refusal to act. Each of the Assistant Treasurers shall possess the same power as the Treasurer to sign all certificates, contracts, obligations and other instruments of

the Partnership. If no Treasurer or Assistant Treasurer is appointed and serving

or in the absence of the appointed Treasurer and Assistant Treasurer, the Vice President, or such other officer as the General Partner shall select, shall have the powers and duties conferred upon the Treasurer.

(h) Other Officers and Agents. The General Partner may appoint such other officers and agents as may from time to time appear to be necessary or advisable in the conduct of the affairs of the Partnership, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the General Partner.

(i) Powers of Attorney. The General Partner may grant powers of attorney or other authority as appropriate to establish and evidence the authority of the officers and other Persons.

(j) Officers' Delegation of Authority. Unless otherwise provided by the General Partner, no officer shall have the power or authority to delegate to any Person such officers' rights and powers as an officer to manage the business and affairs of the Partnership.

ARTICLE IV
PARTNERS AND CAPITALIZATION

Section 4.1 Partners. CBRE/LJM Mortgage Company, LLC, a Delaware limited liability company, is the general partner of the Partnership. The General Partner shall not receive compensation for its services as general partner of the Partnership, but shall be entitled to reimbursement for any expenses it pays on behalf of the Partnership. CBRE/LJM-Nevada, Inc., a Nevada corporation, is the limited partner of the Partnership.

Section 4.2 Contributions. By their execution hereof each of the Partners agrees to make the contribution to the Partnership in the amount set out beside such Partner's name, and as a result thereof, is the holder of the number of units (the "Units") set out below.

	Contribution	Number of Units
CBRE/LJM Mortgage Company, LLC.	$ 10	10
CBRE/LJM - Nevada, Inc.	$990	990

Such contributions shall be made at the time or times requested by the General Partner provided that each request for contributions shall be divided among the Partners in proportion to the number of Units held by the Partners. No Partner of the Partnership shall have any obligation to make contributions to the Partnership in excess of that for which provision is made in this Section.

Section 4.3 Sources of Additional Funds.

(a) Additional Contributions. The General Partner may cause the Partnership to issue additional Units, or classes or series of such Units, or options, rights, warrants, or appreciation rights relating thereto, or any other type of equity security that the Partnership may lawfully issue, any secured or unsecured debt obligation of the Partnership convertible into or exchangeable or exercisable for any class or series of equity security of the Partnership (each a "Partnership Security") at any time or from time to time to such Person or Persons (which may include the General Partner or other Persons theretofore Partners) and on such terms as the General Partner may determine all without the approval of any other Partner. Any Person to whom such additional Units or other Partnership Securities are issued shall become a Limited Partner in respect of the Units or other Partnership Securities so issued, except to the extent such additional Units or other Partnership Securities are issued to the General Partner, in which case the terms of issuance shall specify whether the General Partner shall have the rights of a Limited Partner or a General Partner in respect of such units or other Partnership Securities.

Any such Partnership Security shall be issuable with such designations, preferences, and relative, participating, optional or

other special rights, powers or duties as may be fixed by the General Partner including the right of the holder of each such Partnership Security to share in distributions whether before or during winding up of the Partnership, whether such Partnership Security is redeemable and the conditions of any such redemption, whether such Partnership Security is convertible or exchangeable and the terms of any such conversion or exchange, and the right of the holder of any such Partnership Security to vote on matters relating to the Partnership. After the issuance of any such Partnership Security, the General Partner shall amend the provisions of this Agreement to provide for the allocation of the Partnership's items of income, gain, loss and deduction in accordance with applicable law.

No Partner shall have any preemptive, preferential or similar right with respect to the issuance of any such Partnership Security by the Partnership. Additional Units or other Partnership Securities issued to existing Partners need not be issued in the same proportion as Units or any other Partnership Securities theretofore held by them.

Section 4.4 Loans and Guarantees by Partners and Affiliates. No Partner shall be obligated to contribute any funds or properties to the Partnership other than those funds or properties for which provision is made herein. Nor shall any Partner be obligated to loan funds to the Partnership, to guarantee loans to the Partnership or otherwise to incur personal liability with respect to any loan to the Partnership.

ARTICLE V
ACCOUNTING MATTERS

The Partnership shall keep and maintain its books and records at the Principal Office, such books and records to be kept in accordance with accounting principles that the General Partner determines to be appropriate for the business and affairs of the Partnership.

ARTICLE VI
TAX MATTERS

Section 6.1 Tax Elections. The General Partner shall determine whether the Partnership shall make any election (including any election which may be permitted with respect to the Partnership's method of accounting and any election for which provision is made in Section 168 and Section 754 of the Code) which is available to the Partnership for federal, state or local tax purposes, provided, however, that the General Partner shall make no election which would cause the Partnership to be taxed as a corporation and not as a partnership for federal, state or local tax purposes.

Section 6.2 Preparation of Tax Returns. The General Partner shall use its reasonable efforts to arrange, at the expense of the Partnership, for the preparation and timely filing of all tax returns of the Partnership for federal, state or local tax purposes and shall furnish to the Partners a copy of any income tax returns so filed within a reasonable time after the filing thereof. In addition, the General Partner shall furnish to the Partners such other tax information as is reasonably required thereby for federal, state and local tax reporting purposes.

Section 6.3 Tax Matters Partner. The General Partner is the tax matters partner of the Partnership, within the meaning of Section 6231(a)(7) of the Code, and is authorized to represent the Partnership (at the Partnership's expense) in connection with any examination of the Partnership's affairs by any tax authority, including administrative and judicial proceedings, and to expend Partnership funds for professional services and the costs associated therewith.

Section 6.4 Tax Allocations. Unless the General Partner determines that another allocation is required by applicable law, each item of income, gain, loss, deduction and credit recognized by the Partnership for federal, state or local income tax purposes shall be allocated among the holders of Units in proportion to the number of such Units which are so held.

ARTICLE VII
DISTRIBUTIONS

The General Partner shall from time to time cause the Partnership to make such distributions to the Partners as the General Partner may determine in its sole discretion, and any amount so distributed, whether prior to or during the winding up of the Partnership, shall be divided among the holders of Units in proportion to the number of Units held by them.

ARTICLE VIII
ASSIGNMENTS

No Partner may assign or otherwise transfer such Partner's Units (or any interest in such Units) without the consent of the other Partners, and a Person who holds Units and is not a Partner shall become a Partner only with the written consent of the General Partner.

ARTICLE IX
DISSOLUTION, WINDING UP AND LIQUIDATION

Section 9.1 Dissolution. The Partnership shall be dissolved on the occurrence of an event of withdrawal of a General Partner, as defined in Section 4.02 (other than Section 4.02(a)(4)) of the Act. The General Partner agrees not to cause an event of withdrawal of the General Partner, as defined in Section 4.02 (other than Section 4.02(a)(4)) of the Act to occur.

Section 9.2 Liquidation. If the Partnership is dissolved, the Partnership's affairs shall be wound up by the General Partner, that is, the assets of the Partnership shall be converted to cash and applied to pay all creditors of the Partnership, including Partners, in the order allowed by applicable law, and the balance shall be distributed as provided herein. The Partners shall allow a reasonable time for the orderly liquidation of the Partnership in order to avoid losses to the extent possible.

ARTICLE X
MISCELLANEOUS

Section 10.1 Modification, Termination and Waiver. This Agreement may be modified, terminated or waived only by written agreement of all parties.

Section 10.2 Successors and Assigns. Subject to Article VIII , this Agreement shall bind, and inure the benefit of, the parties to this Agreement and their respective successors and assigns.

Section 10.3 Creditors. No provision in this Agreement shall be enforceable by, nor construed for the benefit of, any creditors of the Partnership.

Section 10.4 Personal Liability. Except as may be provided in a separate agreement delivered to the General Partner, no employee, officer, director, shareholder, limited partner or other agent of any Partner shall be liable personally for any obligations of such Partner under this Agreement.

Section 10.5 Entire Agreement. This Agreement represents the entire agreement of the parties to this Agreement with respect to the Partnership and supersedes any prior understandings between or among them. There are no oral or written representations,

agreements, arrangements or understandings between or among the parties to this Agreement which relate to the Partnership other than those contained in this Agreement.

Section 10.6 Governing Law. This Agreement shall be construed in accordance with the laws of the State of Texas, and the rights and obligations of the parties to this Agreement shall be governed by the laws of the State of Texas, in each case without regard to its conflict of law provisions.

Section 10.7 Notices. Except as otherwise provided, all notices and other communications which may be required under this Agreement shall be submitted in writing and shall be effective as to a Partner when such notice is received at the address of the Partner on the books of the Partnership and shall be effective as to the Partnership when received at the Principal Office.

Section 10.8 Format of Agreement; Headings. The format of this Agreement and the headings used throughout this Agreement are intended only for convenience of reference and shall not affect the meaning of any provision of this Agreement.

Section 10.9 Plurals, etc. Pronouns, nouns and other terms used in this Agreement shall be construed as necessary to include their masculine, feminine, neuter, singular and plural forms.

Section 10.10 Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original of this Agreement but all of which, taken together, shall constitute one and the same Agreement.

IN WITNESS WHEREOF, the Partners have executed this Agreement as of the date first written above.

GENERAL PARTNER:

CBRE/LJM MORTGAGE COMPANY, LLC, a Delaware
limited liability company

By: /s/ RAYMOND E. WIRTA

Raymond E. Wirta
President

LIMITED PARTNER:

CBRE/LJM - NEVADA, INC.,
a Nevada corporation

By: /s/ RAYMOND E. WIRTA

Raymond E. Wirta
President

Exhibit 3.21(a)

ARTICLES OF INCORPORATION

OF

SOL L. RABIN, INC.

The undersigned Incorporator hereby executes, acknowledges and files the following ARTICLES OF INCORPORATION for the purpose of forming a corporation under the General Corporation Law of the State of California.

One: The name of the Corporation shall be:

SOL L. RABIN, INC.

Two: The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

Three: The name and address in this state of the Corporation's initial agent for service or process in accordance with Subdivision (b) of Section 1502 of the General Corporation Law is:

Sol L. Rabin
9315 Burton Way, Unit B
Beverly Hills, California 90210

Four: The Corporation is authorized to issue only one class of share, and the total number of shares which the Corporation is authorized to issue is One Thousand (1,000).

IN WITNESS WHEREOF, the undersigned Incorporator has executed the foregoing Articles of Incorporation on December 23, 1981.

/s/ William D. Mitchell

Typed Name: WILLIAM D. MITCHELL

The undersigned declares that he is the person who executed the foregoing Articles of Incorporation and that such instrument is the act and deed of the undersigned.

/s/ William D. Mitchell

EXHIBIT 3.21(b)

BYLAWS FOR THE REGULATION OF
SOL L. RABIN, INC.
a California corporation

ARTICLE I

Principal Executive Office

The principal executive office of the corporation shall be 800 West Sixth Street, Los Angeles, California.

ARTICLE II

Meeting of Shareholders

Section 2.01 Annual Meetings. The annual meeting of shareholders shall be held on the second Wednesday of May in each year (or, should such day fall upon a legal holiday, then on the first day thereafter which is not a legal holiday) at 10:00 o'clock A.M., or at such other time and on such other date as the board of directors shall determine. At each annual meeting directors shall be elected and any other proper business may be transacted.

Section 2.02 Special Meetings. Special meetings of shareholders may be called by the board of directors, the chairman of the board (if there be such an officer), the president, or the holders of shares entitled to cast not less than ten percent (10%) of the votes at such meeting. Each special meeting shall be held at such date and time as is requested by the person or persons calling the meeting within the limits fixed by law.

Section 2.03 Place of Meetings. Each annual or special meeting of shareholders shall be held at such location as may be determined by the board of directors, or if no such determination is made, at such place as may be determined by the chief executive officer, or by any other officer authorized by the board of directors or the chief executive officer to make such

determination. If no location is so determined, any annual or special meeting shall be held at the principal executive office of the corporation.

Section 2.04 Notice of Meetings. Notice of each annual or special meeting of shareholders shall contain such information, and shall be given to such persons at such time, and in such manner, as the board of directors shall determine, or if no such determination is made, as the chief executive officer, or any other officer so authorized by the board of directors or the chief executive officer, shall determine, subject to the requirements of applicable law.

Section 2.05 Conduct of Meetings. Subject to the requirements of applicable law, all annual and special meetings of shareholders shall be conducted in accordance with such rules and procedures as the board of directors may determine and, as to matters not governed by such rules and procedures, as the chairman of such meeting shall determine. The chairman of any annual or special meeting of shareholders shall be designated by the board of directors and, in the absence of any such designation, shall be the chief executive officer of the corporation.

ARTICLE III

Directors

Section 3.01 Number. The number of directors of the corporation shall be three until changed in accordance with applicable law.

Section 3.02 Meetings of the Board. Each regular and special meeting of the board shall be held at a location determined as follows: The board of directors may designate any place, within or without the state of California, for the holding of any meeting. If no such designation is made, (i) any meeting called by a majority of the directors shall be held at such location, within the county of the corporation's principal executive office, as the directors calling the meeting shall designate; and (ii) any other meeting shall be held at such location, within the

county of the corporation's principal executive office, as the chief executive officer may designate, or in the absence of such designation, at the corporation's principal executive office. Subject to the requirements of applicable law, all regular and special meetings of the board of directors shall be conducted in accordance with such rules and procedures as the board of directors may approve and, as to matters not governed by such rules and procedures, as the chairman of such meeting shall determine. The chairman of any regular or special meeting shall be designated by the directors and, in the absence of any such designation, shall be the chief executive officer of the corporation.

ARTICLE IV

Indemnification of Directors, Officers, and Other Corporate Agents

Section 4.01 Indemnification. This corporation shall indemnify and hold harmless each "agent" of the corporation, as the term "agent" is defined in Section 317(a) of the California General Corporation Law (the "Law"), from and against any expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any "proceeding" (as defined in said Section 317(a)) to the full extent permitted by applicable law. The corporation shall advance to its agents expenses incurred in defending any proceeding prior to the final disposition thereof to the full extent and in the manner permitted by applicable law.

Section 4.02 Right to Indemnification. This section shall create a right of indemnification for each person referred to in Section 4.01, whether or not the proceeding to which the indemnification relates arose in whole or in part prior to adoption of such section and in the event of death such right shall extend to such person's legal representatives. The right of indemnification hereby given shall not be exclusive of any other rights such person may have

whether by law or under any agreement, insurance policy, vote of directors or shareholders, or otherwise.

Section 4.03 Insurance. The corporation shall have power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability.

ARTICLE V

Officers

Section 5.01 Officers. The corporation shall have a president, a chief financial officer, a secretary, and such other officers, including a chairman of the board, as may be designated by the board. Unless the board of directors shall otherwise determine, the president shall be the chief executive officer of the corporation. Officers shall have such powers and duties as may be specified by, or in accordance with, resolutions of the board of directors. In the absence of any contrary determination by the board of directors, the chief executive officer shall, subject to the power and authority of the board of directors, have general supervision, direction, and control of the officers, employees, business, and affairs of the corporation.

Section 5.02 Limited Authority of Officers. No officer of the corporation shall have any power or authority outside the normal day-to-day business of the corporation to bind the corporation by any contract or engagement or to pledge its credit or to render it liable in connection with any transaction unless so authorized by the board of directors.

ARTICLE VI

Amendments

New bylaws may be adopted or these bylaws may be amended or repealed by the shareholders or, except for Section 3.01, by the directors.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting secretary of Sol L. Rabin, Inc., a California corporation; and

2. That the foregoing bylaws, comprising 6 pages, constitute the bylaws of said corporation as duly adopted by action of the Incorporator of the corporation duly taken on January 5, 1982.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this 5th day of January, 1982.

/s/ Sol L. Rabin

[Seal]

EXHIBIT 3.22(a)

ARTICLES OF INCORPORATION

OF

VINCENT F. MARTIN, JR., INC.

The undersigned Incorporator hereby executes, acknowledges and files the following ARTICLES OF INCORPORATION for the purpose of forming a corporation under the General Corporation Law of the State of California.

One: The name of the Corporation shall be:

VINCENT F. MARTIN, JR., INC.

Two: The purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

Three: The name and address in this state of the Corporation's initial agent for service or process in accordance with Subdivision (b) of Section 1502 of the General Corporation Law is:

Vincent F. Martin, Jr.
12307 Third Helena Drive
Brentwood, California 90049

Four: The Corporation is authorized to issue only one class of share, and the total number of shares which the Corporation is authorized to issue is One Thousand (1,000).

IN WITNESS WHEREOF, the undersigned Incorporator has executed the foregoing Articles of Incorporation on December 23, 1981.

/s/ William D. Mitchell

Typed Name: WILLIAM D. MITCHELL

The undersigned declares that he is the person who executed the foregoing Articles of Incorporation and that such instrument is the act and deed of the undersigned.

/s/ William D. Mitchell

EXHIBIT 3.22(b)

BYLAWS FOR THE REGULATION OF
VINCENT F. MARTIN, JR., INC.
a California corporation

ARTICLE I

Principal Executive Office

The principal executive office of the corporation shall be 800 West Sixth Street, Los Angeles, California.

ARTICLE II

Meeting of Shareholders

Section 2.01 Annual Meetings. The annual meeting of shareholders shall be held on the second Wednesday of May in each year (or, should such day fall upon a legal holiday, then on the first day thereafter which is not a legal holiday) at 10:00 o'clock A.M., or at such other time and on such other date as the board of directors shall determine. At each annual meeting directors shall be elected and any other proper business may be transacted.

Section 2.02 Special Meetings. Special meetings of shareholders may be called by the board of directors, the chairman of the board (if there be such an officer), the president, or the holders of shares entitled to cast not less than ten percent (10%) of the votes at such meeting. Each special meeting shall be held at such date and time as is requested by the person or persons calling the meeting within the limits fixed by law.

Section 2.03 Place of Meetings. Each annual or special meeting of shareholders shall be held at such location as may be determined by the board of directors, or if no such determination is made, at such place as may be determined by the chief executive officer, or by any other officer authorized by the board of directors or the chief executive officer to make such

determination. If no location is so determined, any annual or special meeting shall be held at the principal executive office of the corporation.

Section 2.04 Notice of Meetings. Notice of each annual or special meeting of shareholders shall contain such information, and shall be given to such persons at such time, and in such manner, as the board of directors shall determine, or if no such determination is made, as the chief executive officer, or any other officer so authorized by the board of directors or the chief executive officer, shall determine, subject to the requirements of applicable law.

Section 2.05 Conduct of Meetings. Subject to the requirements of applicable law, all annual and special meetings of shareholders shall be conducted in accordance with such rules and procedures as the board of directors may determine and, as to matters not governed by such rules and procedures, as the chairman of such meeting shall determine. The chairman of any annual or special meeting of shareholders shall be designated by the board of directors and, in the absence of any such designation, shall be the chief executive officer of the corporation.

ARTICLE III

Directors

Section 3.01 Number. The number of directors of the corporation shall be three until changed in accordance with applicable law.

Section 3.02 Meetings of the Board. Each regular and special meeting of the board shall be held at a location determined as follows: The board of directors may designate any place, within or without the state of California, for the holding of any meeting. If no such designation is made, (i) any meeting called by a majority of the directors shall be held at such location, within the county of the corporation's principal executive office, as the directors calling the meeting shall designate; and (ii) any other meeting shall be held at such location, within the county of the corporation's principal executive office, as the chief executive officer may

designate, or in the absence of such designation, at the corporation's principal executive office. Subject to the requirements of applicable law, all regular and special meetings of the board of directors shall be conducted in accordance with such rules and procedures as the board of directors may approve and, as to matters not governed by such rules and procedures, as the chairman of such meeting shall determine. The chairman of any regular or special meeting shall be designated by the directors and, in the absence of any such designation, shall be the chief executive officer of the corporation.

ARTICLE IV

Indemnification of Directors,
Officers, and Other Corporate Agents

Section 4.01 Indemnification. This corporation shall indemnify and hold harmless each "agent" of the corporation, as the term "agent" is defined in Section 317(a) of the California General Corporation Law (the "Law"), from and against any expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any "proceeding" (as defined in said Section 317(a)) to the full extent permitted by applicable law. The corporation shall advance to its agents expenses incurred in defending any proceeding prior to the final disposition thereof to the full extent and in the manner permitted by applicable law.

Section 4.02 Right to Indemnification. This section shall create a right of indemnification for each person referred to in Section 4.01, whether or not the proceeding to which the indemnification relates arose in whole or in part prior to adoption of such section and in the event of death such right shall extend to such person's legal representatives. The right of indemnification hereby given shall not be exclusive of any other rights such person may have whether by law or under any agreement, insurance policy, vote of directors or shareholders, or otherwise.

Section 4.03 Insurance. The corporation shall have power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability.

ARTICLE V

Officers

Section 5.01 Officers. The corporation shall have a president, a chief financial officer, a secretary, and such other officers, including a chairman of the board, as may be designated by the board. Unless the board of directors shall otherwise determine, the president shall be the chief executive officer of the corporation. Officers shall have such powers and duties as may be specified by, or in accordance with, resolutions of the board of directors. In the absence of any contrary determination by the board of directors, the chief executive officer shall, subject to the power and authority of the board of directors, have general supervision, direction, and control of the officers, employees, business, and affairs of the corporation.

Section 5.02 Limited Authority of Officers. No officer of the corporation shall have any power or authority outside the normal day-to-day business of the corporation to bind the corporation by any contract or engagement or to pledge its credit or to render it liable in connection with any transaction unless so authorized by the board of directors.

ARTICLE VI

Amendments

New bylaws may be adopted or these bylaws may be amended or repealed by the shareholders or, except for Section 3.01, by the directors.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting secretary of Vincent F. Martin, Jr., Inc., a California corporation; and

2. That the foregoing bylaws, comprising 6 pages, constitute the bylaws of said corporation as duly adopted by action of the Incorporator of the corporation duly taken on January 5, 1982.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this 5th day of January, 1982.

/s/ Vincent F. Martin, Jr.

Seal

Exhibit 3.23(a)

CERTIFICATE OF LIMITED PARTNERSHIP
OF
WESTMARK REAL ESTATE ACQUISITION PARTNERSHIP, L.P.

This Certificate of Limited Partnership of Westmark Acquisition Partnership, L.P. (the "Limited Partnership") is being executed by the undersigned for the purpose of forming a limited partnership pursuant to the Delaware Revised Uniform Limited Partnership Act.

1. The name of the Limited Partnership is Westmark Real Estate Acquisition Partnership, L.P.

2. The address of the registered office of the Limited Partnership in Delaware is 1209 Orange Street, Wilmington, Delaware, 19801. The Limited Partnership's registered agent at that address is The Corporation Trust Company.

3. The name and address of the general partner is:

Name	Address
CB Commercial Real Estate Group, Inc.	533 S. Fremont Avenue Los Angeles, CA 90071

IN WITNESS WHEREOF, the undersigned, constituting the sole general partner of the Limited Partnership, has caused this Certificate of Limited Partnership to be duly executed as of the 24/th/ day of April, 1995.

CB COMMERCIAL REAL ESTATE GROUP, INC.
General Partner

By /s/ Richard C. Clotfelter

Richard C. Clotfelter
President - Capital Markets,
Asset Valuation and Management
Activities

EXHIBIT 3.23(b)

==========

==========

AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF
WESTMARK REAL ESTATE ACQUISITION PARTNERSHIP, L.P.,
a Delaware Limited Partnership

by and between

CB COMMERCIAL REAL ESTATE GROUP, INC.,
a Delaware Corporation,

as General Partner,

and

Vincent F. Martin, Jr., Inc.,
a California Corporation,

Stanton H. Zarrow, Inc.,
a California Corporation,

Bruce L. Ludwig, Inc.,
a California Corporation,

Sol L. Rabin, Inc.,
a California Corporation,

Roger C. Schultz, Inc.,
a California Corporation,

as Limited Partners

dated as of October 1, 1995

==========

==========

TABLE OF CONTENTS

<TABLE>
<CAPTION>

AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF
WESTMARK REAL ESTATE ACQUISITION PARTNERSHIP, L.P.,
A Delaware Limited Partnership

THIS AGREEMENT OF LIMITED PARTNERSHIP (this "Agreement") of WESTMARK REAL ESTATE ACQUISITION PARTNERSHIP, L.P. (the "Partnership") is entered into as of October 1, 1995, by and between CB COMMERCIAL REAL ESTATE GROUP, INC., a Delaware corporation (the "General Partner"), as the general partner, and Vincent F. Martin, Jr., Inc., a California corporation, Stanton H. Zarrow, Inc., a California corporation, Bruce L. Ludwig, Inc., a California corporation, Sol

L. Rabin, Inc., a California corporation, and Roger C. Schultz, Inc., a California corporation, (individually "Limited Partner" and collectively the "Limited Partners"), as the limited partners. The General Partner and the Limited Partners are collectively referred to as the "Partners."

W I T N E S S E T H:

WHEREAS, the General Partner has heretofore formed the Partnership as a Delaware limited partnership, pursuant to an Agreement of Limited Partnership dated as of May 15, 1995 (the "Original Partnership Agreement"), to acquire and own Westmark Realty Advisors L.L.C. ("Westmark"); and

WHEREAS, the Partnership indirectly acquired Westmark on June 30, 1995 by acquiring (i) all of the issued and outstanding common stock of the Limited Partners, which held general partner interests in HoldPar A, a general partnership which owns an interest in Westmark, and (ii) general partner interests in HoldPar B, a general partnership which owns the balance of the interest in Westmark; and

WHEREAS, the Partnership distributed to the General Partner all of the issued and outstanding common stock of the Limited Partners, following which the Limited Partners contributed to the Partnership their interests in HoldPar A in exchange for limited partner interests in the Partnership; and

WHEREAS, the initial limited partner of the Partnership, which in accordance with the terms of the Original Partnership Agreement is requiring the Partnership to repurchase its interest in the Partnership, will be replaced by the Limited Partners; and

WHEREAS, the Partners wish to amend and restate the Original Partnership Agreement.

NOW, THEREFORE, effective as of October 1, 1995 the Original Partnership Agreement is hereby amended and restated to read as follows:

ARTICLE 1
Definitions

The following definitions shall for all purposes, unless otherwise clearly indicated, apply to the terms used in this Agreement.

1.1 "Act" means the Delaware Uniform Limited Partnership Act, as amended.

1.2 "Affiliate" means any Person that, directly or indirectly, alone or through one or more intermediaries, controls, is controlled by or is under common control with another Person. For purposes of this Agreement, control shall mean the power to direct the management and policies of a Person.

1.3 "Agreement" means this Agreement of Limited Partnership, including all amendments and modifications hereto, and all schedules and exhibits to which reference is made herein.

1.4 "Capital Account" has the meaning provided for in Section 4.8 of this Agreement.

1.5 "Code" shall mean the Internal Revenue Code of 1986, as amended.

1.6 "Debtor Relief Law" means the Title 11 of the United States Code (the "Bankruptcy Code"), as amended, and any other applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, receivership, insolvency, reorganization, suspension of payments, or other similar law, statute, ordinance, regulation or rule of any country, state, county, city, or local or regional governmental instrumentality affecting the rights of creditors generally.

1.7 "General Partner" means CB Commercial Real Estate Group, Inc. and any permitted successors or assigns, and any Person admitted to the Partnership as a general partner in compliance with the terms of this Agreement.

1.8 "Income Tax Regulations" means the regulations issued pursuant to the Code.

1.9 "Limited Partner" means each of the persons named herein as a Limited Partner.

1.10 "Partner" means either the General Partner or the Limited Partner.

1.11 "Percentage Interest" means each Partner's interest in the Partnership as set forth on Exhibit A.

1.12 "Person" means an individual or corporation, partnership, estate, trust, unincorporated organization, association or other entity.

1.13 "Transfer" means any sale, assignment, gift, pledge, hypothecation, mortgage, encumbrance, exchange or any other disposition, whether voluntary or involuntary.

1.14 "Westmark" means Westmark Realty Advisors L.L.C., a limited liability company organized under the laws of the state of Delaware.

ARTICLE 2
General Provisions

2.1 Formation of the Partnership. The General Partner and the then Limited Partner formed the Partnership effective May 15, 1995 as a limited partnership, pursuant to the Act, as it may be amended from time to time, and this Agreement. Except as provided in this Agreement, the rights, duties, liabilities and obligations of the General Partner and the Limited Partner and the administration, dissolution, winding up and termination of the Partnership shall be governed by the Act.

2.2 Name. The name of the Partnership shall be: Westmark Real Estate Acquisition Partnership, L.P. The name may be changed by the General Partner.

2.3 Principal Place of Business. The principal office and place of business of the Partnership shall be located at 533 S. Fremont Avenue, 10th Floor, Los Angeles, CA 90071-1798. The principal place of business of the Partnership may be changed by the General Partner to any location within the states of California, Delaware or New York.

2.4 Registered Office; Agent for Service of Process. The address of the Partnership's registered office in the State of Delaware is c/o The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801. The agent for service of process at such address for the Partnership in the State of Delaware is The Corporation Trust Company. Agents for service of process of the Partnership may not be changed by the General Partner. The Partnership will qualify to do business in the States of California and New York and will designate the Corporation Trust Company as agent for service of process in California and New York.

2.5 Term. The term of the Partnership shall commence on the date the Certificate of Limited Partnership is filed in the office of the Secretary of State of the State of Delaware, and shall continue through the 99th anniversary thereof, unless earlier dissolved as provided in Article 7. The existence of the Partnership as a separate legal entity shall continue until the cancellation of the Partnership's Certificate of Limited Partnership.

2.6 Qualification of Other Jurisdictions. The General Partner shall cause the Partnership to be qualified, formed or registered under assumed or fictitious name statutes or similar laws in any jurisdiction in which the Partnership owns property or engages in activities if such qualification, formation or registration is necessary to permit the Partnership lawfully to own property and engage in the Partnership's business or transact business. The General Partner shall execute, file and publish all such certificates, notices, statements or other instruments necessary to permit the Partnership to engage in the Partnership's business as a limited partnership in all jurisdictions where the Partnership elects to engage in or do business.

2.7 Business of the Partnership.

(a) The Partnership is organized for the purposes described in the recitals to this Agreement and to engage in all necessary and appropriate activities and transactions as the General Partner may deem necessary or advisable in connection therewith.

(b) The Partnership may invest any funds which are held prior to investment or distribution, or held in any reserve established by the General Partner, in U.S. Treasury Bills and other short-term obligations of the government of the United States of America or in the following instruments: certificates of deposit and short-term time deposits of commercial banks, commercial paper, money market funds and repurchase agreements.

(c) Subject to the terms of this Agreement, the Partnership may enter into, deliver and perform all contracts, agreements and other undertakings and engage in all activities and transactions as may be necessary or appropriate to carry out the foregoing purposes.

ARTICLE 3
Management

3.1 Management. Subject to the provisions of the Act and any limitations in this Agreement, complete and exclusive power to direct and control the business and affairs of the Partnership is delegated to the General Partner. The Limited Partners, by execution of this Agreement, agree to, consent to and acknowledge the delegation of powers and authority to the General Partner and to the actions and decisions taken by the General Partner within the scope of its authority as provided herein. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the General Partner shall have the following powers:

(a) To conduct, manage and control the business and affairs of the Partnership and to make such rules and regulations therefor not inconsistent with law or with this Agreement, as the General Partner shall deem to be in the best interests of the Partnership.

(b) To administer the financial affairs of the Partnership, make tax and accounting elections, including an election or elections under Section 754 of the Code, file all required tax returns relating to the Partnership, pay the liabilities of the Partnership from the funds of the Partnership and distribute the profits of the Partnership to the Partners as provided for herein.

(c) To appoint and remove at pleasure the agents and employees of the Partnership, prescribe their duties and fix their compensation.

(d) To borrow money and to cause to be executed and delivered therefor, in the Partnership's name, promissory notes, bonds, debentures, and if security is required therefor, to mortgage or subject to any other security device any portion of the property of the Partnership, to obtain replacements of any mortgage or other security device and to prepay, in whole or in part, refinance, increase, modify, consolidate or extend any

mortgage or other security device, all of the foregoing at such terms and in such amounts as it deems, in its sole discretion, to be in the best interests of the Partnership.

(e) To acquire, lease or purchase and finance real and personal property, equipment and supplies for the operation of the Partnership.

(f) To purchase and maintain any insurance for the Partnership or with respect to its assets or operations deemed necessary and proper by the General Partner for the protection of the Partnership, for the conservation of its assets or for any purpose convenient to or beneficial to the Partnership.

(g) To set up record keeping, billing and accounts payable accounting systems.

(h) To open, maintain and close bank accounts and draw checks and other orders for the payment of money.

(i) To adjust, arbitrate, compromise, sue or defend, abandon or

otherwise deal with and settle any and all claims in favor of or against the Partnership as the General Partner deems proper.

(j) To enter into, make perform and carry out all types of contracts, leases and other agreements and to amend, extend or modify any contract, lease or agreement at any time entered into by the Partnership.

(k) To execute, on behalf of and in the name of the Partnership, any and all contracts, leases, agreements, instruments, notes, certificates, deeds, mortgages, deeds of trust or other documents of any kind or nature as deemed necessary or desirable.

(l) To take any action expressly delegated to the General Partner pursuant to any provision of this Agreement.

(m) To do all other acts necessary or desirable to carry out the business for which the Partnership is formed or which may facilitate the General Partner's exercise of its powers hereunder.

(n) To perform or delegate all acts or decisions described in this Section 3.1 with respect to any partnership, limited liability company, corporation or other entity controlled by the Partnership, on behalf of the Partnership in its capacity as an equity holder, directly or indirectly, in any such entity.

3.2 Affiliate Transactions. Transactions between the Partnership, the General Partner and their Affiliates are hereby expressly authorized.

3.3 Limited Partner. Except as provided in this Agreement or otherwise required by law, the Limited Partners shall not participate in the control, management, direction or operation of the business of the Partnership, nor have the right, power or authority to be consulted with respect to the affairs of the Partnership nor have the power to sign documents for or otherwise

bind the Partnership and shall have no right to vote on any matter except those expressly set forth in this Agreement or as otherwise required by law.

3.4 Limitation of Powers.

(a) The authority granted to the General Partner shall be subject only to such limitations as are expressly stated in this Agreement. The General Partner shall have no right, without the express unanimous written consent of the Limited Partners, which would directly or indirectly result in the sale of all or substantially all of the shares, businesses or assets of Westmark Realty Advisors L.L.C.

(b) No Partner, without the consent of the other Partner, shall:

(1) Do any act in contravention of this Agreement .

(2) Do any act which would make it impossible to carry on the ordinary business of the Partnership.

(3) Possess Partnership property, or assign such Partner's interest or rights in specific Partnership property for other than a Partnership purpose.

3.5 Expenses. The Partnership shall pay (or reimburse the General Partner for) all fees, expenses and other similar costs relating to the Partnership, its assets and its business including, without limitation, the following costs: organizational expenses, interest, legal fees, accounting fees, consulting fees, appraisal fees, expenses of the Partnership in connection with the preparation of federal and state tax returns, costs of Partnership meetings (if any), all costs of acquisition and disposition of assets (including legal, overhead expenses, accounting, banking and advisory fees, expenses and commissions), fees and expenses incurred in connection with investigation, prosecution or defense of any claims by or against the Partnership, all costs of insurance and any extraordinary or other expenses which the General Partner reasonably determines should properly be considered related to the business of the Partnership or its assets.

3.6 Right of Third Parties To Rely on Authority of General Partner. Notwithstanding any other provision of this Agreement to the contrary, no lender or purchaser shall be required to look to the application of proceeds hereunder or to verify any representation by the General Partner as to the extent of the interest in the assets of the Partnership that the General Partner is entitled to encumber, sell or otherwise use. Any such lender or purchaser shall be entitled to rely exclusively on the representations of the General Partner as to its authority to enter into such financing or sale arrangements and shall be entitled to deal with the General Partner as if it were the sole party in interest therein, both legally and beneficially.

ARTICLE 4
Capital Contributions, Withdrawals and Capital Accounts

4.1 Contributions of General Partner. The General Partner has heretofore made a capital contribution to the Partnership in the amount of $7,500,000 in cash.

4.2 Contributions of Limited Partners. Concurrently with the execution of this Agreement, each of the Limited Partners shall make a capital contribution to the Partnership in the form of an interest in HoldPar A, a general partnership organized under the laws of Delaware, which interest is valued as set forth on Exhibit B hereto.

4.3 No Additional Contributions. Except as may be required by this Agreement, no Partner shall have any obligation to make further contributions to the capital of the Partnership.

4.4 Return of Capital Contributions, Etc. No Partner shall be entitled to withdraw any amount from its Capital Account prior to the dissolution of the Partnership. No Partner shall have the right to demand the return of its capital contributions or receive property or assets other than cash in upon dissolution of the Partnership or liquidation of such Partner's interest in the Partnership.

4.5 Interest. No interest shall be paid on or with respect to the Capital Account or capital contributions of any of the Partners.

4.6 Loans from Partners. Loans by a Partner shall not be considered contributions to the capital of the Partnership, except as herein provided.

4.7 Priority. No Partner shall be entitled to priority over the other Partner, either with respect to a return of its capital contributions, allocations of income, gain, loss, credit, or distributions, except as herein provided.

4.8 Capital Accounts.

(a) A single capital account (the "Capital Account") shall be maintained for each Partner (regardless of the class of interests owned by such Partner and regardless of the time or manner in which such interests were acquired) in accordance with the capital accounting rules of section 704(b) of the Code, and the regulations thereunder (including without limitation section 1.704-1(b)(2)(iv) of the Income Tax Regulations). In general, under such rules, a Partner's Capital Account shall be:

(1) increased by (A) the amount of money contributed by the Partner to the Partnership (including the amount of any Partnership liabilities that are assumed by such Partner other than in connection with distribution of Partnership property); (B) the fair market value of property contributed by the Partner to the Partnership (net of liabilities secured by such contributed property that the Partnership is considered to assume or take subject to under section 752 of the Code); and (C) allocations to the Partner of Partnership income and gain (or item thereof), including income and gain exempt from tax; and

(2) decreased by (A) the amount of money distributed to the Partner by the Partnership (including the amount of such Partner's individual liabilities that are assumed by the Partnership other than in connection with contribution of property to the Partnership), (B) the fair market value of property distributed to the Partner by the Partnership (net of liabilities secured by such distributed property that such Partner is considered to assume or take subject to under section 752 of the Code); (C) allocations to

the Partner of expenditures of the Partnership not deductible in computing its taxable income and not properly chargeable to a capital account; and (D) allocations to the Partner of Partnership loss and deduction (or item thereof).

(b) Where section 704(c) of the Code applies to Partnership property or where Partnership property is revalued pursuant to paragraph (b)(2)(iv)(f) of section 1.704-1 of the Income Tax Regulations, each Partner's Capital Account shall be adjusted in accordance with paragraph (b)(2)(iv)(g) of section 1.704-1 of the Income Tax Regulations as to allocations to the Partners of depreciation, depletion, amortization and gain or loss, as computed for book purposes with respect to such property.

(c) When Partnership property is distributed in kind (whether in connection with liquidation and dissolution or otherwise) or where a revaluation of the Partnership property pursuant to section 1.704-1(b)(2)(iv)(f) of the Income Tax Regulations occurs, the Capital Accounts of the Partners shall first be adjusted to reflect the manner in which the unrealized income, gain, loss and deduction inherent in such property (that has not been reflected in the Capital Account previously) would be allocated among the Partners if there were a taxable disposition of such property for the fair market value of such property (taking into account section 7701(g) of the Code) on the date of distribution.

(d) The Partners shall direct the Partnership's accountants to make all necessary adjustments in each Partner's Capital Account as required by the capital accounting rules of section 704(b) of the Code and the regulations thereunder.

4.9 Revaluations.

(a) Upon the occurrence of any of the events provided for in section1 1.704-1(b)(2)(iv)(f) of the Income Tax Regulations which permit a revaluation of the Partnership's assets, the General Partner shall cause the assets of the Partnership to be revalued pursuant to section 1.704-1(b)(2)(iv)(f) of the Income Tax Regulations and Section 4.8(c); provided, however, that no revaluation shall occur if the General Partner reasonably determines that a revaluation would not materially affect the Capital Accounts of the Partners or if the cost of such revaluation to the Partnership is reasonably determined by the General Partner to be disproportionate to any benefit to be derived by the Partners from such revaluation.

(b) Any gain or loss arising from a revaluation of any Partnership

asset pursuant to this Section 4.9 shall respectively be credited to or debited from the Partners' Capital Accounts in accordance with Article 5 hereof.

ARTICLE 5
Profits, Losses and Distributions

5.1 Allocation of Profits and Losses. A Partner's distributive share of income, gain, loss, deduction or credit (or items thereof) as shown on the annual federal income tax return prepared by the Partnership's accountants or as finally determined by the Internal Revenue Service or the courts, and as modified by the capital accounting rules of section 704(b) of the Code and the regulations thereunder as implemented by Section 4.9 hereof, as applicable, shall be determined as provided in this Article 5.

(a) Except as otherwise provided in this Article 5, items of Partnership income, gain, loss, deduction and credit shall be allocated among the Partners proportionately in accordance with their Percentage Interests.

(b) Solely for tax purposes, in determining each Partner's allocable share of the taxable income or loss of the Partnership, depreciation, depletion, amortization and gain or loss with respect to any contributed property, or with respect to revalued property where Partnership property is revalued pursuant to paragraph (b)(2)(iv)(f) of section 1.704-1 of the Income Tax Regulations, shall be allocated to the Partners under the traditional method as provided in section 1.704-3(b) of the Income Tax Regulations.

(c) Notwithstanding anything to the contrary in this Article 5, if there is a net decrease in Partnership Minimum Gain or Partner Nonrecourse Debt Minimum Gain (as such terms are defined in sections 1.704-2(b) and 1.704-2(i)(2), respectively, of the Income Tax Regulations) during a Partnership taxable year, then each Partner shall be allocated items of Partnership income and gain for such year (and, if necessary, for subsequent years), to the extent required by, and in the manner provided in, section 1.704-2 of the Income Tax Regulations. This provision is intended to be a "minimum gain chargeback" within the meaning of sections 1.704-2(f) and, 1.704-2(i)(4) of the Income Tax Regulations and shall be interpreted and implemented as therein provided.

(d) Subject to the provisions of Section 5.1(c), but otherwise notwithstanding anything to the contrary in this Article 5, if any Partner's capital account has a deficit balance in excess of such Partner's obligation to restore its capital account balance, computed in accordance with the rules of paragraph (b)(2)(ii)(d) of section 1.704-1 of the Income Tax Regulations (including such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain as provided in section 1.704-2(g) and 2(i)(5) of the Income Tax Regulations), then sufficient amounts of income and gain (consisting of a pro rata portion of each item of Partnership income, including gross income, and gain for such year) shall be allocated to such Partner in an amount and manner sufficient to eliminate such deficit as quickly as possible. This provision is intended to be a "qualified income offset" within the meaning of section 1.704-1(b)(2)(ii)(d) of the Income Tax Regulations and shall be interpreted and implemented as therein provided.

(e) Subject to the provisions of section 704(c) of the Code and Sections 5.1(b) through (d) hereof, gain recognized (or deemed recognized under the provisions hereof) upon the sale or other disposition of Partnership property, which is treated as depreciation recapture, shall be allocated proportionately among the Partners in the same ratio as they deducted such depreciation.

(f) Except as otherwise provided in Section 5.1(j), if and to the extent any Partner is deemed to recognize income as a result of any loans described herein pursuant to the rules of sections 1272, 1273, 1274, 7872 or 482 of the Code, or any similar provision now or hereafter in effect, any corresponding resulting deduction of the Partnership shall be allocated to the Partner who is charged with the income. Subject to the provisions of section 704(c) of the Code and Sections 5.1(b) through (d) hereof, if and to the extent the Partnership is deemed to recognize income as a result of any loans described herein pursuant to the rules of sections 1272, 1273,

1274, 7872 or 482 of the Code, or any similar provision now or hereafter in effect, such income shall be allocated to the Partner who is entitled to any corresponding resulting deduction.

(g) Except as otherwise required by law, tax credits shall be allocated among the Partners pro rata in accordance with the manner in which Partnership profits are allocated to the Partners under this Article 5, as of the time the credit property is placed in service or if no property is involved,

as of the time the credit is earned. Recapture of any tax credit required by the Code shall be allocated to the Partners in the same proportion in which such tax credit was allocated.

(h) Except as provided in Sections 5.1(f) and (g) hereof or as otherwise required by law, if the Percentage Interest of a Partner is changed herein during any taxable year, all items to be allocated to the Partners for such entire taxable year shall be prorated on the basis of the portion of such taxable year which precedes each such change and the portion of such taxable year on and after each such change according to the number of days in each such portion, and the items so allocated for each such portion shall be allocated to the Partners in the manner in which such items are allocated as provided in this Article 5 during each such portion of the taxable year in question; provided that, if the transferor and a permitted transferee of an interest in the Partnership (i) shall both have given the Partnership written notice within 15 days of the end of such taxable year of the Partnership stating their agreement that such division and allocation shall be made on some other basis permitted by Code section 706(d) and (ii) shall have agreed to reimburse the Partnership for any incremental accounting fees and other expenses incurred by the Partnership in utilizing such other basis for such division and allocation, then such other basis permitted by Code section 706(d) shall be used.

(i) Any special allocation of income or gain pursuant to Section 5.1(c) or 5.1(d) hereof shall be taken into account in computing subsequent allocations of income and gain pursuant to this Article 5 so that the net amount of all such allocations to each Partner shall, to the extent possible, be equal to the net amount that would have been allocated to each such Partner pursuant to the provisions of this Article 5 if such special allocations of income or gain under Section 5.1(c) or 5.1(d) hereof had not occurred.

(j) Items of deduction and loss shall be allocated as follows:

(1) Items of deduction and loss attributable to recourse liabilities of the Partnership (within the meaning of section 1.752-1(a)(1) of the Income Tax Regulations but excluding Partner nonrecourse debt within the meaning of section 1.704-2(b)(4) of the Income Tax Regulations) shall be allocated among the Partners in accordance with the ratio in which the Partners share the economic risk of loss (within the meaning of section 1.752-2 of the Income Tax Regulations) for such liabilities.

(2) Items of deduction and loss attributable to Partner nonrecourse debt within the meaning of section 1.704-2(b)(4) of the Income Tax Regulations shall be allocated to the Partners bearing the economic risk of loss with respect to such debt in accordance with section 1.704-2(i) of the Income Tax Regulations.

(3) Items of deduction and loss attributable to Partnership nonrecourse liabilities within the meaning of section 1.704-2(b)(1) of the Income Tax Regulations shall be allocated among the Partners proportionately in accordance with their Percentage Interests; provided, however, that during the period prior to the effective date of the 399 Contribution, said allocation shall be made 99.9% to the General Partner and 0.1% to the Limited Partner.

(4) All other items of deduction and loss ("Net Loss") shall be allocated among the Partners, proportionately in accordance with their Percentage Interests; provided, further, that Net Loss shall not be allocated to any Partner to the extent it would create a deficit balance in excess of such Partner's obligation to restore its capital account balance, computed in accordance with the rules of section 1.704-1(b)(2)(ii)(d) of the Income Tax Regulations (including such Partner's share of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain as provided in section 1.704-2(g) and 2(i)(5) of the Income Tax Regulations). Any Net Loss which cannot be allocated to a Partner because of the limitation set forth in the previous sentence shall be allocated to the other Partner to the extent the other Partner is not subject to such limitation, and any remaining amount shall be allocated among the Partners in the manner required by the Code and the Income Tax Regulations.

(k) Subject to the provisions of Sections 5.1(c) through (j) and Section 5.1(l), items of income and gain shall be allocated among the Partners in proportion to their Percentage Interests.

(l) Notwithstanding Section 5.1(k), but subject to the provisions of Section 5.1(c) through (j), items of income and gain recognized (or deemed to be recognized) upon the sale, exchange or other disposition of all or substantially all of the assets of the Partnership or of any partnership or limited liability company in which the Partnership holds an interest (directly or indirectly) or upon the dissolution of the Partnership or any partnership in which the Partnership holds an interest (whether directly or indirectly),(collectively, any such disposition or dissolution being referred to as a "Capital Event")

shall be allocated in the following order:

(1) First, to the Partners having deficit balances in their Capital Accounts (computed after giving effect to all contributions, distributions, allocations and other Capital Account adjustments for all taxable years, including the year during which such liquidation or dissolution occurs), to the extent of, and in proportion to, such deficits;

(2) Second, to the Partners, the amount or amounts required to increase the positive balance in each Partner's Capital Account to the remaining amount then distributable to such Partner under Section 7.5(d); and

(3) Third, to the General Partner or any Limited Partner, as the case may be, the least amount necessary to cause the Capital Accounts of the Partners (reduced by the amounts distributable to them under Section 7.5(d)) to be in the same ratio as their Percentage Interests then in effect;

(4) Thereafter, to the Partners in proportion to their relative Percentage Interests.

5.2 Distributions.

(a) Subject to Sections 5.2(b) and (c) and Article 7, prior to dissolution of the Partnership, the General Partner shall distribute to the Partners such amounts of cash received by the Partnership from its operations, less amounts necessary or desirable for the payment of Partnership expenses or debts or the maintenance of reasonable reserves for expenses, contingencies and working capital requirements, as the General Partner may from time to time deem advisable. Distributions pursuant to this Section 5.2(a) shall be made to the Partners in proportion to their Percentage Interests.

(b) Subject to Sections 5.2(c) and Article 7, upon a Capital Event not constituting or requiring a dissolution of the Partnership, the General Partner shall first use the available proceeds therefrom to pay, or otherwise provide for discharge of, any indebtedness of the Partnership and shall distribute to the Partners the balance of such proceeds, less reasonable reserves for expenses, contingencies and working capital requirements, no later than sixty (60) days after the close of such Capital Event. Distributions pursuant to this Section 5.2(b) shall be made to the Partners in the manner and amounts provided under Section 7.5(d) through (f).

(c) Any other provision of this Agreement to the contrary notwithstanding, no distribution shall be made which would render the Partnership insolvent or which is prohibited by the terms of any Partnership indebtedness or the Act.

ARTICLE 6
Transfer of Partnership Interests

6.1 Restriction on Transfer. No Partner may Transfer all or any part of their interest in the Partnership.

6.2 Effect of Purported Transfer. Any purported Transfer of all or any part of a Partner's interest in the Partnership shall be null and void ab initio and of no force or effect.

6.3 Liability for Breach. Any Partner purporting to Transfer its interest in the Partnership or any part thereof shall be liable to the Partnership and the other Partners for all liabilities, obligations, damages, losses, costs and expenses (including reasonable attorneys' fees and court costs) arising as a direct or consequential result thereof.

ARTICLE 7
Dissolution of the Partnership

7.1 Liquidation. Upon the occurrence of an event of dissolution as defined in the Act or this Agreement, the Partnership shall engage in no further business except as may be necessary to distribute its assets and wind up its affairs. The General Partner, or if the General Partner wrongfully caused the dissolution of the Partnership, then the Limited Partner shall appoint a liquidator (who may, but need not, be a Partner) who shall have sole authority and control over the winding up and liquidation of the Partnership's business and affairs and shall

diligently pursue the winding up and liquidation of the Partnership. During the course of liquidation, the Partners shall continue to share profits and losses as provided for in this Agreement, but there shall be no cash distributions to the Partners until the Distribution Date (as hereinafter defined).

7.2 Events of Dissolution. The following shall constitute events of dissolution under this Agreement:

(a) upon thirty days prior written notice of a determination by the General Partner that an event of dissolution has occurred under the Act;

(b) the end of the Partnership's term as specified in Article 2 hereof;

(c) the General Partner ceasing to be the General Partner as provided by law or otherwise;

(d) the bankruptcy or insolvency of the General Partner; or

(e) as otherwise required by law.

7.3 Continuation. Notwithstanding clauses (c), (d) and (e) of Section 8.2, the events described therein shall not cause a dissolution of the Partnership, provided that within ninety (90) days after the occurrence of any such event, the remaining Partners agree in writing to continue the business of the Partnership and, if such event leaves no General Partner, select one or more new General Partners, which appointment shall be effective as of the date the prior General Partner ceased to be a General Partner or became insolvent or bankrupt.

7.4 Winding Up. Liquidation shall continue until the Partnership's affairs are in such condition that there can be a final accounting, showing that all fixed or liquidated obligations and liabilities of the Partnership are satisfied or can be adequately provided for under this Agreement. The assumption or guarantee in good faith by one or more financially responsible persons shall be deemed to be an adequate means of providing for such obligations and liabilities. In the course of such winding up, the assets of the Partnership other than cash shall be sold or, if the General Partner in its sole discretion deems it appropriate, distributed in kind to the Partners on the basis of the fair market value of such distributed assets on the date of distribution.

7.5 Liquidating Distributions. When the liquidator has determined that there can be a final accounting, the liquidator shall establish a date (not to be later than the end of the taxable year of the liquidation, i.e., the time at which the Partnership ceases to be a going concern as provided in section 1.704-1(b)(2)(ii)(g) of the Income Tax Regulations, or, if later, ninety (90) days after the date of such liquidation) for the distribution of the proceeds of liquidation of the Partnership (the "Distribution Date"). The assets of the Partnership, to the extent they are sufficient, shall be distributed in the following order on the Distribution Date:

(a) First, to pay all expenses of liquidation and winding up;

(b) Second, to pay all debts of the Partnership, other than debts owing to the Partners;

(c) Third, to pay all debts of the Partnership owing to the Partners;

(d) Fourth, to pay to each Partner an amount equal to the aggregate amount of cash (but no other consideration) contributed to the Partnership as the capital contributions of such Partner (reduced by all amounts previously distributed to such Partner under or by reference to this Section 7.5(d)) or, if the remaining amount is insufficient to pay all such amounts in full (as so reduced), then pro rata in proportion to all such amounts;

(e) Fifth, to pay all amounts owing to the Partners, as reflected by their closing Capital Account balances (reduced by all amounts distributed under Section 7.5(d)) or, if the remaining amount is insufficient to pay such balances in full (as so reduced) , then pro rata in proportion to their relative positive balances; and

(f) Sixth, to pay the balance (if any) to the Partners in proportion to their Percentage Interests.

7.6 No Deficit Restoration. No Partner shall be liable for the return of the capital contributions of the other Partner, or any portion thereof, it being expressly understood that any such return shall be made solely from Partnership assets, nor shall any Partners be required to pay to the Partnership or to any other Partner any deficit in its Capital Account upon dissolution of the

Partnership except to the extent required by the Act.

ARTICLE 8
Amendments

8.1 Amendment by General Partner. The General Partner, without the consent of any other Partner, may amend any provision of this Agreement and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect:

(a) A change in the name of the Partnership or the location of the principal place of business of the Partnership.

(b) Admission or termination of Partners in accordance with this Agreement.

(c) A reduction in all or a portion of any Limited Partner's capital contribution or any increase thereof in accordance with this Agreement.

(d) A change that is necessary to qualify the Partnership as a limited partnership under the laws of any state or that is advisable in the opinion of the General Partner to ensure that the Partnership will not be treated as an association taxable as a corporation for federal income tax purposes.

(e) A change (i) that does not adversely affect the Limited Partners in any material respect, (ii) that is necessary or desirable to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order, ruling or regulation of any federal or state agency or contained in any federal or state statute, compliance with any of

which the General Partner deems to be in the best interests of the Partnership and the Limited Partner, or (iii) that is required or contemplated by this Agreement.

(f) Any other amendments similar to the foregoing.

8.2 Consent of Limited Partners. Except as otherwise provided herein, the unanimous consent of the Limited Partners shall be required to amend this Agreement.

ARTICLE 9
Accounting

9.1 Fiscal Year. Except as may otherwise be required by the Code or the Income Tax Regulations, the fiscal year of the Partnership for both financial and tax reporting purposes shall end on December 31.

9.2 Tax Matters Partner. The General Partner shall act as the Tax Matters Partner of the Partnership. The Tax Matters Partner shall promptly advise the other Partners of audits and other actions by the Internal Revenue Service or other authorities and shall consult the other Partners regarding such matters. The Tax Matters Partner shall not be authorized to bind any Partner with respect to any settlement agreement pursuant to section 6224(c)(3) of the Code and shall timely notify all Partners of all administrative or judicial proceedings involving federal, state and local income or other tax matters involving the Partnership.

9.3 Books and Records. Complete books and records accurately reflecting the accounts, business, transactions and Partners of the Partnership shall be maintained and kept by the General Partner at the Partnership's principal place of business. The books and records of the Partnership shall be open at reasonable business hours on prior appointment for inspection and copying by the Partners.

9.4 Tax Information. Within ninety (90) days of the end of each fiscal year, the Partnership shall prepare and mail, or cause its accountants to prepare and mail, to each Partner and, to the extent necessary, to each former Partner (or its legal representatives), a report setting forth in sufficient detail such information as is required to be furnished to the Partners by law (e.g., section 6031(b) of the Code and regulations thereunder) and as shall enable such Partner or former Partner (or his or its legal representatives) to prepare their respective federal and state income tax or informational returns in accordance with the laws, rules and regulations then prevailing.

ARTICLE 10
Miscellaneous

10.1 Execution in Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument. Valid execution shall be deemed to have occurred when a signature page is executed by the Partner in question.

10.2 Notices. All notices, approvals, consents and other communications required or permitted to be given under this Agreement shall be in writing and shall be hand delivered

(including by messenger or recognized commercial delivery or courier service), sent by facsimile transmission or sent by registered or certified mail, postage prepaid, addressed to the Partner intended at the address set forth below its name on the signature pages hereto or at such other address as such Partner may designate by notice given to the other Partners in the manner aforesaid and shall be deemed given and received on the date it is delivered, in the case of delivery by hand or by facsimile or, in the case of delivery by mail, actual delivery as shown by the addressee's return receipt. Rejection or other refusal to accept or inability to deliver because of a change of address of which no notice was given shall be deemed to be receipt of the notice.

10.3 Governing Law, etc.

(a) This Agreement has been executed and delivered in the State of Delaware and shall, in all respects be governed by, interpreted, and construed in accordance with the laws of the State of Delaware, all rights and remedies of the Partners in respect thereof being governed by such laws.

(b) Each Partner hereby irrevocably appoints The Corporation Trust Company, at its office in Wilmington, Delaware, United States of America, its lawful agent and attorney to accept and acknowledge service of any and all process against it in any action, suit or proceeding arising in connection with this Agreement and upon whom such process may be served, with the same effect as if such party were a resident of the State of Delaware and had been lawfully served with such process in such jurisdiction, and waives all claim of error by reason of such service; provided that in the case of any service upon such agent and attorney, the party effecting such service shall also deliver a copy thereof to the other party at the address and in the manner specified in Section 10.2. In the event that such agent and attorney resigns or otherwise becomes incapable of acting as such, such party will appoint a successor agent and attorney in Wilmington, Delaware, reasonably satisfactory to the other party, with like powers.

(c) The choice of law provisions of this Article 10 have been negotiated in good faith and agreed upon by the parties hereto and are reasonable especially considering that this Agreement is subject to and conforms with the Act. All Partners, by their execution of this Agreement, expressly agree, to the fullest extent permitted by law, not to challenge the choice of law provisions contained in this Article 10.

10.4 Other Business Ventures. It is acknowledged and agreed that the Partners and their Affiliates may engage in other activities in addition to those relating to the Partnership, including business interests and activities in direct competition with the Partnership, and the other Partners expressly authorize the foregoing. No Partner nor its officers, directors, partners, employees, agents or affiliates shall be prohibited from engaging directly or indirectly in other activities or business which may compete, directly or indirectly, with any activity or business of the Partnership or any of its Partners. No Partner has any duty or obligation to any other Partner or the Partnership to offer any opportunity to acquire assets, nor any other business opportunity, to the Partnership, and any Partner may pursue any such opportunity at their sole discretion without any obligation to any other Partner or the Partnership. The Partnership shall not have any right to any income or profit derived by any Partner, or its officers, directors, partners, employees, agents or affiliates from any enterprise, opportunity or transactions undertaken by such Persons pursuant to the terms of this Section 11.4. The parties hereto hereby waive, and

covenant not to sue on the basis of, any law (statutory, common law or otherwise) respecting the rights and obligations of the Partners which is or may be inconsistent with this Section 10.4.

10.5 Indemnification and Liability of Partners. The Partnership shall indemnify and hold harmless the Partners and any partner, employee or agent of the Partners and any employee or agent of the Partnership and/or the legal representatives of any of them, and each other person who may incur liability as a partner or otherwise, against all liabilities and expenses (including amounts paid in satisfaction of judgments, in compromise, as fines and penalties, and as

counsel fees) reasonably incurred by him or it in connection with the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which he or it may be involved or with which he or it may be threatened, while a partner or serving in such other capacity or thereafter, by reason of its being or having been a partner, or by serving in such other capacity, except with respect to any matter which constitutes willful misconduct, bad faith, gross negligence or reckless disregard of the duties of its office, criminal intent or a material breach of this Agreement. The Partnership shall advance to the Partners and any partner, employee or agent of any of them reasonable attorneys' fees and other costs and expenses incurred in connection with the defense of any such action or proceeding. The Partners hereby agree, and each employee or agent of the Partners and the Partnership shall agree in writing prior to any such advancement, that in the event he or it receives any such advance, such indemnified party shall reimburse the Partnership for such fees, costs and expenses to the extent that it shall be finally determined that he or it was not entitled to indemnification under this Section 10.5. The rights accruing to the Partners and each partner, employee or agent of them under this paragraph shall not exclude any other right to which it or they may be lawfully entitled; provided, however, that any right of indemnity or reimbursement granted in this paragraph or to which any indemnified party may be otherwise entitled may only be satisfied out of the assets of the Partnership, and no withdrawn Partner, and no Partner, shall be personally liable with respect to any such claim for indemnity or reimbursement. Notwithstanding any of the foregoing to the contrary, the provisions of this Section 10.5 shall not be construed so as to provide for the indemnification of the Partners or any employee or agent of such Partner for any liability to the extent (but only to the extent) that such indemnification would be in violation of applicable law or such liability may not be waived, modified or limited under applicable law, but shall be construed so as to effectuate the provisions of this Section 10.5 to the fullest extent permitted by law.

10.6 Additional Instruments. This Agreement shall be binding upon the parties hereto and upon their heirs, executor, administrator, successors or assigns, and the parties hereto agree for themselves and their heirs, executors, administrator, successors and assigns to execute any and all instruments in writing which are or may become necessary or proper to carry out the purpose and intent of this Agreement.

10.7 Titles and Subtitles. Titles of the Sections and subsections are placed herein for convenient reference only and shall not to any extent have the effect of modifying, amending or changing the express terms and provisions of this Agreement.

10.8 Words and Gender. As used herein, unless the context clearly indicates the contrary, the singular number shall include the plural, the plural the singular, and the use of any general shall be applicable to all genders.

10.9 Severability. In the event any provisions of this Agreement shall be held to be invalid, illegal, or unenforceable under present or future laws effective during the term of this Agreement, the validity, legality, and enforceability of the remaining provisions of this Agreement shall not be affected thereby, and in lieu of each such invalid, illegal, or unenforceable provisions, there shall be added automatically as a part of this Agreement a provision as similar in terms to such invalid, illegal, or unenforceable provisions as may be valid, legal, and enforceable.

10.10 Waiver. No waiver of any provisions of this Agreement shall be valid unless in writing and signed by the person or party against whom charged.

10.11 Attorneys' Fees. If any party hereto brings any action at law or in equity, or in arbitration to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to recover from the other party hereto, reasonable attorneys' fees and costs of arbitration in addition to the other relief to which such party may be entitled.

10.12 Amendments. This Agreement may be modified or amended only by an instrument in writing signed by all Partners.

10.13 Entire Agreement. This instrument constitutes the entire agreement between the Partners with respect to the Partnership and supersedes all prior agreements, understandings, offers and negotiations, oral or written which shall bind the parties except to the extent inconsistent herewith.

10.14 Waiver of Partition. Each Partner hereby irrevocably waives any and all rights that it may have to maintain an action for partition of any of the Partnership's property.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set opposite their signatures below.

GENERAL PARTNER

ADDRESS:

533 S. Fremont Avenue
Los Angeles, CA 90071

DATED: October 1, 1995

CB COMMERCIAL REAL ESTATE GROUP, INC.

By: /s/ David A. Davidson

Name: David A. Davidson
Title: President

LIMITED PARTNERS:

ADDRESS:

533 S. Fremont Avenue
Los Angeles, CA 90071

DATED: October 1, 1995

VINCENT F. MARTIN, JR., INC.

By: /s/ David A. Davidson

Name: David A. Davidson
Title: President

ADDRESS:

533 S. Fremont Avenue
Los Angeles, CA 90071

DATED: October 1, 1995

STANTON H. ZARROW, INC.

By: /s/ David A. Davidson

Name: David A. Davidson
Title: President

ADDRESS:

533 S. Fremont Avenue
Los Angeles, CA 90071

DATED: October 1, 1995

BRUCE L. LUDWIG, INC.

By: /s/ David A. Davidson

Name: David A. Davidson
Title: President

ADDRESS:

533 S. Fremont Avenue
Los Angeles, CA 90071

DATED: October 1, 1995

SOL L. RABIN, INC.

By: /s/ David A. Davidson

Name: David A. Davidson
Title: President

ADDRESS:

533 S. Fremont Avenue
Los Angeles, CA 90071

DATED: October 1, 1995

ROGER C. SCHULTZ, INC.

By: /s/ David A. Davidson

Name: David A. Davidson
Title: President

EXHIBIT A

Percentage Interest of Partners

Name	Percentage Interest
Vincent F. Martin, Jr., Inc., a California corporation	19.65%
Stanton H. Zarrow, Inc., a California corporation	14.76%
Bruce L. Ludwig, Inc., a California corporation	14.93%
Sol L. Rabin, Inc., a California corporation	14.93%
Roger C. Schultz, Inc., a California corporation	14.86%

CB Commercial Real Estate Group, Inc. 20.87%

EXHIBIT B

Value of Capital Contributing
of Limited Partners

Name	Value of Capital Contributions
Vincent F. Martin, Jr., Inc., a California corporation	$1,175
Stanton H. Zarrow, Inc., a California corporation~	$ 226
Bruce L. Ludwig, Inc., a California corporation	$1,134
Sol L. Rabin, Inc., a California corporation	$1,132
Roger C. Schultz, Inc., a California corporation	$1,158

EXHIBIT 5.1

[LETTERHEAD OF SIMPSON THACHER & BARTLETT]

October 4, 2001

CB Richard Ellis Services, Inc.
355 South Grand Avenue
Suite 3295
Los Angeles, CA 90071

Ladies and Gentlemen:

We have acted as counsel to CB Richard Ellis Services, Inc., a Delaware corporation (the "Company"), and to the affiliates of the Company named in Schedule 1 hereto (individually, a "Guarantor" and collectively, the "Guarantors"), in connection with the Registration Statement on Form S-4 (the "Registration Statement") filed by the Company and the Guarantors with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, relating to the issuance by the Company of $229,000,000 aggregate principal amount of 11 1/4% Senior Subordinated Notes due June 15, 2001 (the "Exchange Securities") and the issuance by the Guarantors of guarantees (the "Guarantees"), with respect to the Exchange Securities. The Exchange Securities and the Guarantees will be issued under an indenture (the "Indenture") dated as of June 7, 2001 among the Company, CBRE

Holding, Inc., BLUM CB Corp. and State Street Bank and Trust Company of California, N.A., as Trustee. The Exchange Securities will be offered by the Company in exchange for $229,000,000 aggregate principal amount of its outstanding 11 1/4% Senior Subordinated Notes due June 15, 2001.

We have examined the Registration Statement and the Indenture, which has been filed with the Commission as an exhibit to the Registration Statement. We also have examined the originals, or duplicates or certified or conformed copies, of such records, agreements, instruments and other documents and have made such other and further investigations as we have deemed relevant and necessary in connection with the opinions expressed herein. As to questions of fact material to this opinion, we have relied upon certificates of public officials and of officers, authorized persons and representatives of the Company and the Guarantors.

In rendering the opinions set forth below, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as duplicates or certified or conformed copies, and the authenticity of the originals of such latter documents. We also have assumed that the Indenture is the valid and legally binding obligation of the Trustee.

We have assumed further that (1) the Guarantors have duly authorized, executed and delivered the Indenture and (2) execution, delivery and performance by the Guarantors of the Indenture and the Exchange Securities and the Guarantees do not and will not violate the Delaware Revised Uniform Partnership Act, the laws of California, Nevada or Texas or any

other applicable laws (excepting the laws of the State of New York and the Federal laws of the United States).

Based upon the foregoing, and subject to the qualifications and limitations stated herein, we are of the opinion that:

1. When the Exchange Securities have been duly executed, authenticated, issued and delivered in accordance with the provisions of the Indenture upon the exchange, the Exchange Securities will constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with their terms.

2. When (a) the Exchange Securities have been duly executed, authenticated, issued and delivered in accordance with the provisions of the Indenture upon the exchange and (b) the Guarantees have been duly issued, the Guarantees will constitute valid and legally binding obligations of the Guarantors enforceable against the Guarantors in accordance with their terms.

Our opinions set forth above are subject to the effects of (1) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, (2) general equitable principles (whether considered in a proceeding in equity or at law) and (3) an implied covenant of good faith and fair dealing.

We are members of the Bar of the State of New York, and we do not express any opinion herein concerning any law other than the law of the State of New York, the Federal law of the United States, the Delaware General Corporation Law, the Delaware Limited Liability Company Law and the Delaware Revised Uniform Limited Partnership Act.

We hereby consent to the filing of this opinion letter as Exhibit 5 to the Registration Statement and to the use of our name under the caption "Legal Matters" in the Prospectus included in the Registration Statement.

Very truly yours,

/s/ SIMPSON THACHER & BARTLETT

SIMPSON THACHER & BARTLETT

SCHEDULE 1

CBRE Holding, Inc.

Bonutto-Hofer Investments

CBRE/LJM Mortgage Company, L.L.C.

CBRE/LJM-Nevada, Inc.

CB Richard Ellis Corporate Facilities Management, Inc.

CB Richard Ellis, Inc.

CB Richard Ellis Investors, L.L.C.

D.A. Management, Inc.

Global Innovation Advisor, L.L.C.

Holdpar A

Holdpar B

KEA/1, Inc.

KEA/II, Inc.

Koll Capital Markets Group, Inc.

Koll Investment Management, Inc.

Koll Partnerships I, Inc.

Koll Partnerships II, Inc.

L.J. Melody & Company

L J Melody & Company of Texas, L.P.

Sol L. Rabin, Inc.

Vincent F. Martin, Jr., Inc.

Westmark Real Estate Acquisition Partnership, L.P.

EXHIBIT 10.2

FULL RECOURSE NOTE

$512,504 July 20, 2001

FOR VALUE RECEIVED, Raymond E. Wirta (the "Borrower"), hereby unconditionally promises to pay to the order of CBRE Holding, Inc., a Delaware corporation formerly known as BLUM CB Holding Corp. ("CBRE"), or its registered assigns, the aggregate principal amount of Five Hundred Twelve Thousand Five Hundred Four Dollars ($512,504), in lawful money of the United States of America and in immediately available funds (the "Loan").

All capitalized terms not otherwise defined herein shall have the meanings given to them in the Designated Manager Subscription Agreement, dated on or about July 16, 2001 (the "Agreement"), between CBRE and the Borrower.

The Borrower has agreed to purchase shares of CBRE's Class A Common Stock, par value $0.01 per share (the "Equity Interest"), and has requested that CBRE make the Loan to the Borrower as a portion of the purchase price of the Equity Interest.

1. Interest and Payment.

(a) Interest shall accrue on the principal amount hereof at an annual rate of ten percent (10%), compounded annually, and shall be payable in cash on each March 31, June 30, September 30 and December 31 prior to the payment in full of all unpaid principal and accrued and unpaid interest thereon. All accrued and unpaid interest, together with all unpaid principal, if not sooner paid, shall be due and payable on the earliest of (i) the ninth anniversary of the date first above written; (ii) if the Borrower's employment with CBRE is terminated (x) 30 days following the date of such termination of employment if the Borrower's employment was terminated for any reason not described in clause (y), or (y) 180 days following the date of such termination of employment if the Borrower's employment was terminated by CBRE without Cause, by the Borrower for Good Reason or as a result of the Borrower's death or disability, provided, however, that if the Borrower timely delivers a Sale Notice pursuant to Section 2.9 of the Agreement and CBRE fails to purchase the Note Repayment Shares on the Note Repayment Date pursuant to Section 2.9 of the Agreement, the periods set forth in the preceding clauses (x) and (y), solely with respect to that portion of the Loan then due and payable that otherwise would be repaid by the Borrower with the proceeds from the purchase of the Note Repayment Shares, shall be extended until such time as CBRE shall have performed such obligation in full; (iii) the acceleration of the maturity of the Loan (as provided herein); and (iv) the Borrower's receipt of any proceeds (in cash or in kind) upon the sale, exchange or other disposition of the Equity Interest subject to the Pledge Agreement securing Borrower's obligations under this Note; provided that in the case of an event described in this clause (iv), the amount of unpaid principal and accrued and unpaid interest of the Loan which shall become due and payable as a result of such event shall be limited to the Net Proceeds received by the Borrower in connection with such sale, exchange or disposition. Any overdue amount shall bear interest at the rate of twelve percent 12% per annum, compounded annually.

(b) Notwithstanding the foregoing, in the event of the Borrower's death or permanent disability (as defined below), the amount of the Loan due and payable as set forth in Section 1(a)(ii)(y) above shall be limited to the Pledged Interests as defined in the Borrower's Pledge Agreement. Disability occurs when the Borrower becomes physically or mentally incapacitated and is therefore unable for a period of six (6) consecutive months or for an aggregate of nine (9) months in any twenty-four (24) consecutive month period to perform

Borrower's duties (such incapacity is hereinafter referred to as "Disability"). Any question as to the existence of the Disability of Borrower as to which Borrower and CBRE cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to Borrower and CBRE. If Borrower and CBRE cannot agree as to a qualified independent physician, each shall appoint such a physician and those two physicians shall select a third who shall make such determination in writing. The determination of Disability made in writing to CBRE and Borrower shall be final and conclusive for all purposes of the Agreement.

2. Acceleration. (a) In the event that the Borrower commences an action under any law relating to bankruptcy, insolvency or relief of debtors, there is commenced against the Borrower an action under any such law which results in the entry of an order for relief or such action remains undismissed for a period of 60 days or the Borrower otherwise becomes insolvent, the obligation of the Borrower hereunder shall automatically be accelerated and (b) in the event that the Borrower defaults in any payment obligation hereunder or in any agreement contained in the Pledge Agreement, CBRE may accelerate this Loan and may, by written notice to the Borrower, declare the entire unpaid outstanding principal amount and all such accrued and unpaid interest thereon to be immediately due and payable and, thereupon, in the case of each of clause (a) and (b), the unpaid outstanding principal amount and all such accrued and unpaid interest shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower. The failure of CBRE to accelerate this Loan shall not constitute a waiver of any of CBRE's rights under this Loan as long as any of the events described in this section continue.

3. Pledge Agreement. The obligations of the Borrower hereunder are secured pursuant to the Pledge Agreement dated the date hereof made by the Borrower to CBRE.

4. Miscellaneous. To the extent permitted by law, the Borrower hereby waives diligence, presentment, demand, demand for payment, notice of non-payment, notice of dishonor, protest and notice of protest and all other notices or demands in connection with the delivery, acceptance, performance, default or enforcement of this Note.

No waiver or modification of the terms of this Note shall be valid unless in writing signed by CBRE and then only to the extent therein set forth.

This Note shall be governed by and construed and enforced in accordance with the laws of the State of Delaware.

IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed and delivered on the day and year first above written.

/s/ Raymond E. Wirta

Name: Raymond E. Wirta
Address: 200 North Sepulveda Boulevard
El Segunda, California 90245

EXHIBIT 10.3

FULL RECOURSE NOTE

$209,734 July 20, 2001

FOR VALUE RECEIVED, Brett White (the "Borrower"), hereby unconditionally promises to pay to the order of CBRE Holding, Inc., a Delaware corporation formerly known as BLUM CB Holding Corp. ("CBRE") or its registered assigns, the aggregate principal amount of Two Hundred Nine Thousand Seven Hundred Thirty-Four Dollars ($209,734), in lawful money of the United States of America and in immediately available funds (the "Loan"). All capitalized terms not otherwise defined herein shall have the meanings given to them in the Designated Manager Subscription Agreement, dated on or about July 16, 2001 (the "Agreement"), between CBRE and the Borrower.

The Borrower has agreed to purchase shares of CBRE's Class A Common Stock, par value $0.01 per share (the "Equity Interest"), and has requested that CBRE make the Loan to the Borrower as a portion of the purchase price of the Equity Interest.

1. Interest and Payment.

(a) Interest shall accrue on the principal amount hereof at an annual rate of ten percent (10%), compounded annually, and shall be payable in cash on each March 31, June 30, September 30 and December 31 prior to the payment in full of all unpaid principal and accrued and unpaid interest thereon. All accrued and unpaid interest, together with all unpaid principal, if not sooner paid, shall be due and payable on the earliest of (i) the ninth anniversary of the date first above written; (ii) if the Borrower's employment with CBRE is terminated (x) 30 days following the date of such termination of employment if the Borrower's employment was terminated for any reason not described in clause (y), or (y) 180 days following the date of such termination of employment if the Borrower's employment was terminated by CBRE without Cause, by the Borrower for Good Reason or as a result of the Borrower's death or disability, provided, however, that if the Borrower timely delivers a Sale Notice pursuant to Section 2.9 of the Agreement and CBRE fails to purchase the Note Repayment Shares on the Note Repayment Date pursuant to Section 2.9 of the Agreement, the periods set forth in the preceding clauses (x) and (y), solely with respect to that portion of the Loan then due and payable that otherwise would be repaid by the Borrower with the proceeds from the purchase of the Note Repayment Shares, shall be extended until such time as CBRE shall have performed such obligation in full; (iii) the acceleration of the maturity of the Loan (as provided herein); and (iv) the Borrower's receipt of any proceeds (in cash or in kind) upon the sale, exchange or other disposition of the Equity Interest subject to the Pledge Agreement securing Borrower's obligations under this Note; provided that in the case of an event described in this clause (iv), the amount of unpaid principal and accrued and unpaid interest of the Loan which shall become due and payable as a result of such event shall be limited to the Net Proceeds received by the Borrower in connection with such sale, exchange or disposition. Any overdue amount shall bear interest at the rate of twelve percent 12% per annum, compounded annually.

(b) Notwithstanding the foregoing, in the event of the Borrower's death or permanent disability (as defined below), the amount of the Loan due and payable as set forth in Section 1(a)(ii)(y) above shall be limited to the Pledged Interests as defined in the Borrower's Pledge Agreement. Disability occurs when the Borrower becomes physically or mentally incapacitated and is therefore unable for a period of six (6) consecutive months or for an aggregate of nine (9) months in any twenty-four (24) consecutive month period to perform

Borrower's duties (such incapacity is hereinafter referred to as "Disability"). Any question as to the existence of the Disability of Borrower as to which Borrower and CBRE cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to Borrower and CBRE. If Borrower and CBRE cannot agree as to a qualified independent physician, each shall appoint such a physician and those two physicians shall select a third who shall make such determination in writing. The determination of Disability made in writing to CBRE and Borrower shall be final and conclusive for all purposes of the Agreement.

2. Acceleration. (a) In the event that the Borrower commences an action under any law relating to bankruptcy, insolvency or relief of debtors, there is commenced against the Borrower an action under any such law which results in the entry of an order for relief or such action remains undismissed for a period of 60 days or the Borrower otherwise becomes insolvent, the obligation of the Borrower hereunder shall automatically be accelerated and (b) in the event that the Borrower defaults in any payment obligation hereunder or in any agreement contained in the Pledge Agreement, CBRE may accelerate this Loan and may, by written notice to the Borrower, declare the entire unpaid outstanding principal amount and all such accrued and unpaid interest thereon to be immediately due and payable and, thereupon, in the case of each of clause (a) and (b), the unpaid outstanding principal amount and all such accrued and unpaid interest shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower. The failure of CBRE to accelerate this Loan shall not constitute a waiver of any of CBRE's rights under this Loan as long as any of the events described in this section continue.

3. Pledge Agreement. The obligations of the Borrower hereunder are secured pursuant to the Pledge Agreement dated the date hereof made by the Borrower to CBRE.

4. Miscellaneous. To the extent permitted by law, the Borrower hereby waives diligence, presentment, demand, demand for payment, notice of non-payment, notice of dishonor, protest and notice of protest and all other notices or demands in connection with the delivery, acceptance, performance, default or enforcement of this Note.

No waiver or modification of the terms of this Note shall be valid unless in writing signed by CBRE and then only to the extent therein set forth.

This Note shall be governed by and construed and enforced in accordance with the laws of the State of Delaware.

IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed and delivered on the day and year first above written.

/s/ W. Brett White

Name: W. Brett White
Address: 200 North Sepulveda Boulevard
El Segunda, California 90245

EXHIBIT 10.4

FULL RECOURSE NOTE

$23,250 July 20, 2001

FOR VALUE RECEIVED, James H. Leonetti (the "Borrower"), hereby unconditionally promises to pay to the order of CBRE Holding, Inc., a Delaware corporation formerly known as BLUM CB Holding Corp. ("CBRE") or its registered assigns, the aggregate principal amount of Twenty Three Thousand Two Hundred Fifty Dollars ($23,250), in lawful money of the United States of America and in immediately available funds (the "Loan"). All capitalized terms not otherwise defined herein shall have the meanings given to them in the Designated Manager Subscription Agreement, dated on or about July 16, 2001 (the "Agreement"), between CBRE and the Borrower.

The Borrower has agreed to purchase shares of CBRE's Class A Common Stock, par value $0.01 per share (the "Equity Interest"), and has requested that CBRE make the Loan to the Borrower as a portion of the purchase price of the Equity Interest.

1. Interest and Payment.

(a) Interest shall accrue on the principal amount hereof at an annual rate of ten percent (10%), compounded annually, and shall be payable in cash on each March 31, June 30, September 30 and December 31 prior to the payment in full of all unpaid principal and accrued and unpaid interest thereon. All accrued and unpaid interest, together with all unpaid principal, if not sooner paid, shall be due and payable on the earliest of (i) the ninth anniversary of the date first above written; (ii) if the Borrower's employment with CBRE is terminated (x) 30 days following the date of such termination of employment if the Borrower's employment was terminated for any reason not described in clause (y), or (y) 180 days following the date of such termination of employment if the Borrower's employment was terminated by CBRE without Cause, by the Borrower for Good Reason or as a result of the Borrower's death or disability, provided, however, that if the Borrower timely delivers a Sale Notice pursuant to Section 2.9 of the Agreement and CBRE fails to purchase the Note Repayment Shares on the Note Repayment Date pursuant to Section 2.9 of the Agreement, the periods set forth in the preceding clauses (x) and (y), solely with respect to that portion of the Loan then due and payable that otherwise would be repaid by the Borrower with the proceeds from the purchase of the Note Repayment Shares, shall be extended until such time as CBRE shall have performed such obligation in full; (iii) the acceleration of the maturity of the Loan (as provided herein); and (iv) the Borrower's receipt of any proceeds (in cash or in kind) upon the sale, exchange or other disposition of the Equity Interest subject to the Pledge Agreement securing Borrower's obligations under this Note; provided that in the case of an event described in this clause (iv), the amount of unpaid principal and accrued and unpaid interest of the Loan which shall become due and payable as a result of such event shall be limited to the Net Proceeds received by the Borrower in connection with such sale, exchange or disposition. Any overdue amount shall bear interest at the rate of twelve percent 12% per annum, compounded annually.

(b) Notwithstanding the foregoing, in the event of the Borrower's death or permanent disability (as defined below), the amount of the Loan due and payable as set forth in Section 1(a)(ii)(y) above shall be limited to the Pledged Interests as defined in the Borrower's Pledge Agreement. Disability occurs when the Borrower becomes physically or mentally incapacitated and is therefore unable for a period of six (6) consecutive months or for an aggregate of nine (9) months in any twenty-four (24) consecutive month period to perform

Borrower's duties (such incapacity is hereinafter referred to as "Disability"). Any question as to the existence of the Disability of Borrower as to which Borrower and CBRE cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to Borrower and CBRE. If Borrower and CBRE cannot agree as to a qualified independent physician, each shall appoint such a physician and those two physicians shall select a third who shall make such determination in writing. The determination of Disability made in writing to CBRE and Borrower shall be final and conclusive for all purposes of the

Agreement.

2. Acceleration. (a) In the event that the Borrower commences an action under any law relating to bankruptcy, insolvency or relief of debtors, there is commenced against the Borrower an action under any such law which results in the entry of an order for relief or such action remains undismissed for a period of 60 days or the Borrower otherwise becomes insolvent, the obligation of the Borrower hereunder shall automatically be accelerated and (b) in the event that the Borrower defaults in any payment obligation hereunder or in any agreement contained in the Pledge Agreement, CBRE may accelerate this Loan and may, by written notice to the Borrower, declare the entire unpaid outstanding principal amount and all such accrued and unpaid interest thereon to be immediately due and payable and, thereupon, in the case of each of clause (a) and (b), the unpaid outstanding principal amount and all such accrued and unpaid interest shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower. The failure of CBRE to accelerate this Loan shall not constitute a waiver of any of CBRE's rights under this Loan as long as any of the events described in this section continue.

3. Pledge Agreement. The obligations of the Borrower hereunder are secured pursuant to the Pledge Agreement dated the date hereof made by the Borrower to CBRE.

4. Miscellaneous. To the extent permitted by law, the Borrower hereby waives diligence, presentment, demand, demand for payment, notice of non-payment, notice of dishonor, protest and notice of protest and all other notices or demands in connection with the delivery, acceptance, performance, default or enforcement of this Note.

No waiver or modification of the terms of this Note shall be valid unless in writing signed by CBRE and then only to the extent therein set forth.

This Note shall be governed by and construed and enforced in accordance with the laws of the State of Delaware.

IN WITNESS WHEREOF, the Borrower has caused this Note to be duly executed and delivered on the day and year first above written.

/s/ James H. Leonetti

Name: James H. Leonetti
Address: 200 North Sepulveda Boulevard
El Segunda, California 90245

PLEDGE AGREEMENT

Pledge Agreement, dated as of July 20, 2001 made by Raymond E. Wirta (the "Pledgor"), to CBRE Holding, Inc., a Delaware corporation formerly known as BLUM CB Holding Corp. ("CBRE"). Capitalized terms that are not defined herein shall have the meanings ascribed to them in the Note (as defined below).

Pledgor (i) is the owner of shares of the Class A Common Stock of CBRE par value $0.01 per share, identified on Schedule 1 hereto (the "Pledged Interests"). CBRE is loaning Pledgor Five Hundred Twelve Thousand Five Hundred Four Dollars ($512,504) (the "Loan"), to be evidenced by a full recourse note to be executed by Pledgor simultaneously herewith (the "Note"). It is a condition precedent to the making of the Loan under the Note that Pledgor shall have made the pledge contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce CBRE to make the Loan under the Note, Pledgor hereby agrees with CBRE as follows:

1. Pledge. Pledgor hereby pledges to CBRE and grants CBRE a first priority security interest in (a) the Pledged Interests and (b) all Proceeds and products thereof, accessions thereto and substitutions therefore, including, without limitation, all Investment Property and General Intangibles included therein and all dividends, distributions, rights and interests that may, from time to time, be issued, granted or arise in respect thereof (collectively, the "Collateral"). As used herein, the terms "Proceeds," "Investment Property" and "General Intangibles" shall have the respective meanings set forth in the Uniform Commercial Code of New York as in effect on the date hereof.

2. Security for Obligations. This Pledge Agreement secures the payment of all of Pledgor's obligations under the Note and this Pledge Agreement (including, without limitation, interest accruing at the then applicable rate provided in the Note after the maturity of the Loan and interest accruing at the then applicable rate provided in the Note after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Pledgor, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), whether due or to become due or now existing or hereafter incurred (the "Obligations").

3. Delivery of Pledged Collateral. All certificates or instruments representing or evidencing the Pledged Interests, including Collateral received by the Borrower after the date hereof, shall be delivered to and held by CBRE and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to CBRE.

4. Representations and Warranties. Pledgor represents and warrants that (i) Pledgor is the legal and beneficial owner of the Pledged Interests and (ii) no lien, security interest, pledge, hypothecation or similar encumbrance exists on the Collateral (except as created hereunder) ("Lien").

5. Disposition. The Pledgor may not sell, exchange or otherwise dispose of any of the Pledged Interests unless the Pledgor has repaid the amount of unpaid principal and any accrued and unpaid interest on the Note in full. Without the prior written consent of

CBRE, the Pledgor will not (a) grant any option with respect to, create, incur or permit to exist any Lien or option in favor of or any claim of any Person with respect to, any of the Collateral, or any interest therein, except for the security interests created by this Pledge Agreement, or (b) enter into any agreement or undertaking restricting the right or ability of the Pledgor or CBRE to Transfer any of the Collateral, except for the restrictions set forth

herein with respect to the Pledgor.

6. Indemnity. The Pledgor shall pay, and save CBRE and its directors, employees and affiliates harmless from, any and all liabilities and expenses related to or arising from the Note or the Pledge Agreement or any exercise of remedies in respect thereof, including with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Pledge Agreement.

7. Rights and Remedies of CBRE. If any obligation under the Note is not paid in full when due, or if any obligation thereunder is accelerated as set forth therein (except in the case of an insolvency event described in clause (a) of Section 2 of the Note, in which case no notice shall be required), (a) CBRE shall, by notice to the Pledgor of its intent to exercise such rights, have the right to receive any and all cash payments or distributions paid in respect of the Collateral and make application thereof to the Obligations in such order as CBRE may determine, and to exercise all rights of the Pledgor in respect of the Collateral and (b) shall have and may exercise all the rights and remedies in respect of the Collateral and the Obligations of a secured party under the New York Uniform Commercial Code, and may apply any Proceeds from time to time to the Obligations in such manner as it may elect. To the extent permitted by applicable law, the Pledgor waives all claims, damages and demands it may acquire against CBRE arising out of the exercise by them of any rights hereunder. The Pledgor shall remain liable for any deficiency if the proceeds of any sale or other disposition of Collateral are insufficient to pay the Obligations.

8. Cash Dividends; Voting Rights. Unless any obligation under the Note is not paid in full when due, or if any obligation thereunder is accelerated as set forth therein (except in the case of an insolvency event described in clause (a) of Section 2 of the Note, in which case no notice shall be required), the Pledgor shall be permitted (a) to receive, upon repayment of the Note and all accrued and unpaid interest thereon, all cash dividends paid in respect of the Pledged Interests and (b) to exercise all voting and corporate rights with respect to the Pledged Interests.

9. Further Assurances. Pledgor agrees that from time to time the Pledgor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that CBRE may request, in order to perfect and protect the pledge and first priority security interest granted hereby, and further authorizes CBRE to file financing statements with respect to the Collateral with the signature of the Pledgor as CBRE determines appropriate.

10. Continuing Security Interest. This Agreement shall be a continuing assignment of, and security interest in, the Collateral and shall remain in full force and effect until payment of all obligations under the Note. Upon the payment in full of all such obligations,

Pledgor shall be entitled to the return of the Pledged Interests and to the release of CBRE's security interest in the Collateral.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, Pledgor has caused this Agreement to be duly executed and delivered as of the date first written above.

/s/ Raymond E. Wirta

Name: Raymond E. Wirta
Address: 200 North Sepulveda Boulevard
El Segunda, California 90245

Schedule 1

64,063 shares of Class A Common Stock, par value $.01 per share, of CBRE Holding, Inc.

EXHIBIT 10.6

PLEDGE AGREEMENT

Pledge Agreement, dated as of July 20, 2001 made by W. Brett White (the "Pledgor"), to CBRE Holding, Inc., a Delaware corporation formerly known as BLUM CB Holding Corp. ("CBRE"). Capitalized terms that are not defined herein shall have the meanings ascribed to them in the Note (as defined below).

Pledgor (i) is the owner of shares of the Class A Common Stock of CBRE, par value $0.01 per share, identified on Schedule 1 hereto (the "Pledged Interests"). CBRE is loaning Pledgor Two Hundred Nine Thousand Seven Hundred Thirty-Four Dollars ($209,734) (the "Loan"), to be evidenced by a full recourse note to be executed by Pledgor simultaneously herewith (the "Note"). It is a condition precedent to the making of the Loan under the Note that Pledgor shall have made the pledge contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce CBRE to make the Loan under the Note, Pledgor hereby agrees with CBRE as follows:

1. Pledge. Pledgor hereby pledges to CBRE and grants CBRE a first priority security interest in (a) the Pledged Interests and (b) all Proceeds and products thereof, accessions thereto and substitutions therefore, including, without limitation, all Investment Property and General Intangibles included therein and all dividends, distributions, rights and interests that may, from time to time, be issued, granted or arise in respect thereof (collectively, the "Collateral"). As used herein, the terms "Proceeds," "Investment Property" and "General Intangibles" shall have the respective meanings set forth in the Uniform Commercial Code of New York as in effect on the date hereof.

2. Security for Obligations. This Pledge Agreement secures the payment of all of Pledgor's obligations under the Note and this Pledge Agreement (including, without limitation, interest accruing at the then applicable rate provided in the Note after the maturity of the Loan and interest accruing at the then applicable rate provided in the Note after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Pledgor, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), whether due or to become due or now existing or hereafter incurred (the "Obligations").

3. Delivery of Pledged Collateral. All certificates or instruments representing or evidencing the Pledged Interests, including Collateral received by the Borrower after the date hereof, shall be delivered to and held by CBRE and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to CBRE.

4. Representations and Warranties. Pledgor represents and warrants that (i) Pledgor is the legal and beneficial owner of the Pledged Interests and (ii) no lien, security interest, pledge, hypothecation or similar encumbrance exists on the Collateral (except as created hereunder) ("Lien").

5. Disposition. The Pledgor may not sell, exchange or otherwise dispose of any of the Pledged Interests unless the Pledgor has repaid the amount of unpaid principal and any accrued and unpaid interest on the Note in full. Without the prior written consent of

CBRE, the Pledgor will not (a) grant any option with respect to, create, incur or permit to exist any Lien or option in favor of or any claim of any Person with respect to, any of the Collateral, or any interest therein, except for the security interests created by this Pledge Agreement, or (b) enter into any agreement or undertaking restricting the right or ability of the Pledgor or CBRE to Transfer any of the Collateral, except for the restrictions set forth herein with respect to the Pledgor.

6. Indemnity. The Pledgor shall pay, and save CBRE and its directors, employees and affiliates harmless from, any and all liabilities and expenses related to or arising from the Note or the Pledge Agreement or any exercise of remedies in respect thereof, including with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Pledge Agreement.

7. Rights and Remedies of CBRE. If any obligation under the Note is not paid in full when due, or if any obligation thereunder is accelerated as set forth therein (except in the case of an insolvency event described in clause (a) of Section 2 of the Note, in which case no notice shall be required), (a) CBRE shall, by notice to the Pledgor of its intent to exercise such rights, have the right to receive any and all cash payments or distributions paid in respect of the Collateral and make application thereof to the Obligations in such order as CBRE may determine, and to exercise all rights of the Pledgor in respect of the Collateral and (b) shall have and may exercise all the rights and remedies in respect of the Collateral and the Obligations of a secured party under the New York Uniform Commercial Code, and may apply any Proceeds from time to time to the Obligations in such manner as it may elect. To the extent permitted by applicable law, the Pledgor waives all claims, damages and demands it may acquire against CBRE arising out of the exercise by them of any rights hereunder. The Pledgor shall remain liable for any deficiency if the proceeds of any sale or other disposition of Collateral are insufficient to pay the Obligations.

8. Cash Dividends; Voting Rights. Unless any obligation under the Note is not paid in full when due, or if any obligation thereunder is accelerated as set forth therein (except in the case of an insolvency event described in clause (a) of Section 2 of the Note, in which case no notice shall be required), the Pledgor shall be permitted (a) to receive, upon repayment of the Note and all accrued and unpaid interest thereon, all cash dividends paid in respect of the Pledged Interests and (b) to exercise all voting and corporate rights with respect to the Pledged Interests.

9. Further Assurances. Pledgor agrees that from time to time the Pledgor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that CBRE may request, in order to perfect and protect the pledge and first priority security interest granted hereby, and further authorizes CBRE to file financing statements with respect to the Collateral with the signature of the Pledgor as CBRE determines appropriate.

10. Continuing Security Interest. This Agreement shall be a continuing assignment of, and security interest in, the Collateral and shall remain in full force and effect until payment of all obligations under the Note. Upon the payment in full of all such obligations,

Pledgor shall be entitled to the return of the Pledged Interests and to the release of CBRE's security interest in the Collateral.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, Pledgor has caused this Agreement to be duly executed and delivered as of the date first written above.

/s/ W. Brett White

Name: W. Brett White
Address: 200 North Sepulveda Boulevard
El Segunda, California 90245

Schedule 1

26,217 shares of Class A Common Stock, par value $.01 per share, of CBRE Holding, Inc.

EXHIBIT 10.7

PLEDGE AGREEMENT

Pledge Agreement, dated as of July 20, 2001 made by James H. Leonetti (the "Pledgor"), to CBRE Holding, Inc., a Delaware corporation formerly known as BlUM CB Holding Corp. ("CBRE"). Capitalized terms that are not defined herein shall have the meanings ascribed to them in the Note (as defined below).

Pledgor (i) is the owner of shares of the Class A Common Stock of CBRE, par value $0.01 per share, identified on Schedule 1 hereto (the "Pledged Interests"). CBRE is loaning Pledgor Twenty Three Thousand Two Hundred Fifty Dollars ($23,250) (the "Loan"), to be evidenced by a full recourse note to be executed by Pledgor simultaneously herewith (the "Note"). It is a condition precedent to the making of the Loan under the Note that Pledgor shall have made the pledge contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce CBRE to make the Loan under the Note, Pledgor hereby agrees with CBRE as follows:

1. Pledge. Pledgor hereby pledges to CBRE and grants CBRE a first priority security interest in (a) the Pledged Interests and (b) all Proceeds and products thereof, accessions thereto and substitutions therefore, including, without limitation, all Investment Property and General Intangibles included therein and all dividends, distributions, rights and interests that may, from time to time, be issued, granted or arise in respect thereof (collectively, the "Collateral"). As used herein, the terms "Proceeds," "Investment Property" and "General Intangibles" shall have the respective meanings set forth in the Uniform Commercial Code of New York as in effect on the date hereof.

2. Security for Obligations. This Pledge Agreement secures the payment of all of Pledgor's obligations under the Note and this Pledge Agreement (including, without limitation, interest accruing at the then applicable rate provided in the Note after the maturity of the Loan and interest accruing at the then applicable rate provided in the Note after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Pledgor, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding), whether due or to become due or now existing or hereafter incurred (the "Obligations").

3. Delivery of Pledged Collateral. All certificates or instruments representing or evidencing the Pledged Interests, including Collateral received by the Borrower after the date hereof, shall be delivered to and held by CBRE and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to CBRE.

4. Representations and Warranties. Pledgor represents and warrants that (i) Pledgor is the legal and beneficial owner of the Pledged Interests and (ii) no lien, security interest, pledge, hypothecation or similar encumbrance exists on the Collateral (except as created hereunder) ("Lien").

5. Disposition. The Pledgor may not sell, exchange or otherwise dispose of any of the Pledged Interests unless the Pledgor has repaid the amount of unpaid principal and any accrued and unpaid interest on the Note in full. Without the prior written consent of

CBRE, the Pledgor will not (a) grant any option with respect to, create, incur or permit to exist any Lien or option in favor of or any claim of any Person with respect to, any of the Collateral, or any interest therein, except for the security interests created by this Pledge Agreement, or (b) enter into any agreement or undertaking restricting the right or ability of the Pledgor or CBRE to Transfer any of the Collateral, except for the restrictions set forth herein with respect to the Pledgor.

6. Indemnity. The Pledgor shall pay, and save CBRE and its directors, employees and affiliates harmless from, any and all liabilities and expenses related to or arising from the Note or the Pledge Agreement or any exercise of remedies in respect thereof, including with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Pledge Agreement.

7. Rights and Remedies of CBRE. If any obligation under the Note is not paid in full when due, or if any obligation thereunder is accelerated as set forth therein (except in the case of an insolvency event described in clause (a) of Section 2 of the Note, in which case no notice shall be required), (a) CBRE shall, by notice to the Pledgor of its intent to exercise such rights, have the right to receive any and all cash payments or distributions paid in respect of the Collateral and make application thereof to the Obligations in such order as CBRE may determine, and to exercise all rights of the Pledgor in respect of the Collateral and (b) shall have and may exercise all the rights and remedies in respect of the Collateral and the Obligations of a secured party under the New York Uniform Commercial Code, and may apply any Proceeds from time to time to the Obligations in such manner as it may elect. To the extent permitted by applicable law, the Pledgor waives all claims, damages and demands it may acquire against CBRE arising out of the exercise by them of any rights hereunder. The Pledgor shall remain liable for any deficiency if the proceeds of any sale or other disposition of Collateral are insufficient to pay the Obligations.

8. Cash Dividends; Voting Rights. Unless any obligation under the Note is not paid in full when due, or if any obligation thereunder is accelerated as set forth therein (except in the case of an insolvency event described in clause (a) of Section 2 of the Note, in which case no notice shall be required), the Pledgor shall be permitted (a) to receive, upon repayment of the Note and all accrued and unpaid interest thereon, all cash dividends paid in respect of the Pledged Interests and (b) to exercise all voting and corporate rights with respect to the Pledged Interests.

9. Further Assurances. Pledgor agrees that from time to time the Pledgor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that CBRE may request, in order to perfect and protect the pledge and first priority security interest granted hereby, and further authorizes CBRE to file financing statements with respect to the Collateral with the signature of the Pledgor as CBRE determines appropriate.

10. Continuing Security Interest. This Agreement shall be a continuing assignment of, and security interest in, the Collateral and shall remain in full force and effect until payment of all obligations under the Note. Upon the payment in full of all such obligations,

Pledgor shall be entitled to the return of the Pledged Interests and to the release of CBRE's security interest in the Collateral.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, Pledgor has caused this Agreement to be duly executed and delivered as of the date first written above.

/s/ James H. Leonetti

Name: James H. Leonetti
Address: 200 North Sepulveda Boulevard
El Segunda, California 90245

Schedule 1

2,907 shares of Class A Common Stock, par value $.01 per share, of CBRE Holding, Inc.

EXHIBIT 10.8

2001 CBRE HOLDING, INC.
STOCK INCENTIVE PLAN

OPTION AGREEMENT

THIS AGREEMENT (the "Agreement"), is made effective as of the 20/th/ day of July 2001, (the "Date of Grant"), between CBRE Holding, Inc., a Delaware corporation (the "Company"), and Raymond E. Wirta (the "Participant"). Capitalized terms not otherwise defined herein shall have the same meanings given them in the 2001 CBRE Holding, Inc. Stock Incentive Plan (the "Plan").

R E C I T A L S:

WHEREAS, the Company has adopted the Plan, which Plan is incorporated herein by reference and made a part of this Agreement; and

WHEREAS, the Committee has determined that it would be in the best interests of the Company and its stockholders to grant the Options provided for herein to the Participant pursuant to the Plan and the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of the Options. The Company hereby grants to the Participant the right and option to purchase, on the terms and conditions hereinafter set forth, all or any part of an aggregate of 176,153 Shares (the "Option"), subject to adjustment from time to time pursuant to the Plan. The purchase price of the Shares subject to the Option shall be $16.00 per Share, subject to adjustment from time to time pursuant to the provisions of the Plan. The Options are intended to be non-qualified stock options, and are not intended to be treated as options that comply with Section 422 of the Internal Revenue Code of 1986, as amended.

2. Vesting. The portion of the Option which have become vested and exercisable at any time as described in this Section 2 are hereinafter referred to as the "Vested Portion."

(a) Vesting Schedule.

(i) Subject to Section 2(a)(ii) and Section 2(b) below, the Option shall vest and become exercisable with respect to 20% of the Shares initially subject thereto on the first, second, third, fourth and fifth anniversaries of the Date of Grant.

(ii) Notwithstanding the foregoing, upon a Change of Control, the Option, to the extent not previously canceled pursuant to Section 2(b) below, shall immediately vest and become exercisable with respect to all the Shares at the time subject to the Option.

(b) Termination of Employment.

If the Participant's Employment is terminated for any reason, the Option shall, to the extent not then vested, be canceled by the Company without consideration; provided, however, that (i) if the Participant's Employment is terminated by the Company or applicable Affiliate without Cause (as defined below) or if the Participant resigns from his or her Employment for Good Reason (as defined below), the Option shall immediately vest and become exercisable for all the Shares at the time subject to the Option or (ii) if the Participant's Employment is terminated due to the Participant's death or Disability (as defined below), the Option shall immediately vest and become exercisable with respect to the number of Shares with respect to which the Option would have become vested and exercisable in the calendar year of such termination of Employment. The Vested Portion of the Option shall remain exercisable for the period set forth in Section 3(a).

3. Exercise of Options.

(a) Period of Exercise. Subject to the provisions of the Plan and this Agreement, the Participant may exercise all or any part of the Vested Portion of the Option at any time prior to the earliest to occur of:

(i) the tenth anniversary of the Date of Grant;

(ii) one year following the date of the Participant's termination of Employment as a result of death or Disability;

(iii) ninety days following the date of the Participant's termination of Employment by the Company or applicable Affiliate without Cause (other than as a result of death or Disability) or by the Participant for any reason; and

(iv) the date of the Participant's termination of Employment by the Company or applicable Affiliate for Cause.

For purposes of this Agreement:

"Cause" shall mean (i) the Participant's willful failure to perform duties to the Company or its Affiliates, which is not cured within 10 days following written notice from the Company describing such failure, (ii) the Participant's conviction of a felony, (iii) the Participant's willful malfeasance or misconduct which is materially and demonstrably injurious to the Company, or (iv) breach by the Participant of the material terms of any employment agreement with the Company (an "Employment Agreement"), including without limitation all sections thereof addressing non-competition, non-solicitation or confidentiality. For the purpose of the preceding sentence, clause (i) only applies to the extent Participant refuses to undertake the duties of his or her office and does not apply to situations where, although the Participant is undertaking the duties of his or her office to the best of his or her ability in good faith, a disagreement exists with regard to the quality of the services rendered by the Participant; provided further, that no act or failure to act by the Participant shall be considered "willful"

unless it is done, or omitted to be done, in bad faith without a reasonable belief that the action or omission was in the best interest of the Company.

"Disability" shall mean the inability of a Participant to perform in all material respects his or her duties and responsibilities to the Company, or its Affiliates, for a period of six consecutive months or for an aggregate of nine months in any twenty-four consecutive month period by reason of a physical or mental incapacity. Any question as to the existence of a Disability as to which the Participant and the Company cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to the Participant and the Company. If the Participant and the Company cannot agree as to a qualified independent physician, each shall appoint such a physician and those two physicians shall select a third who shall make such determination in writing. The determination of Disability made in writing to the Company and the Participant shall be final and conclusive for all purposes of this Agreement.

"Good Reason" shall mean (i) a substantial diminution in the Participant's position or duties, an adverse change in reporting lines, or the assignment of duties materially inconsistent with his or her position; (ii) any reduction in the Participant's base salary or material adverse change in the Participant's bonus opportunity; or (iii) failure of the Company to pay compensation or benefits to the Participant when due under an Employment Agreement; in each of the foregoing clauses (i) through (iii), which is not cured within 30 days following receipt of written notice from the Participant describing the event that would constitute Good Reason if not cured within such period.

(b) Method of Exercise.

(i) Subject to Section 3(a), the Vested Portion of the Options may be exercised by delivering to the Company at its principal office or its designee written notice of intent to so exercise; provided, that, the Options may be exercised with respect to whole Shares only. Such notice shall specify the number of Shares for which the Options are being exercised and shall be accompanied by payment in full of the Option Price. The purchase price for the Shares as to which Options are exercised shall be paid to the Company in full at the time of exercise at the election of the Participant (A) in cash or its equivalent (e.g., by check); (B) in

Shares having a Fair Market Value equal to the aggregate Option Price for the Shares being purchased and satisfying such other requirements as may be imposed by the Committee; provided, that such Shares have been held by the
---

Participant for no less than six months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment applying generally accepted accounting principles); (C) partly in cash and partly in such Shares; or (D) if there should be a public market for the Shares at such time, subject to such rules as may be established by the Committee, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the aggregate Option Price for the Shares being purchased. The Participant shall also be required to pay all withholding taxes relating to the exercise.

(ii) Notwithstanding any other provision of the Plan or this Agreement to the contrary, unless there is an available exemption from such registration or qualification requirements, the Options may not be exercised prior to the completion of any registration or qualification of the Options or the Shares that is required to comply with applicable state and federal securities laws or any ruling or regulation of any governmental body or national securities exchange that the Committee shall in its sole discretion determine in good faith to be necessary or advisable.

(iii) Upon the Company's determination that the Options have been validly exercised as to any of the Shares, the Company shall issue certificates in the Participant's name for such Shares. However, the Company shall not be liable to the Participant for damages relating to any delays in issuing the certificates to the Participant, any loss of the certificates, or any mistakes or errors in the issuance of the certificates or in the certificates themselves.

(iv) Should the Participant die while holding the Options, the Vested Portion of the Options shall remain exercisable by the Participant's executor or administrator, or the person or persons to whom the Participant's rights under this Agreement shall pass by will or by the laws of descent and distribution as the case may be, to the extent set forth in Section 3(a). Any heir or legatee of the Participant shall take rights herein granted subject to the terms and conditions hereof.

(v) As a condition to exercising the Options, the Participant shall become a party to the Subscription Agreement.

4. No Right to Continued Employment. Neither the Plan nor this Agreement
---

shall be construed as giving the Participant the right to be retained in the Employment of the Company or any Affiliate. Further, the Company or an Affiliate may at any time dismiss the Participant or discontinue any Employment, free from any liability or any claim under the Plan or this Agreement, except as otherwise expressly provided herein.

5. Legend on Certificates. To the extent provided by the Subscription
---

Agreement, the certificates representing the Shares purchased by exercise of the Options shall contain a legend stating that they are subject to the Subscription Agreement and may be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed, and any applicable Federal or state laws, and the Committee may cause an additional legend or legends to be put on any such certificates to make appropriate reference to such other restrictions.

6. Transferability. Except as otherwise permitted by the Committee, the
---

Options are exercisable only by the Participant during the Participant's lifetime and may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant otherwise than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided, that the
---

designation of a

beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

7. Withholding and Other Taxes. A Participant shall be required to pay
---

to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold, any applicable withholding and other taxes in respect of the Options, their exercise or any payment or transfer under the Options or under the Plan and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such withholding and other taxes (which include, without limitation, income tax and national insurance contributions payable under the United Kingdom PAYE regime).

8. Securities Laws. Upon the acquisition of any Shares pursuant to the exercise of the Options, the Participant will make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement.

9. Notices. Any notice necessary under this Agreement shall be addressed to the Company in care of its Secretary at the principal executive office of the Company and to the Participant at the address appearing in the personnel records of the Company for the Participant or to either party at such other address as either party hereto may hereafter designate in writing to the other. Any such notice shall be deemed effective upon receipt thereof by the addressee.

10. Choice of Law. THE INTERPRETATION, PERFORMANCE AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE.

11. Options Subject to Plan and Subscription Agreement. By entering into this Agreement the Participant agrees and acknowledges that the Participant has received a copy of the Plan and the Subscription Agreement. The Options are subject to the Plan and the Subscription Agreement. The terms and provisions of the Subscription Agreement as it may be amended from time to time in accordance with its respective terms are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan or the Subscription Agreement, the applicable terms and provisions of the Plan or the Subscription Agreement, as applicable, will govern and prevail. In the event of a conflict between any term or provision of the Plan and any term or provision of the Subscription Agreement, the applicable terms and provisions of the Subscription Agreement will govern and prevail.

12. Signature in Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CBRE HOLDING, INC.

By: /s/ Walter V. Stafford

Agreed and acknowledged as
of the date first above written:

/s/ Raymond E. Wirta

EXHIBIT 10.9

2001 CBRE HOLDING, INC.
STOCK INCENTIVE PLAN

OPTION AGREEMENT

THIS AGREEMENT (the "Agreement"), is made effective as of the 20/th/ day of July 2001, (the "Date of Grant"), between CBRE Holding, Inc., a Delaware corporation (the "Company"), and W. Brett White (the "Participant"). Capitalized terms not otherwise defined herein shall have the same meanings given them in the 2001 CBRE Holding, Inc. Stock Incentive Plan (the "Plan").

R E C I T A L S:

WHEREAS, the Company has adopted the Plan, which Plan is incorporated herein by reference and made a part of this Agreement; and

WHEREAS, the Committee has determined that it would be in the best interests of the Company and its stockholders to grant the Options provided for herein to the Participant pursuant to the Plan and the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of the Options. The Company hereby grants to the Participant the right and option to purchase, on the terms and conditions hereinafter set forth, all or any part of an aggregate of 141,782 Shares (the "Option"), subject to adjustment from time to time pursuant to the Plan. The purchase price of the Shares subject to the Option shall be $16.00 per Share, subject to adjustment from time to time pursuant to the provisions of the Plan. The Options are intended to be non-qualified stock options, and are not intended to be treated as options that comply with Section 422 of the Internal Revenue Code of 1986, as amended.

2. Vesting. The portion of the Option which have become vested and exercisable at any time as described in this Section 2 are hereinafter referred to as the "Vested Portion."

(a) Vesting Schedule.

(i) Subject to Section 2(a)(ii) and Section 2(b) below, the Option shall vest and become exercisable with respect to 20% of the Shares initially subject thereto on the first, second, third, fourth and fifth anniversaries of the Date of Grant.

(ii) Notwithstanding the foregoing, upon a Change of Control, the Option, to the extent not previously canceled pursuant to Section 2(b) below, shall immediately vest and become exercisable with respect to all the Shares at the time subject to the Option.

(b) Termination of Employment.

If the Participant's Employment is terminated for any reason, the Option shall, to the extent not then vested, be canceled by the Company without consideration; provided, however, that (i) if the Participant's Employment is terminated by the Company or applicable Affiliate without Cause (as defined below) or if the Participant resigns from his or her Employment for Good Reason (as defined below), the Option shall immediately vest and become exercisable for all the Shares at the time subject to the Option or (ii) if the Participant's Employment is terminated due to the Participant's death or Disability (as defined below), the Option shall immediately vest and become exercisable with respect to the number of Shares with respect to which the Option would have become vested and exercisable in the calendar year of such termination of Employment. The Vested Portion of the Option shall remain exercisable for the period set forth in Section 3(a).

3. Exercise of Options.

(a) Period of Exercise. Subject to the provisions of the Plan and this Agreement, the Participant may exercise all or any part of the Vested Portion of the Option at any time prior to the earliest to occur of:

(i) the tenth anniversary of the Date of Grant;

(ii) one year following the date of the Participant's termination of Employment as a result of death or Disability;

(iii) ninety days following the date of the Participant's termination of Employment by the Company or applicable Affiliate without Cause (other than as a result of death or Disability) or by the Participant for any reason; and

(iv) the date of the Participant's termination of Employment by the Company or applicable Affiliate for Cause.

For purposes of this Agreement:

"Cause" shall mean (i) the Participant's willful failure to perform duties to the Company or its Affiliates, which is not cured within 10 days following written notice from the Company describing such failure, (ii) the Participant's conviction of a felony, (iii) the Participant's willful malfeasance or misconduct which is materially and demonstrably injurious to the Company, or (iv) breach by the Participant of the material terms of any employment agreement with the Company (an "Employment Agreement"), including without limitation all sections thereof addressing non-competition, non-solicitation or confidentiality. For the purpose of the preceding sentence, clause (i) only applies to the extent Participant refuses to undertake the duties of his or her office and does not apply to situations where, although the Participant is undertaking the duties of his or her office to the best of his or her ability in good faith, a disagreement exists with regard to the quality of the services rendered by the Participant; provided further, that no act or failure to act by the Participant shall be considered "willful"

unless it is done, or omitted to be done, in bad faith without a reasonable belief that the action or omission was in the best interest of the Company.

"Disability" shall mean the inability of a Participant to perform in all material respects his or her duties and responsibilities to the Company, or its Affiliates, for a period of six consecutive months or for an aggregate of nine months in any twenty-four consecutive month period by reason of a physical or mental incapacity. Any question as to the existence of a Disability as to which the Participant and the Company cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to the Participant and the Company. If the Participant and the Company cannot agree as to a qualified independent physician, each shall appoint such a physician and those two physicians shall select a third who shall make such determination in writing. The determination of Disability made in writing to the Company and the Participant shall be final and conclusive for all purposes of this Agreement.

"Good Reason" shall mean (i) a substantial diminution in the Participant's position or duties, an adverse change in reporting lines, or the assignment of duties materially inconsistent with his or her position; (ii) any reduction in the Participant's base salary or material adverse change in the Participant's bonus opportunity; or (iii) failure of the Company to pay compensation or benefits to the Participant when due under an Employment Agreement; in each of the foregoing clauses (i) through (iii), which is not cured within 30 days following receipt of written notice from the Participant describing the event that would constitute Good Reason if not cured within such period.

(b) Method of Exercise.

(i) Subject to Section 3(a), the Vested Portion of the Options may be exercised by delivering to the Company at its principal office or its designee written notice of intent to so exercise; provided, that, the Options may be exercised with respect to whole Shares only. Such notice shall specify the number of Shares for which the Options are being exercised and shall be accompanied by payment in full of the Option Price. The purchase price for the Shares as to which Options are exercised shall be paid to the Company in full at the time of exercise at the election of the Participant (A) in cash or its

equivalent (e.g., by check); (B) in Shares having a Fair Market Value equal to the aggregate Option Price for the Shares being purchased and satisfying such other requirements as may be imposed by the Committee; provided, that such Shares have been held by the Participant for no
----
less than six months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment applying generally accepted accounting principles); (C) partly in cash and partly in such Shares; or (D) if there should be a public market for the Shares at such time, subject to such rules as may be established by the Committee, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the aggregate Option Price for the Shares being purchased. The Participant shall also be required to pay all withholding taxes relating to the exercise.

(ii) Notwithstanding any other provision of the Plan or this Agreement to the contrary, unless there is an available exemption from such registration or qualification requirements, the Options may not be exercised prior to the completion of any registration or qualification of the Options or the Shares that is required to comply with applicable state and federal securities laws or any ruling or regulation of any governmental body or national securities exchange that the Committee shall in its sole discretion determine in good faith to be necessary or advisable.

(iii) Upon the Company's determination that the Options have been validly exercised as to any of the Shares, the Company shall issue certificates in the Participant's name for such Shares. However, the Company shall not be liable to the Participant for damages relating to any delays in issuing the certificates to the Participant, any loss of the certificates, or any mistakes or errors in the issuance of the certificates or in the certificates themselves.

(iv) Should the Participant die while holding the Options, the Vested Portion of the Options shall remain exercisable by the Participant's executor or administrator, or the person or persons to whom the Participant's rights under this Agreement shall pass by will or by the laws of descent and distribution as the case may be, to the extent set forth in Section 3(a). Any heir or legatee of the Participant shall take rights herein granted subject to the terms and conditions hereof.

(v) As a condition to exercising the Options, the Participant shall become a party to the Subscription Agreement.

4. No Right to Continued Employment. Neither the Plan nor this
---
Agreement shall be construed as giving the Participant the right to be retained in the Employment of the Company or any Affiliate. Further, the Company or an Affiliate may at any time dismiss the Participant or discontinue any Employment, free from any liability or any claim under the Plan or this Agreement, except as otherwise expressly provided herein.

5. Legend on Certificates. To the extent provided by the

Subscription Agreement, the certificates representing the Shares purchased by exercise of the Options shall contain a legend stating that they are subject to the Subscription Agreement and may be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed, and any applicable Federal or state laws, and the Committee may cause an additional legend or legends to be put on any such certificates to make appropriate reference to such other restrictions.

6. Transferability. Except as otherwise permitted by the

Committee, the Options are exercisable only by the Participant during the Participant's lifetime and may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant otherwise than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided, that
----
the designation of a

beneficiary shall not constitute an assignment, alienation, pledge, attachment,

sale, transfer or encumbrance.

7. Withholding and Other Taxes. A Participant shall be required to pay to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold, any applicable withholding and other taxes in respect of the Options, their exercise or any payment or transfer under the Options or under the Plan and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such withholding and other taxes (which include, without limitation, income tax and national insurance contributions payable under the United Kingdom PAYE regime).

8. Securities Laws. Upon the acquisition of any Shares pursuant to the exercise of the Options, the Participant will make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement.

9. Notices. Any notice necessary under this Agreement shall be addressed to the Company in care of its Secretary at the principal executive office of the Company and to the Participant at the address appearing in the personnel records of the Company for the Participant or to either party at such other address as either party hereto may hereafter designate in writing to the other. Any such notice shall be deemed effective upon receipt thereof by the addressee.

10. Choice of Law. THE INTERPRETATION, PERFORMANCE AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE.

11. Options Subject to Plan and Subscription Agreement. By entering into this Agreement the Participant agrees and acknowledges that the Participant has received a copy of the Plan and the Subscription Agreement. The Options are subject to the Plan and the Subscription Agreement. The terms and provisions of the Subscription Agreement as it may be amended from time to time in accordance with its respective terms are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan or the Subscription Agreement, the applicable terms and provisions of the Plan or the Subscription Agreement, as applicable, will govern and prevail. In the event of a conflict between any term or provision of the Plan and any term or provision of the Subscription Agreement, the applicable terms and provisions of the Subscription Agreement will govern and prevail.

12. Signature in Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CBRE HOLDING, INC.

By: /s/ Walter V. Stafford

Agreed and acknowledged as
of the date first above written:

/s/ W. Brett White

EXHIBIT 10.10

2001 CBRE HOLDING, INC.
STOCK INCENTIVE PLAN

OPTION AGREEMENT

THIS AGREEMENT (the "Agreement"), is made effective as of the 20/th/ day of July 2001, (the "Date of Grant"), between CBRE Holding, Inc., a Delaware corporation (the "Company"), and James H. Leonetti (the "Participant"). Capitalized terms not otherwise defined herein shall have the same meanings given them in the 2001 CBRE Holding, Inc. Stock Incentive Plan (the "Plan").

R E C I T A L S:

WHEREAS, the Company has adopted the Plan, which Plan is incorporated herein by reference and made a part of this Agreement; and

WHEREAS, the Committee has determined that it would be in the best interests of the Company and its stockholders to grant the Options provided for herein to the Participant pursuant to the Plan and the terms set forth herein.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grant of the Options. The Company hereby grants to the Participant the right and option to purchase, on the terms and conditions hereinafter set forth, all or any part of an aggregate of 17,186 Shares (the "Option"), subject to adjustment from time to time pursuant to the Plan. The purchase price of the Shares subject to the Option shall be $16.00 per Share, subject to adjustment from time to time pursuant to the provisions of the Plan. The Options are intended to be non-qualified stock options, and are not intended to be treated as options that comply with Section 422 of the Internal Revenue Code of 1986, as amended.

2. Vesting. The portion of the Option which have become vested and exercisable at any time as described in this Section 2 are hereinafter referred to as the "Vested Portion."

(a) Vesting Schedule.

(i) Subject to Section 2(a)(ii) and Section 2(b) below, the Option shall vest and become exercisable with respect to 20% of the Shares initially subject thereto on the first, second, third, fourth and fifth anniversaries of the Date of Grant.

(ii) Notwithstanding the foregoing, upon a Change of Control, the Option, to the extent not previously canceled pursuant to Section 2(b) below, shall immediately vest and become exercisable with respect to all the Shares at the time subject to the Option.

(b) Termination of Employment.

If the Participant's Employment is terminated for any reason, the Option shall, to the extent not then vested, be canceled by the Company without consideration. The Vested Portion of the Option shall remain exercisable for the period set forth in Section 3(a).

3. Exercise of Options.

(a) Period of Exercise. Subject to the provisions of the Plan and this Agreement, the Participant may exercise all or any part of the Vested Portion of the Option at any time prior to the earliest to occur of:

(i) the tenth anniversary of the Date of Grant;

(ii) one year following the date of the Participant's termination of Employment as a result of death or Disability;

(iii) ninety days following the date of the Participant's termination of Employment by the Company or applicable Affiliate without Cause (other than as a result of death or Disability) or by the Participant for any reason; and

(iv) the date of the Participant's termination of Employment by the Company or applicable Affiliate for Cause.

For purposes of this Agreement:

"Cause" shall mean (i) the Participant's willful failure to perform duties to the Company or its Affiliates, which is not cured within 10 days following written notice from the Company describing such failure, (ii) the Participant's conviction of a felony, (iii) the Participant's willful malfeasance or misconduct which is materially and demonstrably injurious to the Company, or (iv) breach by the Participant of the material terms of any confidentiality provision to which the Participant is subject.

"Disability" shall mean the inability of a Participant to perform in all material respects his or her duties and responsibilities to the Company, or its Affiliates, for a period of six consecutive months or for an aggregate of nine months in any twenty-four consecutive month period by reason of a physical or mental incapacity. Any question as to the existence of a Disability as to which the Participant and the Company cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to the Participant and the Company. If the Participant and the Company cannot agree as to a qualified independent physician, each shall appoint such a physician and those two physicians shall select a third who shall make such determination in writing. The determination of Disability made in writing to the Company and the Participant shall be final and conclusive for all purposes of this Agreement.

"Good Reason" shall mean (i) a substantial diminution in the Participant's position or duties, an adverse change in reporting lines, or the assignment of duties materially inconsistent with his or her position; (ii) any reduction in the Participant's base salary or material

adverse change in the Participant's bonus opportunity; or (iii) failure of the Company to pay compensation or benefits to the Participant when due under any employment agreement with the Company; in each of the foregoing clauses (i) through (iii), which is not cured within 30 days following receipt of written notice from the Participant describing the event that would constitute Good Reason if not cured within such period.

(b) Method of Exercise.

(i) Subject to Section 3(a), the Vested Portion of the Options may be exercised by delivering to the Company at its principal office or its designee written notice of intent to so exercise; provided, that, the Options may be exercised with respect to whole Shares only. Such notice shall specify the number of Shares for which the Options are being exercised and shall be accompanied by payment in full of the Option Price. The purchase price for the Shares as to which Options are exercised shall be paid to the Company in full at the time of exercise at the election of the Participant (A) in cash or its equivalent (e.g., by check); (B) in Shares having a Fair Market Value equal to the aggregate Option Price for the Shares being purchased and satisfying such other requirements as may be imposed by the Committee; provided, that such Shares have been held by the Participant for no less than six months (or such other period as established from time to time by the Committee in order to avoid adverse accounting treatment applying generally accepted accounting principles); (C) partly in cash and partly in such Shares; or (D) if there should be a public market for the Shares at such time, subject to such rules as may be established by the Committee, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the aggregate Option Price for the Shares being purchased. The Participant shall also be required to pay all withholding taxes relating to the exercise.

(ii) Notwithstanding any other provision of the Plan or this Agreement to the contrary, unless there is an available exemption from such registration or qualification requirements, the Options may not be exercised prior to the completion of any registration or qualification of the Options or the Shares that is required to comply with applicable state and federal securities laws or any ruling or regulation of any

governmental body or national securities exchange that the Committee shall in its sole discretion determine in good faith to be necessary or advisable.

(iii) Upon the Company's determination that the Options have been validly exercised as to any of the Shares, the Company shall issue certificates in the Participant's name for such Shares. However, the Company shall not be liable to the Participant for damages relating to any delays in issuing the certificates to the Participant, any loss of the certificates, or any mistakes or errors in the issuance of the certificates or in the certificates themselves.

(iv) Should the Participant die while holding the Options, the Vested Portion of the Options shall remain exercisable by the Participant's executor or administrator, or the person or persons to whom the Participant's rights under this

Agreement shall pass by will or by the laws of descent and distribution as the case may be, to the extent set forth in Section 3(a). Any heir or legatee of the Participant shall take rights herein granted subject to the terms and conditions hereof.

(v) As a condition to exercising the Options, the Participant shall become a party to the Subscription Agreement.

4. No Right to Continued Employment. Neither the Plan nor this Agreement shall be construed as giving the Participant the right to be retained in the Employment of the Company or any Affiliate. Further, the Company or an Affiliate may at any time dismiss the Participant or discontinue any Employment, free from any liability or any claim under the Plan or this Agreement, except as otherwise expressly provided herein.

5. Legend on Certificates. To the extent provided by the Subscription Agreement, the certificates representing the Shares purchased by exercise of the Options shall contain a legend stating that they are subject to the Subscription Agreement and may be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed, and any applicable Federal or state laws, and the Committee may cause an additional legend or legends to be put on any such certificates to make appropriate reference to such other restrictions.

6. Transferability. Except as otherwise permitted by the Committee, the Options are exercisable only by the Participant during the Participant's lifetime and may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by the Participant otherwise than by will or by the laws of descent and distribution, and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or any Affiliate; provided, that the designation of a beneficiary shall not constitute an assignment, alienation, pledge, attachment, sale, transfer or encumbrance.

7. Withholding and Other Taxes. A Participant shall be required to pay to the Company or any Affiliate and the Company shall have the right and is hereby authorized to withhold, any applicable withholding and other taxes in respect of the Options, their exercise or any payment or transfer under the Options or under the Plan and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such withholding and other taxes (which include, without limitation, income tax and national insurance contributions payable under the United Kingdom PAYE regime).

8. Securities Laws. Upon the acquisition of any Shares pursuant to the exercise of the Options, the Participant will make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement.

9. Notices. Any notice necessary under this Agreement shall be addressed to the Company in care of its Secretary at the principal executive office of the Company and to the

Participant at the address appearing in the personnel records of the Company for the Participant or to either party at such other address as either party hereto may hereafter designate in writing to the other. Any such notice shall be deemed effective upon receipt thereof by the addressee.

10. Choice of Law. THE INTERPRETATION, PERFORMANCE AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE.

11. Options Subject to Plan and Subscription Agreement. By entering into this Agreement the Participant agrees and acknowledges that the Participant has received a copy of the Plan and the Subscription Agreement. The Options are subject to the Plan and the Subscription Agreement. The terms and provisions of the Subscription Agreement as it may be amended from time to time in accordance with its respective terms are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan or the Subscription Agreement, the applicable terms and provisions of the Plan or the Subscription Agreement, as applicable, will govern and prevail. In the event of a conflict between any term or provision of the Plan and any term or provision of the Subscription Agreement, the applicable terms and provisions of the Subscription Agreement will govern and prevail.

12. Signature in Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

CBRE HOLDING, INC.

By: /s/ Walter V. Stafford

Agreed and acknowledged as
of the date first above written:

/s/ James H. Leonetti

Exhibit 10.13

EMPLOYMENT AGREEMENT

(Raymond E. Wirta)

EMPLOYMENT AGREEMENT (the "Agreement") dated as of July 20, 2001 by and between CB Richard Ellis Services, Inc. (the "Company") and Raymond E. Wirta ("Executive").

WHEREAS, the Company, CBRE Holding, Inc. and BLUM CB Corp has entered into an Amended and Restated Agreement and Plan of Merger (the "Merger Agreement") pursuant to which BLUM CB Corp will be merged with and into the Company (the "Merger"); and

WHEREAS, the Company desires that, upon the consummation of the Merger, Executive continue to be employed by the Company and Executive enter into an agreement embodying the terms of such employment and Executive desires to continue such employment with the Company and enter into such an agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein and for other good and valuable consideration, the parties agree as follows:

1. Term of Employment.

a. Effectiveness. This Agreement shall constitute a binding agreement between the parties as of the date hereof; provided, that, notwithstanding any other provision of this Agreement, the operative provisions of this Agreement shall become effective only upon the Effective Time (as defined in the Merger Agreement) (such date being hereinafter referred to as the "Effective Date"), at which time, this Agreement shall constitute a binding obligation of the Company. In the event the Merger Agreement is terminated for any reason without the Effective Date having occurred, this Agreement shall be terminated without further obligation or liability of either party.

b. Term of Employment. Subject to the provisions of Section 8 of this Agreement, Executive shall be employed by the Company for a period commencing on Effective Date and ending on the third anniversary of the Effective Date (the "Employment Term") on the terms and subject to the conditions set forth in this Agreement; provided, however, that commencing with the first day following the third anniversary of the Effective Date and on each anniversary of such day thereafter (each an "Extension Date"), the Employment Term shall be automatically extended for an additional twelve month period, unless the Company or Executive provides the other party hereto at least 120 days prior written notice before the next Extension Date that the Employment Term shall not be so extended.

2. Position.

a. During the Employment Term, Executive shall serve as the Company's Chief Executive Officer. In such position, Executive shall have such duties and authority, at least as broad as the duties and authority Executive had immediately prior to the

Effective Date and consistent with other privately held companies similar to the Company, as shall be determined from time to time by the Board of Directors of the Company (the "Board"). If requested, Executive shall also serve as a member of the Board without additional compensation.

b. During the Employment Term, Executive will devote Executive's full business time and best efforts to the performance of Executive's duties hereunder and will not engage in any other business, profession or occupation for compensation or otherwise which would conflict or interfere with the rendition of such services either directly or indirectly, without the prior written consent of the Board; provided that nothing herein shall preclude Executive, subject to the prior approval of the Board, from accepting appointment to or continue to serve on any board of directors or trustees of any business corporation or any charitable organization; provided that in each case, and in the aggregate, such activities do not conflict or interfere with the performance of Executive's duties hereunder or conflict with Section 8.

3. Base Salary. During the Employment Term, the Company shall pay Executive a base salary at the annual rate of $519,000, payable in regular installments in accordance with the Company's usual payment practices. Executive shall be entitled to such increases in Executive's base salary, if any, as may be determined from time to time in the sole discretion of the Board. Executive's annual base salary, as in effect from time to time, is hereinafter referred to as the "Base Salary."

4. Annual Bonus. With respect to each fiscal year during the Employment Term, Executive shall be eligible to earn an annual bonus award (an "Annual Bonus") of up to 200 percent (200%) of Executive's bonus target, as determined by the Board (the bonus target for fiscal year 2001 shall equal $900,000) (the "Target") based upon the achievement of annual performance targets established by the Board, within the first three months of each fiscal year during the Employment Term. The Annual Bonus for the fiscal year 2001 shall be based on the Company's performance for the full fiscal year and shall be determined in accordance with the methodology applied to the annual bonus received by Executive for the fiscal year 2000.

5. Benefits.

a. Employee Benefits. During the Employment Term, Executive shall be provided health, life and disability insurance and retirement and fringe benefits on the same basis as those benefits are generally made available to other senior executives of the Company.

b. Loans. Subject to Executive's continued employment with the Company, in the event that the Shares are not readily tradable on a national securities exchange or over the counter market immediately prior to the expiration of the option held by Executive, as of the date hereof, to acquire Shares owned by Donald Koll (the "Koll Option"), the Executive shall be entitled to a loan from the Company of up to $3 million (the "Option Loan"), on a full recourse basis, to exercise such option; provided, however, that Executive shall be entitled to the Option Loan if Executive's employment was terminated by the Company without Cause or by Executive for Good Reason prior to the expiration date of the Koll Option. The Option Loan shall become repayable upon the earliest to occur of (x) ninety (90) days following the termination of Executive's employment with the Company (other than by the Company without Cause or by Executive for Good Reason), (y) seven months following the date the Shares become readily tradable on a national securities exchange or over the counter market and (z) the sale of the Shares. The Option Loan shall bear interest at the prime rate in effect on the date of Option Loan, compounded annually, and will be repayable to the extent of any net after tax proceeds received by Executive upon the sale of any Shares purchased with the Option Loan or upon exercise of stock options granted to the Executive by the Company. Unless the Shares received upon the exercise of the Koll Option have been pledged to the Company by Executive as security for a loan by the Company to the Executive other than the Option Loan (an "Other Loan"), Executive shall pledge the Shares received upon exercise of the Koll Option as security for the Option Loan. In the event that the Shares received upon the exercise of the Koll Option are pledged to the Company by Executive as security for an Other Loan, upon the release of such Shares as security for such Other Loan, Executive agrees to immediately pledge such Shares to the Company as security for the Option Loan.

6. Business Expenses. During the Employment Term, reasonable business expenses incurred by Executive in the performance of Executive's duties hereunder shall be reimbursed by the Company in accordance with Company policies.

7. Termination. The Employment Term and Executive's employment hereunder may be terminated by either party at any time and for any reason; provided that Executive will be required to give the Company at least 60 days advance written notice of any resignation of Executive's employment. Notwithstanding any other provision of this Agreement, the provisions of this Section 7 shall exclusively govern Executive's rights upon termination of employment with the Company and its affiliates.

a. By the Company For Cause or By Executive Resignation Without Good Reason.

(i) The Employment Term and Executive's employment hereunder may

be terminated by the Company for Cause (as defined below) and shall terminate automatically upon Executive's resignation without Good Reason (as defined in Section 7(c)).

(ii) For purposes of this Agreement, "Cause" shall mean (A) willful failure to perform duties hereunder (other than as a result of total or partial incapacity due to physical or mental illness) for a period of 10 days following written notice by the Company to Executive of such failure, (B) conviction of a felony, (C) willful malfeasance or misconduct which is materially and demonstrably injurious to the Company, or (D) breach by Executive of the material terms of this Agreement including, without limitation, Sections 8 and 9 of this Agreement. For the purpose of the preceding sentence, clause (A) only applies to the extent

Executive refuses to undertake the duties of Executive's office and does not apply to situations where, although Executive is undertaking the duties of Executive's office to the best of Executive's ability in good faith, a disagreement exists with regard to the quality of the services rendered by Executive; provided further that, no act or failure to act shall be considered
----
"willful" unless it is done, or omitted to be done, in bad faith without a reasonable belief that the action or omission was in the best interests of the Company.

(iii) If Executive's employment is terminated by the Company for Cause, or if Executive resigns without Good Reason, Executive shall be entitled to receive:

(A) the Base Salary through the date of termination;

(B) any Annual Bonus earned but unpaid as of the date of termination for any previously completed fiscal year;

(C) reimbursement for any unreimbursed business expenses properly incurred by Executive in accordance with Company policy prior to the date of Executive's termination; and

(D) such employee benefits, if any, as to which Executive may be entitled under the employee benefit plans of the Company (the amounts described in clauses (A) through (D) hereof being referred to as the "Accrued Rights").

Following such termination of Executive's employment by the Company for Cause or resignation by Executive without Good Reason, except as set forth in this Section 7(a)(iii), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

b. Disability or Death.

(i) The Employment Term and Executive's employment hereunder shall terminate upon Executive's death and may be terminated by the Company if Executive becomes physically or mentally incapacitated and is therefore unable for a period of six (6) consecutive months or for an aggregate of nine (9) months in any twenty-four (24) consecutive month period to perform Executive's duties (such incapacity is hereinafter referred to as "Disability"). Any question as to the existence of the Disability of Executive as to which Executive and the Company cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to Executive and the Company. If Executive and the Company cannot agree as to a qualified independent physician, each shall appoint such a physician and those two physicians shall select a third who shall make such determination in writing. The determination of Disability made in writing to the Company and Executive shall be final and conclusive for all purposes of the Agreement.

(ii) Upon termination of Executive's employment hereunder for either Disability or death, Executive or Executive's estate (as the case may be) shall be entitled to receive:

(A) the Accrued Rights; and

(B) a pro rata portion of any Annual Bonus, if any, that Executive would have been entitled to receive pursuant to Section 4 of this Agreement in such year (i) based upon the percentage of the fiscal year that shall have elapsed through the date of Executive's termination of employment and (ii) to the extent payment of the Annual Bonus is based upon subjective individual performance criteria, based upon the actual performance of Executive during the

portion of such fiscal year that Executive was employed by the Company prior to such death or Disability, payable when such Annual Bonus would have otherwise been payable had Executive's employment not terminated (the "Prorated Termination Bonus").

Following Executive's termination of employment due to death or Disability, except as set forth in this Section 7(b)(ii), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

c. By the Company Without Cause or Resignation by Executive for Good Reason.

(i) The Employment Term and Executive's employment hereunder may be terminated by the Company without Cause (other than due to death or Disability) or by Executive's resignation for Good Reason (in each case, a "Qualifying Termination").

(ii) For purposes of this Agreement, "Good Reason" shall mean (A) a substantial diminution in Executive's position or duties, adverse changes in reporting lines, or assignment of duties materially inconsistent with Executive's position, (B) any reduction in Executive's Base Salary or material adverse change in Executive's Annual Bonus opportunity (C) failure of the Company to pay compensation or benefits when due under the Agreement or (D) a requirement by the Company that Executive relocate his principal office greater than 50 miles from his principal office as of the date hereof, in each case which is not cured within 30 days following the Company's receipt of written notice from the Senior Manager describing the event constituting Good Reason.

(iii) If Executive's employment is terminated in a Qualifying Termination, Executive shall be entitled to receive:

(A) the Accrued Rights; and

(B) subject to Executive's continued compliance with the provisions of Sections 9 and 10, continued payment of the Base Salary and average Annual Bonus (based upon the previous two fiscal years) for a period of two years (the "Severance Period"), such payment to be made on substantially the same periodic basis as payments of Base Salary to Executive were made immediately prior to the Qualifying Termination; and

(C) continued coverage under the Company's medical plans on the same basis as the Company's actively employed executives until the earlier of (x) the expiration of the Severance Period and (y) the date Executive becomes eligible for comparable (or better) coverage under any successor employer's medical plan.

The Company's payment obligations under Section 7(c)(iii)(B) shall not be contingent on any attempt by Executive to obtain other employment and shall continue, subject to the provisions of Section 8, notwithstanding Executive's employment following a Qualifying Termination. Following a Qualifying Termination, except as set forth in this Section 7(c)(iii), Executive shall have no further rights to any compensation or any other benefits under this Agreement. In addition, the severance provided under this Section 7(c)(iii) contains the exclusive source of severance for Executive and Executive shall not be entitled to any severance payments under any severance plans, programs, arrangements or agreements maintained by the Company or its affiliates.

d. Expiration of Employment Term.

(i) Election Not to Extend the Employment Term. In the event either party elects not to extend the Employment Term pursuant to Section 1 of this Agreement, unless Executive's employment is earlier terminated pursuant to paragraphs (a), (b) or (c) of this Section 7, Executive's termination of employment hereunder (whether or not Executive continues as an employee of the Company thereafter) shall be deemed to occur on the close of business on the day immediately preceding the next scheduled Extension Date and, unless Executive continues as an employee of the Company, Executive shall be entitled to receive the Accrued Rights and the Prorated Termination Bonus as soon as practicable following such termination.

Following such termination of Executive's employment hereunder as a result of either party's election not to extend the Employment Term, except as set forth in this Section 7(d)(i), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(ii) Continued Employment Beyond the Expiration of the Employment Term. Unless the parties otherwise agree in writing, continuation of Executive's employment with the Company beyond the expiration of the Employment Term shall be deemed an employment at-will and shall not be deemed to extend any of the provisions of this Agreement and Executive's employment may thereafter be terminated at will by either Executive or the Company; provided that the provisions of Sections 8, 9 and 10 of this Agreement shall survive any termination of this Agreement or Executive's termination of employment hereunder.

e. Notice of Termination. Any purported termination of employment by the Company or by Executive (other than due to Executive's death) shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 11(g) of this Agreement. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of employment under the provision so indicated.

f. Board/Committee Resignation. Upon termination of Executive's employment for any reason, Executive agrees to resign, as of the date of such termination and to the extent applicable, from the Board (and any committees thereof) and the Board of Directors (and any committees thereof) of any of the Company's affiliates.

8. Non-Competition.

a. Executive acknowledges and recognizes the highly competitive nature of the businesses of the Company and its affiliates and accordingly agrees as follows:

(1) During the Employment Term and, for a period of two years following the date Executive ceases to be employed by the Company (the "Restricted Period"), provided that Executive has ceased to be employed pursuant to a Qualifying Termination, Executive will not, whether on Executive's own behalf or on behalf of or in conjunction with any person, company, business entity or other organization whatsoever, directly or indirectly solicit or assist in soliciting in competition with the Company, the business of any client or prospective client:

(i) with whom Executive had personal contact or dealings on behalf of the Company during the one year period preceding Executive's termination of employment;

(ii) with whom employees reporting to Executive have had personal contact or dealings on behalf of the Company during the one year immediately preceding the Executive's termination of employment; or

(iii) for whom Executive had direct or indirect responsibility during the one year immediately preceding Executive's termination of employment.

(2) During the Restricted Period, provided that Executive has ceased to be employed pursuant to a Qualifying Termination, Executive will not directly or indirectly:

(i) engage in any business that competes with the business of the Company or its controlled affiliates (including, without limitation, businesses which the Company or its controlled affiliates have specific plans to conduct in the future and as to which Executive is aware of such planning) in any geographical area that is within 100 miles of any geographical area where the Company or its controlled affiliates manufactures, produces, sells, leases, rents, licenses or otherwise provides its products or services (a "Competitive Business");

(ii) enter the employ of, or render any services to, any person or entity (or any division of any person or entity) who or which engages in a Competitive Business;

(iii) acquire a financial interest in, or otherwise become actively

involved with, any Competitive Business, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(iv) interfere with, or attempt to interfere with, business relationships (whether formed before, on or after the date of this Agreement)

between the Company or any of its affiliates and customers, clients, suppliers, partners, members or investors of the Company or its affiliates.

(3) Notwithstanding anything to the contrary in this Agreement, Executive may, (x) directly or indirectly own, solely as an investment, securities of any person engaged in the business of the Company or its affiliates which are publicly traded on a national or regional stock exchange or on the over-the-counter market if Executive (i) is not a controlling person of, or a member of a group which controls, such person and (ii) does not, directly or indirectly, own 5% or more of any class of securities of such person and (y) continue during the Employment Term and the Restricted Period to participate in any business participated in by Executive as of the date hereof and listed on Exhibit A which is or may in the future be a Competitive Business, in a manner consistent with Executive's participation in such business as of the date hereof.

(4) During the Restricted Period, Executive will not, whether on Executive's own behalf or on behalf of or in conjunction with any person, company, business entity or other organization whatsoever, directly or indirectly:

(i) solicit or encourage any employee of the Company or its affiliates to leave the employment of the Company or its affiliates; or

(ii) hire any such employee who was employed by the Company or its affiliates as of the date of Executive's termination of employment with the Company or who left the employment of the Company or its affiliates coincident with, or within one year prior to or after, the termination of Executive's employment with the Company.

(5) During the Restricted Period, Executive will not, directly or indirectly, solicit or encourage to cease to work with the Company or its affiliates any consultant then under contract with the Company or its affiliates.

b. It is expressly understood and agreed that although Executive and the Company consider the restrictions contained in this Section 8 to be reasonable, if a final judicial determination is made by a court of competent jurisdiction that the time or territory or any other restriction contained in this Agreement is an unenforceable restriction against Executive, the provisions of this Agreement shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Agreement is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein.

9. Confidentiality. Executive will not at any time (whether during or after Executive's employment with the Company) disclose, retain, or use for Executive's own benefit, purposes or account or the benefit, purposes or account of any other person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise other than the Company and any of its subsidiaries or affiliates, any trade secrets, know-how, software developments, inventions, formulae, technology, designs and drawings, or any Company

property or confidential information relating to research, operations, finances, current and proposed products and services, vendors, customers, advertising, costs, marketing, trading, investment, sales activities, promotion, manufacturing processes, or the business and affairs of the Company generally, or of any subsidiary or affiliate of the Company ("Confidential Information") without the written authorization of the Board; provided that the foregoing shall not apply to information which is not unique to the Company or which is

generally known to the industry or the public other than as a result of Executive's breach of this covenant or the wrongful acts of others who were under confidentiality obligations as to the item or items involved. Except as required by law, Executive will not disclose to anyone, other than Executive's immediate family and legal or financial advisors, the existence or contents of this Agreement; provided that Executive may disclose to any prospective future
----
employer the provisions of Sections 8 and 9 of this Agreement provided they agree to maintain the confidentiality of such terms. Executive agrees that upon termination of Executive's employment with the Company for any reason, Executive will return to the Company immediately all memoranda, books, papers, plans, information, letters and other data, and all copies thereof or therefrom, in any way relating to the business of the Company, its affiliates and subsidiaries, except that Executive may retain only those portions of personal notes, notebooks and diaries that do not contain Confidential Information of the type described in the preceding sentence. Executive further agrees that Executive will not retain or use for Executive's own benefit, purposes or account or the benefit, purposes or account of any other person, firm, partnership, joint venture, association, corporation or other business designation, entity or enterprise, other than the Company and any of its subsidiaries or affiliates, at any time any trade names, trademark, service mark, other proprietary business designation, patent, or other intellectual property used or owned in connection with the business of the Company or its affiliates.

10. Specific Performance. Executive acknowledges and agrees that the
----
Company's remedies at law for a breach or threatened breach of any of the provisions of Sections 8 or 9 would be inadequate and the Company would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond, shall be entitled to cease making any payments or providing any benefit otherwise required by this Agreement and obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available.

11. Miscellaneous.
----

a. Governing Law. This Agreement shall be governed by and
----
construed in accordance with the laws of the State of New York, without regard to conflicts of laws principles thereof.

b. Entire Agreement/Amendments. This Agreement contains the entire
----
understanding of the parties with respect to the employment of Executive by the Company. There are no restrictions, agreements, promises, warranties, covenants or undertakings between the parties with respect to the subject matter herein other than those expressly set forth herein. This Agreement may not be altered, modified, or amended except by written instrument signed by the parties hereto.

c. No Waiver. The failure of a party to insist upon strict
----
adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

d. Severability. In the event that any one or more of the
----
provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

e. Assignment. This Agreement shall not be assignable by

Executive. This Agreement may be assigned by the Company to a person or entity which is an affiliate or a successor in interest to substantially all of the business operations of the Company. Upon such assignment, the rights and obligations of the Company hereunder shall become the rights and obligations of such affiliate or successor person or entity.

f. Successors; Binding Agreement. This Agreement shall inure to
----
the benefit of and be binding upon the parties hereto and their respective successors in interest.

g. Notice. For the purpose of this Agreement, notices and all
------
other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered by hand or overnight courier or

three days after it has been mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

If to the Company:

CB Richard Ellis Services, Inc.
200 North Sepulveda Boulevard
El Segundo, CA 90245
Attention: General Counsel

If to Executive:

To the most recent address of Executive set forth in the personnel records of the Company.

h. Executive Representation. Executive hereby represents to the Company that the execution and delivery of this Agreement by Executive and the Company and the performance by Executive of Executive's duties hereunder shall not constitute a breach of, or otherwise contravene, the terms of any employment agreement or other agreement or policy to which Executive is a party or otherwise bound.

i. Prior Agreements. This Agreement supercedes all prior agreements and understandings (including verbal agreements) between Executive and the Company and/or its affiliates regarding the terms and conditions of Executive's employment with the Company and/or its affiliates.

j. Cooperation. Executive shall provide Executive's reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Executive's employment hereunder. This provision shall survive any termination of this Agreement.

k. Withholding Taxes. The Company may withhold from any amounts payable under this Agreement such Federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

l. Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

CB RICHARD ELLIS SERVICES, INC.

/s/ Walter V. Stafford

By: Walter V. Stafford

Title: Senior Executive Vice President

EXECUTIVE

/s/ Raymond E. Wirta

Raymond E. Wirta

EXHIBIT 10.14

EMPLOYMENT AGREEMENT

(W. Brett White)

EMPLOYMENT AGREEMENT (the "Agreement") dated as of July 20, 2001 by and between CB Richard Ellis Services, Inc. (the "Company") and W. Brett White ("Executive").

WHEREAS, the Company, CBRE Holding, Inc. and BLUM CB Corp. have entered into an Amended and Restated Agreement and Plan of Merger (the "Merger Agreement") pursuant to which BLUM CB Corp will be merged with and into the Company (the "Merger"); and

WHEREAS, the Company desires that, upon the consummation of the Merger, Executive continue to be employed by the Company and Executive enter into an agreement embodying the terms of such employment and Executive desires to continue such employment with the Company and enter into such an agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein and for other good and valuable consideration, the parties agree as follows:

1. Term of Employment.

a. Effectiveness. This Agreement shall constitute a binding agreement between the parties as of the date hereof; provided, that, notwithstanding any other provision of this Agreement, the operative provisions of this Agreement shall become effective only upon the Effective Time (as defined in the Merger Agreement) (such date being hereinafter referred to as the "Effective Date"), at which time, this Agreement shall constitute a binding obligation of the Company. In the event the Merger Agreement is terminated for any reason without the Effective Date having occurred, this Agreement shall be terminated without further obligation or liability of either party.

b. Term of Employment. Subject to the provisions of Section 8 of this Agreement, Executive shall be employed by the Company for a period commencing on Effective Date and ending on the third anniversary of the Effective Date (the "Employment Term") on the terms and subject to the conditions set forth in this Agreement; provided, however, that commencing with the first day following the third anniversary of the Effective Date and on each anniversary of such day thereafter (each an "Extension Date"), the Employment Term shall be automatically extended for an additional twelve month period, unless the Company or Executive provides the other party hereto at least 120 days prior written notice before the next Extension Date that the Employment Term shall not be so extended.

2. Position.

a. During the Employment Term, Executive shall serve as the Company's Chairman of the Americas. In such position, Executive shall have such duties and authority, at least as broad as the duties and authority Executive had immediately prior to the

Effective Date and consistent with other privately held companies similar to the Company, as shall be determined from time to time by the Board of Directors of the Company (the "Board"). If requested, Executive shall also serve as a member of the Board without additional compensation.

b. During the Employment Term, Executive will devote Executive's full business time and best efforts to the performance of Executive's duties hereunder and will not engage in any other business, profession or occupation for compensation or otherwise which would conflict or interfere with the rendition of such services either directly or indirectly, without the prior written consent of the Board; provided that nothing herein shall preclude Executive, subject to the prior approval of the Board, from accepting appointment to or continue to serve on any board of directors or trustees of any business corporation or any charitable organization; provided that in each case, and in the aggregate, such activities do not conflict or interfere with the performance of Executive's duties hereunder or conflict with Section 8.

3. Base Salary. During the Employment Term, the Company shall pay Executive a base salary at the annual rate of $395,000, payable in regular installments in accordance with the Company's usual payment practices. Executive

shall be entitled to such increases in Executive's base salary, if any, as may be determined from time to time in the sole discretion of the Board. Executive's annual base salary, as in effect from time to time, is hereinafter referred to as the "Base Salary."

4. Annual Bonus. With respect to each fiscal year during the Employment Term, Executive shall be eligible to earn an annual bonus award (an "Annual Bonus") of up to 200 percent (200%) of Executive's bonus target, as determined by the Board (the bonus target for fiscal year 2001 shall equal $675,000) (the "Target") based upon the achievement of annual performance targets established by the Board, in consultation with the Company's Chief Executive Officer, within the first three months of each fiscal year during the Employment Term. The Annual Bonus for the fiscal year 2001 shall be based on the Company's performance for the full fiscal year and shall be determined in accordance with the methodology applied to the annual bonus received by Executive for the fiscal year 2000.

5. Employee Benefits. During the Employment Term, Executive shall be provided health, life and disability insurance and retirement and fringe benefits on the same basis as those benefits are generally made available to other senior executives of the Company.

6. Business Expenses. During the Employment Term, reasonable business expenses incurred by Executive in the performance of Executive's duties hereunder shall be reimbursed by the Company in accordance with Company policies.

7. Termination. The Employment Term and Executive's employment hereunder may be terminated by either party at any time and for any reason; provided that Executive will be required to give the Company at least 60 days advance written notice of any resignation of Executive's employment. Notwithstanding any other provision of this Agreement, the provisions of this Section 7 shall exclusively govern Executive's rights upon termination of employment with the Company and its affiliates.

a. By the Company For Cause or By Executive Resignation Without Good Reason.

(i) The Employment Term and Executive's employment hereunder may be terminated by the Company for Cause (as defined below) and shall terminate automatically upon Executive's resignation without Good Reason (as defined in Section 7(c)).

(ii) For purposes of this Agreement, "Cause" shall mean (A) willful failure to perform duties hereunder (other than as a result of total or partial incapacity due to physical or mental illness) for a period of 10 days following written notice by the Company to Executive of such failure, (B) conviction of a felony, (C) willful malfeasance or misconduct which is materially and demonstrably injurious to the Company, or (D) breach by Executive of the material terms of this Agreement including, without limitation, Sections 8 and 9 of this Agreement. For the purpose of the preceding sentence, clause (A) only applies to the extent Executive refuses to undertake the duties of Executive's office and does not apply to situations where, although Executive is undertaking the duties of Executive's office to the best of Executive's ability in good faith, a disagreement exists with regard to the quality of the services rendered by Executive; provided further that, no act or failure to act shall be considered "willful" unless it is done, or omitted to be done, in bad faith without a reasonable belief that the action or omission was in the best interests of the Company.

(iii) If Executive's employment is terminated by the Company for Cause, or if Executive resigns without Good Reason, Executive shall be entitled to receive:

(A) the Base Salary through the date of termination;

(B) any Annual Bonus earned but unpaid as of the date of termination for any previously completed fiscal year;

(C) reimbursement for any unreimbursed business expenses properly incurred by Executive in accordance with Company policy prior to the date of Executive's termination; and

(D) such employee benefits, if any, as to which

Executive may be entitled under the employee benefit plans of the Company (the amounts described in clauses (A) through (D) hereof being referred to as the "Accrued Rights").

Following such termination of Executive's employment by the Company for Cause or resignation by Executive without Good Reason, except as set forth in this Section 7(a)(iii), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

b. Disability or Death.

(i) The Employment Term and Executive's employment hereunder shall terminate upon Executive's death and may be terminated by the Company if Executive becomes physically or mentally incapacitated and is therefore unable for a period of six (6) consecutive months or for an aggregate of nine (9) months in any twenty-four (24) consecutive month period to perform Executive's duties (such incapacity is hereinafter referred to as "Disability"). Any

question as to the existence of the Disability of Executive as to which Executive and the Company cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to Executive and the Company. If Executive and the Company cannot agree as to a qualified independent physician, each shall appoint such a physician and those two physicians shall select a third who shall make such determination in writing. The determination of Disability made in writing to the Company and Executive shall be final and conclusive for all purposes of the Agreement.

(ii) Upon termination of Executive's employment hereunder for either Disability or death, Executive or Executive's estate (as the case may be) shall be entitled to receive:

(A) the Accrued Rights; and

(B) a pro rata portion of any Annual Bonus, if any, that Executive would have been entitled to receive pursuant to Section 4 of this Agreement in such year (i) based upon the percentage of the fiscal year that shall have elapsed through the date of Executive's termination of employment and (ii) to the extent payment of the Annual Bonus is based upon subjective individual performance criteria, based upon the actual performance of Executive during the portion of such fiscal year that Executive was employed by the Company prior to such death or Disability, payable when such Annual Bonus would have otherwise been payable had Executive's employment not terminated (the "Prorated Termination Bonus").

Following Executive's termination of employment due to death or Disability, except as set forth in this Section 7(b)(ii), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

c. By the Company Without Cause or Resignation by Executive for Good Reason.

(i) The Employment Term and Executive's employment hereunder may be terminated by the Company without Cause (other than due to death or Disability) or by Executive's resignation for Good Reason (in each case, a "Qualifying Termination").

(ii) For purposes of this Agreement, "Good Reason" shall mean (A) a substantial diminution in Executive's position or duties, adverse changes in reporting lines, or assignment of duties materially inconsistent with Executive's position, (B) any reduction in Executive's Base Salary or material adverse change in Executive's Annual Bonus opportunity (C) failure of the Company to pay compensation or benefits when due under the Agreement or (D) a requirement by the Company that Executive relocate his principal office greater than 50 miles from his principal office as of the date hereof, in each case which is not cured within 30 days following the Company's receipt of written notice from the Senior Manager describing the event constituting Good Reason.

(iii) If Executive's employment is terminated in a Qualifying Termination, Executive shall be entitled to receive:

(A) the Accrued Rights; and

(B) subject to Executive's continued compliance with the provisions of Sections 9 and 10, continued payment of the Base Salary and average Annual Bonus (based upon the previous two fiscal years) for a period of two years (the "Severance Period"), such

payment to be made on substantially the same periodic basis as payments of Base Salary to Executive were made immediately prior to the Qualifying Termination; and

(C) continued coverage under the Company's medical plans on the same basis as the Company's actively employed executives until the earlier of (x) the expiration of the Severance Period and (y) the date Executive becomes eligible for comparable (or better) coverage under any successor employer's medical plan.

The Company's payment obligations under Section 7(c)(iii)(B) shall not be contingent on any attempt by Executive to obtain other employment and shall continue, subject to the provisions of Section 8, notwithstanding Executive's employment following a Qualifying Termination. Following a Qualifying Termination, except as set forth in this Section 7(c)(iii), Executive shall have no further rights to any compensation or any other benefits under this Agreement. In addition, the severance provided under this Section 7(c)(iii) contains the exclusive source of severance for Executive and Executive shall not be entitled to any severance payments under any severance plans, programs, arrangements or agreements maintained by the Company or its affiliates.

d. Expiration of Employment Term.

(i) Election Not to Extend the Employment Term. In the event either party elects not to extend the Employment Term pursuant to Section 1 of this Agreement, unless Executive's employment is earlier terminated pursuant to paragraphs (a), (b) or (c) of this Section 7, Executive's termination of employment hereunder (whether or not Executive continues as an employee of the Company thereafter) shall be deemed to occur on the close of business on the day immediately preceding the next scheduled Extension Date and, unless Executive continues as an employee of the Company, Executive shall be entitled to receive the Accrued Rights and the Prorated Termination Bonus as soon as practicable following such termination.

Following such termination of Executive's employment hereunder as a result of either party's election not to extend the Employment Term, except as set forth in this Section 7(d)(i), Executive shall have no further rights to any compensation or any other benefits under this Agreement.

(ii) Continued Employment Beyond the Expiration of the Employment Term. Unless the parties otherwise agree in writing, continuation of Executive's employment with the Company beyond the expiration of the Employment Term shall be deemed an employment at-will and shall not be deemed to extend any of the provisions of this Agreement and Executive's employment may thereafter be terminated at will by either Executive or the Company; provided that the provisions of Sections 8, 9 and 10 of this Agreement shall survive any termination of this Agreement or Executive's termination of employment hereunder.

e. Notice of Termination. Any purported termination of employment by the Company or by Executive (other than due to Executive's death) shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 11(g) of this Agreement. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of employment under the provision so indicated.

f. Board/Committee Resignation. Upon termination of Executive's employment for any reason, Executive agrees to resign, as of the date of such termination and to the extent applicable, from the Board (and any committees thereof) and the Board of Directors (and any committees thereof) of any of the Company's affiliates.

8. Non-Competition.

a. Executive acknowledges and recognizes the highly competitive nature of the businesses of the Company and its affiliates and accordingly agrees as follows:

(1) During the Employment Term and, for a period of two years following the date Executive ceases to be employed by the Company (the "Restricted Period"), provided that Executive has ceased to be employed pursuant

to a Qualifying Termination, Executive will not, whether on Executive's own behalf or on behalf of or in conjunction with any person, company, business entity or other organization whatsoever, directly or indirectly solicit or assist in soliciting in competition with the Company, the business of any client or prospective client:

(i) with whom Executive had personal contact or dealings on behalf of the Company during the one year period preceding Executive's termination of employment;

(ii) with whom employees reporting to Executive have had personal contact or dealings on behalf of the Company during the one year immediately preceding the Executive's termination of employment; or

(iii) for whom Executive had direct or indirect responsibility during the one year immediately preceding Executive's termination of employment.

(2) During the Restricted Period, provided that Executive has ceased to be employed pursuant to a Qualifying Termination, Executive will not directly or indirectly:

(i) engage in any business that competes with the business of the Company or its controlled affiliates (including, without limitation, businesses which the Company or its controlled affiliates have specific plans to conduct in the future and as to which Executive is aware of such planning) in any geographical area that is within 100 miles of any geographical area where the Company or its controlled affiliates manufactures, produces, sells, leases, rents,

licenses or otherwise provides its products or services (a "Competitive Business");

(ii) enter the employ of, or render any services to, any person or entity (or any division of any person or entity) who or which engages in a Competitive Business;

(iii) acquire a financial interest in, or otherwise become actively involved with, any Competitive Business, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(iv) interfere with, or attempt to interfere with, business relationships (whether formed before, on or after the date of this Agreement) between the Company or any of its affiliates and customers, clients, suppliers, partners, members or investors of the Company or its affiliates.

(3) Notwithstanding anything to the contrary in this Agreement, Executive may, (x) directly or indirectly own, solely as an investment, securities of any person engaged in the business of the Company or its affiliates which are publicly traded on a national or regional stock exchange or on the over-the-counter market if Executive (i) is not a controlling person of, or a member of a group which controls, such person and (ii) does not, directly or indirectly, own 5% or more of any class of securities of such person and (y) continue during the Employment Term and the Restricted Period to participate in any business participated in by Executive as of the date hereof and listed on Exhibit A which is or may in the future be a Competitive Business, in a manner consistent with Executive's participation in such business as of the date hereof.

(4) During the Restricted Period, Executive will not, whether on Executive's own behalf or on behalf of or in conjunction with any person, company, business entity or other organization whatsoever, directly or indirectly:

(i) solicit or encourage any employee of the Company or its affiliates to leave the employment of the Company or its affiliates; or

(ii) hire any such employee who was employed by the Company or its affiliates as of the date of Executive's termination of employment with the Company or who left the employment of the Company or its affiliates coincident with, or within one year prior to or after, the termination of Executive's employment with the Company.

(5) During the Restricted Period, Executive will not, directly or

indirectly, solicit or encourage to cease to work with the Company or its affiliates any consultant then under contract with the Company or its affiliates.

b. It is expressly understood and agreed that although Executive and the Company consider the restrictions contained in this Section 8 to be reasonable, if a final judicial determination is made by a court of competent jurisdiction that the time or territory or

any other restriction contained in this Agreement is an unenforceable restriction against Executive, the provisions of this Agreement shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such maximum extent as such court may judicially determine or indicate to be enforceable. Alternatively, if any court of competent jurisdiction finds that any restriction contained in this Agreement is unenforceable, and such restriction cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other restrictions contained herein.

9. Confidentiality. Executive will not at any time (whether during or after Executive's employment with the Company) disclose, retain, or use for Executive's own benefit, purposes or account or the benefit, purposes or account of any other person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise other than the Company and any of its subsidiaries or affiliates, any trade secrets, know-how, software developments, inventions, formulae, technology, designs and drawings, or any Company property or confidential information relating to research, operations, finances, current and proposed products and services, vendors, customers, advertising, costs, marketing, trading, investment, sales activities, promotion, manufacturing processes, or the business and affairs of the Company generally, or of any subsidiary or affiliate of the Company ("Confidential Information") without the written authorization of the Board; provided that the foregoing shall not apply to information which is not unique to the Company or which is generally known to the industry or the public other than as a result of Executive's breach of this covenant or the wrongful acts of others who were under confidentiality obligations as to the item or items involved. Except as required by law, Executive will not disclose to anyone, other than Executive's immediate family and legal or financial advisors, the existence or contents of this Agreement; provided that Executive may disclose to any prospective future employer the provisions of Sections 8 and 9 of this Agreement provided they agree to maintain the confidentiality of such terms. Executive agrees that upon termination of Executive's employment with the Company for any reason, Executive will return to the Company immediately all memoranda, books, papers, plans, information, letters and other data, and all copies thereof or therefrom, in any way relating to the business of the Company, its affiliates and subsidiaries, except that Executive may retain only those portions of personal notes, notebooks and diaries that do not contain Confidential Information of the type described in the preceding sentence. Executive further agrees that Executive will not retain or use for Executive's own benefit, purposes or account or the benefit, purposes or account of any other person, firm, partnership, joint venture, association, corporation or other business designation, entity or enterprise, other than the Company and any of its subsidiaries or affiliates, at any time any trade names, trademark, service mark, other proprietary business designation, patent, or other intellectual property used or owned in connection with the business of the Company or its affiliates.

10. Specific Performance. Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Sections 8 or 9 would be inadequate and the Company would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond, shall be entitled to cease making any payments or providing any benefit otherwise required by this Agreement and obtain equitable relief in the form of specific

performance, temporary restraining order, temporary or permanent injunction or any other equitable remedy which may then be available.

11. Miscellaneous.

a. Governing Law. This Agreement shall be governed by and

construed in accordance with the laws of the State of New York, without regard to conflicts of laws principles thereof.

b. Entire Agreement/Amendments. This Agreement contains the entire understanding of the parties with respect to the employment of Executive by the Company. There are no restrictions, agreements, promises, warranties, covenants or undertakings between the parties with respect to the subject matter herein other than those expressly set forth herein. This Agreement may not be altered, modified, or amended except by written instrument signed by the parties hereto.

c. No Waiver. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

d. Severability. In the event that any one or more of the provisions of this Agreement shall be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

e. Assignment. This Agreement shall not be assignable by Executive. This Agreement may be assigned by the Company to a person or entity which is an affiliate or a successor in interest to substantially all of the business operations of the Company. Upon such assignment, the rights and obligations of the Company hereunder shall become the rights and obligations of such affiliate or successor person or entity.

f. Successors; Binding Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors in interest.

g. Notice. For the purpose of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered by hand or overnight courier or three days after it has been mailed by United States registered mail, return receipt requested, postage prepaid, addressed to the respective addresses set forth below, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notice of change of address shall be effective only upon receipt.

If to the Company:

CB Richard Ellis Services, Inc.
200 North Sepulveda Boulevard
El Segundo, CA 90245
Attention: General Counsel

If to Executive:

To the most recent address of Executive set forth in the personnel records of the Company.

h. Executive Representation. Executive hereby represents to the Company that the execution and delivery of this Agreement by Executive and the Company and the performance by Executive of Executive's duties hereunder shall not constitute a breach of, or otherwise contravene, the terms of any employment agreement or other agreement or policy to which Executive is a party or otherwise bound.

i. Prior Agreements. This Agreement supercedes all prior agreements and understandings (including verbal agreements) between Executive and the Company and/or its affiliates regarding the terms and conditions of Executive's employment with the Company and/or its affiliates.

j. Cooperation. Executive shall provide Executive's reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Executive's employment hereunder. This provision shall survive any termination of this Agreement.

k. Withholding Taxes. The Company may withhold from any amounts

payable under this Agreement such Federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

l. Counterparts. This Agreement may be signed in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

CB RICHARD ELLIS SERVICES, INC.

/s/ Walter V. Stafford

By: Walter V. Stafford

Title: Senior Executive Vice President

EXECUTIVE

/s/ W. Brett White

W. Brett White

EXHIBIT 12.1

CB RICHARD ELLIS SERVICES, INC.
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED DIVIDENDS
(Dollars in thousands)

<TABLE>
<CAPTION>

	Year Ended December 31,					Six Months Ended June 30,		Pro Forma Combined Year Ended December 31,	Pro Forma Combined for the Six Months Ended June 30,
	1996	1997	1998	1999	2000	2000	2001	2000	2001
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Income (loss) before provision (benefit) for income tax	$25,809	$45,906	$50,483	$ 39,461	$ 68,139	$11,695	$(11,141)	$ 44,124	$(20,770)
Less: Equity earnings of unconsolidated subsidiaries	145	--	3,443	7,528	7,112	2,320	2,785	7,112	2,785
Preferred stock dividends (1)	1,639	6,557	--	--	--	--	--	26,016	13,008
Add: Distributed earnings of unconsolidated subsidiaries	89	1,440	2,267	12,662	8,389	3,729	2,802	8,389	2,802
Fixed charges	32,136	30,654	42,089	56,524	60,448	29,787	28,782	104,174	50,904
Total earnings before fixed charges	$56,250	$71,443	$91,396	$101,119	$129,864	$42,891	$ 17,658	$123,559	$ 17,143
Fixed Charges:									
Portion of rent expense representative of the interest factor (2)	$ 6,374	$ 8,317	$11,042	$ 17,156	$ 18,748	$ 9,117	$ 10,369	$ 18,748	$ 10,369
Interest expense	24,123	15,780	31,047	39,368	41,700	20,670	18,413	59,410	27,527
Preferred stock dividends (1)	1,639	6,557	--	--	--	--	--	26,016	13,008
Total fixed charges	$32,136	$30,654	$42,089	$ 56,524	$ 60,448	$29,787	$ 28,782	$104,174	$ 50,904
Ratio of earnings to fixed charges	1.75	2.33	2.17	1.79	2.15	1.44	0.61(/3/)	1.19	0.34(/3/)

</TABLE>

(1) Preferred stock dividend requirements have been reflected at their pre-tax amounts. The 1998 amount does not reflect the deemed dividend associated with the Company's repurchase of convertible preferred stock for $32.3 million.

(2) Represents one-third of operating lease costs which approximates the portion that relates to the interest portion.

(3) Includes a deficiency of $11.1 million for the six months ended June 30, 2001 and a deficiency of $33.8 million for the pro forma six months ended June 30, 2001.

EXHIBIT 12.2

CBRE HOLDING, INC.
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollars in thousands)

<TABLE>
<CAPTION>

	Period from February 20, 2001 (inception) to June 30, 2001	Pro Forma Combined Year Ended December 31, 2000	Pro Forma Combined for the Six Months Ended June 30, 2001
<S>	<C>	<C>	<C>
Income (loss) before provision (benefit) for income tax	$ (1,195)	$ 33,140	$(26,285)
Less:			
Equity earnings of unconsolidated subsidiaries	--	7,112	2,785
Add:			
Distributed earnings of unconsolidated subsidiaries	--	8,389	2,802
Fixed charges	1,775	89,142	43,411
Total earnings before fixed charges	$ 580	$123,559	$ 17,143
Fixed Charges:			
Portion of rent expense representative of the interest factor (1)	$ --	$ 18,748	$ 10,369
Interest expense	1,775	70,394	33,042
Total fixed charges	$ 1,775	$ 89,142	$ 43,411
Ratio of earnings to fixed charges	0.33(2)	1.39	0.39(2)

</TABLE>

(1) Represents one-third of operating lease costs which approximates the portion that relates to the interest portion.

(2) Includes a deficiency of $1.2 million for the period from February 20, 2001 (inception) to June 30, 2001 and a deficiency of $26.3 million for the pro forma six months ended June 30, 2001.

Exhibit 21.1

Name of Subsidiary	Jurisdiction
CB Hillier Parker, Ltd.	United Kingdom
CB Richard Ellis, Inc.	Delaware
CB Richard Ellis Investors, L.L.C.	Delaware
L.J. Melody & Company	Texas

EXHIBIT 23.1

CONSENT OF INDEPENDENT ACCOUNTANTS

As independent public accountants, we hereby consent to the use of our reports (and to all references to our Firm) included in or made a part of this registration statement.

/S/ ARTHUR ANDERSEN LLP
Arthur Andersen LLP

Los Angeles, California
October 3, 2001

EXHIBIT 25

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER THE
TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

Check if an Application to Determine Eligibility
of a Trustee Pursuant to Section 305(b)(2) [X]

STATE STREET BANK AND TRUST COMPANY OF CALIFORNIA, NATIONAL ASSOCIATION
(Exact name of trustee as specified in its charter)

United States	06-1143380
(Jurisdiction of incorporation or organization if not a U.S. national bank)	(I.R.S. Employer Identification No.)

633 West 5/th/ Street, 12/th/ Floor, Los Angeles, California 90071
(Address of principal executive offices) (Zip Code)

Lynda A. Vogel, Senior Vice President and Managing Director
633 West 5/th/ Street, 12/th/ Floor, Los Angeles, California 90071
(213) 362-7399
(Name, address and telephone number of agent for service)

CB Richard Ellis Services, Inc.
(Exact name of obligor as specified in its charter)

DE	52-1616016
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

200 North Sepulveda Boulevard, Suite 300, El Segundo, CA 90245
(Address of principal executive offices) (Zip Code)

11 1/4% Senior Subordinated Notes Due June 15, 2011
(TYPE OF SECURITIES)

GENERAL

Item 1. General Information.

Furnish the following information as to the trustee:

(a) Name and address of each examining or supervisory authority to which it is subject.

Comptroller of the Currency, Western District Office, 50 Fremont Street, Suite 3900, San Francisco, California, 94105-2292

(b) Whether it is authorized to exercise corporate trust powers.
Trustee is authorized to exercise corporate trust powers.

Item 2. Affiliations with Obligor.

If the Obligor is an affiliate of the trustee, describe each such affiliation.

The obligor is not an affiliate of the trustee or of its parent, State Street Bank and Trust Company.

(See notes on page 2.)

Item 3. through Item 15. Not applicable.

Item 16. List of Exhibits.

List below all exhibits filed as part of this statement of eligibility.

1. A copy of the articles of association of the trustee as now in effect.

A copy of the Articles of Association of the trustee, as now in effect, is on file with the Securities and Exchange Commission as an Exhibit with corresponding exhibit number to the Form T-1of Western Digital Corporation, filed pursuant to Section 305(b)(2) of the Trust Indenture Act of 1939, as amended (the "Act"), on May 12, 1998 (Registration No. 333-52463), and is incorporated herein by reference.

2. A copy of the certificate of authority of the trustee to commence business, if not contained in the articles of association.

A Certificate of Corporate Existence (with fiduciary powers) from the Comptroller of the Currency, Administrator of National Banks is on file with the Securities and Exchange Commission as an Exhibit with corresponding exhibit number to the Form T-1 of Western Digital Corporation, filed pursuant to Section 305(b)(2) of the Act, on May 12, 1998 (Registration No. 333-52463), and is incorporated herein by reference.

3. A copy of the authorization of the trustee to exercise corporate trust powers, if such authorization is not contained in the documents specified in paragraph (1) or (2), above.

Authorization of the Trustee to exercise fiduciary powers (included in Exhibits 1 and 2; no separate instrument).

4. A copy of the existing by-laws of the trustee, or instruments corresponding thereto.

A copy of the by-laws of the trustee, as now in effect, is on file with the Securities and Exchange Commission as an Exhibit with corresponding exhibit number to the Form T-1 of Western Digital Corporation, filed pursuant to Section 305(b)(2) of the Act, on May 12, 1998 (Registration No. 333-52463), and is incorporated herein by reference.

5. A copy of each indenture referred to in Item 4. if the obligor is in default.

Not applicable.

6. The consents of United States institutional trustees required by Section 321(b) of the Act.

The consent of the trustee required by Section 321(b) of the Act is annexed hereto as Exhibit 6 and made a part hereof.

7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.

A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority is annexed hereto as Exhibit 7 and made a part hereof.

NOTES

In answering any item of this Statement of Eligibility which relates to matters peculiarly within the knowledge of the obligor or any underwriter for the obligor, the trustee has relied upon information furnished to it by the obligor and the underwriters, and the trustee disclaims responsibility for the accuracy or completeness of such information.

The answer furnished to Item 2. of this statement will be amended, if necessary, to reflect any facts which differ from those stated and which would have been required to be stated if known at the date hereof.

SIGNATURE

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, State Street Bank and Trust Company of California, National Association, a national banking association, organized and existing under the laws of the United States of America, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Los Angeles, and State of California, on the 27th day of September, 2001.

STATE STREET BANK AND TRUST COMPANY
OF CALIFORNIA, NATIONAL ASSOCIATION

By: /S/ Mark Henson

MARK HENSON
VICE PRESIDENT

EXHIBIT 6

CONSENT OF THE TRUSTEE

Pursuant to the requirements of Section 321(b) of the Trust Indenture Act of 1939, as amended, in connection with the proposed issuance by CB Richard Ellis Services, Inc., of its 11 1/4% Senior Subordinated Notes due June 15, 2011, we hereby consent that reports of examination by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon request therefor.

STATE STREET BANK AND TRUST COMPANY
OF CALIFORNIA, NATIONAL ASSOCIATION

By: /S/ Mark Henson

MARK HENSON
VICE PRESIDENT

Dated: September 27, 2001

EXHIBIT 7

Consolidated Report of Condition and Income for A Bank With Domestic Offices Only and Total Assets of Less Than $100 Million of State Street Bank and Trust Company of California, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, at the close of business June 30, 2001, published in accordance with a call made by the Federal Deposit Insurance Corporation pursuant to the required law: 12 U.S.C. Section 324 (State member banks); 12 U.S.C. Section 1817 (State nonmember banks); and 12 U.S.C. Section 161 (National banks).

<TABLE>
<CAPTION>

<S>	Thousands of Dollars <C>
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	7,000
Interest-bearing balances	0
Securities	0
Federal funds sold and securities purchased under agreements to resell in domestic offices of the bank and its Edge subsidiary	0
Loans and lease financing receivables:	
Loans and leases, net of unearned income	0
Allowance for loan and lease losses	0
Allocated transfer risk reserve	0
Loans and leases, net of unearned income and allowances	0
Assets held in trading accounts	0
Premises and fixed assets	10
Other real estate owned	0
Investments in unconsolidated subsidiaries	0
Customers' liability to this bank on acceptances outstanding	0
Intangible assets	0
Other assets	1,242
Total assets	8,252
LIABILITIES	
Deposits:	
In domestic offices	0
Noninterest-bearing	0
Interest-bearing	0
In foreign offices and Edge subsidiary	0
Noninterest-bearing	0
Interest-bearing	0
Federal funds purchased and securities sold under agreements to repurchase in domestic offices of the bank and of its Edge subsidiary	0
Demand notes issued to the U.S. Treasury and Trading Liabilities	0
Other borrowed money	0
Subordinated notes and debentures	0
Bank's liability on acceptances executed and outstanding	0
Other liabilities	3,213

Total liabilities	3,213
EQUITY CAPITAL	
Perpetual preferred stock and related surplus	0
Common stock	500
Surplus	750
Undivided profits and capital reserves/Net unrealized holding gains (losses)	3,789
Cumulative foreign currency translation adjustments	0
Total equity capital	5,039
Total liabilities and equity capital	8,252

</TABLE>

I, John J. Saniuk, Vice President and Comptroller of the above named bank do hereby declare that this Report of Condition and Income for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true to the best of my knowledge and belief.

/S/ John J. Saniuk

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct.

/S/ Alan D. Greene
/S/ Bryan R. Calder
/S/ Lynda A. Vogel

EXHIBIT 99.1

LETTER OF TRANSMITTAL
for
$229,000,000
11 1/4% Senior Subordinated Notes Due June 15, 2011
of
CB RICHARD ELLIS SERVICES, INC.

THE EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON _____, 2001 (THE "EXPIRATION DATE") UNLESS EXTENDED BY CB RICHARD ELLIS SERVICES, INC.

The Exchange Agent is:

STATE STREET BANK AND TRUST COMPANY OF CALIFORNIA, N.A.

<TABLE>
<S> <C> <C>

By Mail: By Facsimile: By Hand or Overnight Delivery:

State Street Bank and Trust Company of California, N.A.
2 Avenue de Lafayette
Corporate Trust Window, 5th Floor
Boston, MA 02111-1724
Attn: Ralph Jones

State Street Bank and Trust Company of California, N.A.
(617) 662-1452

State Street Bank and Trust Company of California, N.A.
2 Avenue de Lafayette
Corporate Trust Window, 5th Floor
Boston, MA 02111-1724
Attn: Ralph Jones

Confirm Receipt of
Facsimile by Telephone

(617) 662-1548

</TABLE>

Delivery of this Letter of Transmittal to an address other than as set forth above or transmission via facsimile transmission to a number other than as set forth above will not constitute a valid delivery.

The undersigned acknowledges receipt of the Prospectus dated , 2001 (the "Prospectus") of CB Richard Ellis Services, Inc. (the "Company"), and this Letter of Transmittal (the "Letter of Transmittal"), which together describe the Company's offer (the "Exchange Offer") to exchange its 11 1/4% Senior Subordinated Notes due June 15, 2011, which have been registered under the Securities Act of 1933, as amended (the "Securities Act") (the "Exchange Notes") for each of its 11 1/4% Senior Subordinated Notes due June 15, 2011 (the "Outstanding Notes" and, together with the Exchange Notes, the "Notes") from the holders thereof.

The terms of the Exchange Notes are identical in all material respects (including principal amount, interest rate and maturity) to the terms of the Outstanding Notes for which they may be exchanged pursuant to the Exchange Offer, except that the Exchange Notes are freely transferable by holders thereof (except as provided herein or in the Prospectus).

YOUR BANK OR BROKER CAN ASSIST YOU IN COMPLETING THIS FORM. THE INSTRUCTIONS INCLUDED WITH THIS LETTER OF TRANSMITTAL MUST BE FOLLOWED. QUESTIONS AND REQUESTS FOR ASSISTANCE OR FOR ADDITIONAL COPIES OF THE PROSPECTUS AND THIS LETTER OF TRANSMITTAL MAY BE DIRECTED TO THE EXCHANGE AGENT: STATE STREET BANK AND TRUST COMPANY OF CALIFORNIA, N.A.

The undersigned has checked the appropriate boxes below and signed this Letter of Transmittal to indicate the action the undersigned desires to take with respect to the Exchange Offer.

PLEASE READ THE ENTIRE
LETTER OF TRANSMITTAL AND THE PROSPECTUS
CAREFULLY BEFORE CHECKING ANY BOX BELOW.

List below the Outstanding Notes to which this Letter of Transmittal relates. If the space provided below is inadequate, the certificate numbers and aggregate principal amounts should be listed on a separate signed schedule affixed hereto.

<TABLE>
<CAPTION>

DESCRIPTION OF OUTSTANDING NOTES TENDERED HEREWITH

<S> <C> <C> <C>

Aggregate Principal

Name(s) and Address(es) of Registered Holder(s) (Please fill in)	Certificate Number(s)*	amount Represented by Outstanding Notes*	Principal amount Tendered**
	Total		

</TABLE>

* Need not be completed by book-entry holders.

** Unless otherwise indicated, the holder will be deemed to have tendered the full aggregate principal amount represented by such Outstanding Notes. See instruction 2.

Holders of Outstanding Notes whose Outstanding Notes are not immediately available or who cannot deliver all other required documents to the Exchange Agent on or prior to the Expiration Date or who cannot complete the procedures for book-entry transfer on a timely basis, must tender their Outstanding Notes according to the guaranteed delivery procedures set forth in the Prospectus.

Unless the context otherwise requires, the term "holder" for purposes of this Letter of Transmittal means any person in whose name Outstanding Notes are registered or any other person who has obtained a properly completed bond power from the registered holder or any person whose Outstanding Notes are held of record by The Depository Trust Company ("DTC").

[_] CHECK HERE IF TENDERED OUTSTANDING NOTES ARE BEING DELIVERED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY AND COMPLETE THE FOLLOWING:

Name of Registered Holder(s): _____

Name of Eligible Institution that Guaranteed Delivery: _____

Date of Execution of Notice of Guaranteed Delivery: _____

If Delivered by Book-Entry Transfer: _____

Name of Tendering Institution: _____

Account Number: _____

Transaction Code Number: _____

[_]CHECK HERE IF EXCHANGE NOTES ARE TO BE DELIVERED TO A PERSON OTHER THAN THE PERSON SIGNING THIS LETTER OF TRANSMITTAL:

Name: _____

Address: _____

[_]CHECK HERE IF EXCHANGE NOTES ARE TO BE DELIVERED TO AN ADDRESS DIFFERENT FROM THAT LISTED ELSEWHERE IN THIS LETTER OF TRANSMITTAL:

Name: _____

Address: _____

[_]CHECK HERE IF YOU ARE A BROKER-DEALER WHO ACQUIRED OUTSTANDING NOTES FOR YOUR OWN ACCOUNT AS A RESULT OF MARKET MAKING OR OTHER TRADING ACTIVITIES AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO:

Name: _____

Address: _____

If the undersigned is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of Exchange Notes. If the undersigned is a broker-dealer that will receive Exchange Notes for its own account in exchange for Outstanding Notes that were acquired as a result of market-making activities or other trading activities, it acknowledges that it will deliver a prospectus in connection with any resale of such Exchange Notes; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an

"underwriter" within the meaning of the Securities Act. A broker-dealer may not participate in the Exchange Offer with respect to Outstanding Notes acquired other than as a result of market-making activities or other trading activities. Any holder who is an "affiliate" of the Company or who has an arrangement or understanding with respect to the distribution of the Exchange Notes to be acquired pursuant to the Exchange Offer, or any broker-dealer who purchased Outstanding Notes from the Company to resell pursuant to Rule 144A under the Securities Act or any other available exemption under the Securities Act must comply with the registration and prospectus delivery requirements under the Securities Act.

PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY

Ladies and Gentlemen:

Upon the terms and subject to the conditions of the Exchange Offer, the undersigned hereby tenders to the Company the principal amount of the Outstanding Notes indicated above. Subject to, and effective upon, the acceptance for exchange of all or any portion of the Outstanding Notes tendered herewith in accordance with the terms and conditions of the Exchange Offer (including, if the Exchange Offer is extended or amended, the terms and conditions of any such extension or amendment), the undersigned hereby exchanges, assigns and transfers to, or upon the order of, the Company all right, title and interest in and to such Outstanding Notes as are being tendered herewith. The undersigned hereby irrevocably constitutes and appoints the Exchange Agent as its true and lawful agent and attorney-in-fact of the undersigned (with full knowledge that the Exchange Agent also acts as the agent of the Company, in connection with the Exchange Offer) to cause the Outstanding Notes to be assigned, transferred and exchanged.

The undersigned represents and warrants that it has full power and authority to tender, exchange, assign and transfer the Outstanding Notes and to acquire Exchange Notes issuable upon the exchange of such tendered Outstanding Notes, and that, when the same are accepted for exchange, the Company will acquire good and unencumbered title to the tendered Outstanding Notes, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim. The undersigned also warrants that it will, upon request, execute and deliver any additional documents deemed by the Exchange Agent or the Company to be necessary or desirable to complete the exchange, assignment and transfer of the tendered Outstanding Notes or transfer ownership of such Outstanding Notes on the account books maintained by the book-entry transfer facility. The undersigned further agrees that acceptance of any and all validly tendered Outstanding Notes by the Company and the issuance of Exchange Notes in exchange therefor shall constitute performance in full by the Company of its obligations under the Registration Rights Agreement, dated May 31, 2001 (the "Registration Rights Agreement"), among the Company (formerly known as BLUM CB Corp.), CBRE Holding, Inc., Credit Suisse First Boston Corporation, Credit Lyonnais Securities (USA) Inc., HSBC Securities (USA) Inc. and Scotia Capital (USA) Inc. and that the Company shall have no further obligations or liabilities thereunder except as provided in the first paragraph of Section 2 of such agreement. The undersigned will comply with its obligations under the Registration Rights Agreement. The undersigned has read and agrees to all terms of the Exchange Offer. The Exchange Offer is subject to certain conditions as set forth in the Prospectus under the caption "The Exchange Offer - Certain Conditions to the Exchange Offer." The undersigned recognizes that as a result of these conditions (which may be waived, in whole or in part, by the Company), as more particularly set forth in the Prospectus, the Company may not be required to exchange any of the Outstanding Notes tendered hereby and, in such event, the Outstanding Notes not exchanged will be returned to the undersigned at the address shown below unless indicated otherwise above, as promptly as practicable following the expiration or termination of the Exchange Offer. In addition, the Company may amend the Exchange Offer at any time prior to the Expiration Date if any of the conditions set forth under "The Exchange Offer -- Certain Conditions to the Exchange Offer" occur.

The undersigned understands that tenders of Outstanding Notes pursuant to any one of the procedures described in the Prospectus and in the instructions attached hereto will, upon the Company's acceptance for exchange of such tendered Outstanding Notes, constitute a binding agreement between the undersigned and the Company upon the terms and subject to the conditions of the Exchange Offer. The undersigned recognizes that, under circumstances set forth in the Prospectus, the Company may not be required to accept for exchange any of the Outstanding Notes.

By tendering shares of Outstanding Notes and executing this Letter of Transmittal, the undersigned represents that Exchange Notes acquired in the exchange will be obtained in the ordinary course of business of the undersigned, that the undersigned has no arrangement or understanding with any person to participate in a distribution (within the meaning of the Securities Act) of such Exchange Notes, that the undersigned is not an "affiliate" of the Company within the meaning of Rule 405 under the Securities Act and that if the undersigned or the person receiving such Exchange Notes, whether or not such

person is the undersigned, is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of Exchange

Notes. If the undersigned or the person receiving such Exchange Notes, whether or not such person is the undersigned, is a broker-dealer that will receive Exchange Notes for its own account in exchange for Outstanding Notes that were acquired as a result of market-making activities or other trading activities, it acknowledges that it will deliver a prospectus in connection with any resale of such Exchange Notes; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. If the undersigned is a person in the United Kingdom, the undersigned represents that its ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business.

Any holder of Outstanding Notes using the Exchange Offer to participate in a distribution of the Exchange Notes (i) cannot rely on the position of the staff of the Securities and Exchange Commission enunciated in its interpretive letter with respect to Exxon Capital Holdings Corporation (available April 13, 1989) or similar interpretive letters and (ii) must comply with the registration and prospectus requirements of the Securities Act in connection with a secondary resale transaction.

All authority herein conferred or agreed to be conferred shall survive the death, bankruptcy or incapacity of the undersigned and every obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. Tendered Outstanding Notes may be withdrawn at any time prior to the Expiration Date in accordance with the terms of this Letter of Transmittal. Except as stated in the Prospectus, this tender is irrevocable.

Certificates for all Exchange Notes delivered in exchange for tendered Outstanding Notes and any Outstanding Notes delivered herewith but not exchanged, and registered in the name of the undersigned, shall be delivered to the undersigned at the address shown below the signature of the undersigned.

The undersigned, by completing the box entitled "Description of Outstanding Notes Tendered Herewith" above and signing this letter, will be deemed to have tendered the Outstanding Notes as set forth in such box.

TENDERING HOLDER(S) SIGN HERE
(Complete accompanying substitute Form W-9)

MUST BE SIGNED BY REGISTERED HOLDER(S) EXACTLY AS NAME(S) APPEAR(S) ON CERTIFICATE(S) FOR OUTSTANDING NOTES HEREBY TENDERED OR IN WHOSE NAME OUTSTANDING NOTES ARE REGISTERED ON THE BOOKS OF DTC OR ONE OF ITS PARTICIPANTS, OR BY ANY PERSON(S) AUTHORIZED TO BECOME THE REGISTERED HOLDER(S) BY ENDORSEMENTS AND DOCUMENTS TRANSMITTED HEREWITH. IF SIGNATURE IS BY A TRUSTEE, EXECUTOR, ADMINISTRATOR, GUARDIAN, ATTORNEY-IN-FACT, OFFICER OF A CORPORATION OR OTHER PERSON ACTING IN A FIDUCIARY OR REPRESENTATIVE CAPACITY, PLEASE SET FORTH THE FULL TITLE OF SUCH PERSON. SEE INSTRUCTION 3.

_____

_____
(signature(s) of holder(s))

Date: _____

Name(s): _____
(please print)

Capacity (full title): _____

Address: _____

_____
(including zip code)

Daytime Area Code and Telephone No.: _____

Taxpayer Identification No.: _____

GUARANTEE OF SIGNATURE(S)
(IF REQUIRED -- SEE INSTRUCTION 3)

Authorized Signature: _____

Date: _____

Name(s): _____

Title: _____

Name of Firm: _____

Address: _____
(include zip code)

Area Code and Telephone No.: _____

SPECIAL ISSUANCE INSTRUCTIONS
(See Instructions 3 and 4)

To be completed ONLY if Exchange Notes or Outstanding Notes not tendered are to be issued in the name of someone other than the registered holder of the Outstanding Notes whose name(s) appear(s) above.

Issue

[_] Outstanding Notes not tendered to:

[_] Exchange Notes to:

Name(s): _____

Address: _____

_____
(include zip code)

Daytime Area Code and
Telephone No.: _____

Tax Identification No.: _____

SPECIAL DELIVERY INSTRUCTIONS
(See Instructions 3 and 4)

To be completed ONLY if Exchange Notes or Outstanding Notes not tendered are to be sent to someone other than the registered holder of the Outstanding Notes whose name(s) appear(s) above, or such registered holder(s) at an address other than that shown above.

Mail

[_] Outstanding Notes not tendered to:

[_] Exchange Notes to:

Name(s): _____

Address: _____

_____
(include zip code)

Area Code and
Telephone No: _____

INSTRUCTIONS
FORMING PART OF THE TERMS AND CONDITIONS OF THE EXCHANGE OFFER

1. Delivery of this Letter of Transmittal and Certificates; Guaranteed Delivery Procedures. A holder of Outstanding Notes may tender the same by (i) properly completing and signing this Letter of Transmittal or a facsimile hereof (all references in the Prospectus to the Letter of Transmittal shall be deemed to include a facsimile thereof) and delivering the same, together with the certificate or certificates, if applicable, representing the Outstanding Notes being tendered and any required signature guarantees and any other documents required by this Letter of Transmittal, to the Exchange Agent at its address set forth above on or prior to the Expiration Date, or (ii) complying with the procedure for book-entry transfer described below, or (iii) complying with the guaranteed delivery procedures described below.

Holders of Outstanding Notes may tender Outstanding Notes by book-entry transfer by crediting the Outstanding Notes to the Exchange Agent's account at DTC in accordance with DTC's Automated Tender Offer Program ("ATOP") and by complying with applicable ATOP procedures with respect to the Exchange Offer. DTC participants that are accepting the Exchange Offer should transmit their acceptance to DTC, which will edit and verify the acceptance and execute a book-entry delivery to the Exchange Agent's account at DTC. DTC will then send a computer-generated message (an "Agent's Message") to the Exchange Agent for its acceptance in which the holder of the Outstanding Notes acknowledges and agrees to be bound by the terms of, and makes the representations and warranties contained in, this Letter of Transmittal, the DTC participant confirms on behalf of itself and the beneficial owners of such Outstanding Notes all provisions of this Letter of Transmittal (including any representations and warranties) applicable to it and such beneficial owner as fully as if it had completed the information required herein and executed and transmitted this Letter of Transmittal to the Exchange Agent.

Delivery of the Agent's Message by DTC will satisfy the terms of the Exchange Offer as to execution and delivery of a Letter of Transmittal by the participant identified in the Agent's Message. DTC participants may also accept the Exchange Offer by submitting a Notice of Guaranteed Delivery through ATOP.

THE METHOD OF DELIVERY OF THIS LETTER OF TRANSMITTAL, THE OUTSTANDING NOTES AND ANY OTHER REQUIRED DOCUMENTS IS AT THE ELECTION AND RISK OF THE HOLDER, AND EXCEPT AS OTHERWISE PROVIDED BELOW, THE DELIVERY WILL BE DEEMED MADE ONLY WHEN ACTUALLY RECEIVED OR CONFIRMED BY THE EXCHANGE AGENT. IF SUCH DELIVERY IS BY MAIL, IT IS SUGGESTED THAT REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, PROPERLY INSURED, BE USED. IN ALL CASES SUFFICIENT TIME SHOULD BE ALLOWED TO PERMIT TIMELY DELIVERY. NO OUTSTANDING NOTES OR LETTERS OF TRANSMITTAL SHOULD BE SENT TO THE COMPANY.

Holders whose Outstanding Notes are not immediately available or who cannot deliver their Outstanding Notes and all other required documents to the Exchange Agent on or prior to the Expiration Date or comply with book-entry transfer procedures on a timely basis must tender their Outstanding Notes pursuant to the guaranteed delivery procedure set forth in the Prospectus. Pursuant to such procedure: (i) such tender must be made by or through an Eligible Institution (as defined below); (ii) on or prior to the Expiration Date, the Exchange Agent must have received from such Eligible Institution a letter, telegram or facsimile transmission (receipt confirmed by telephone and an original delivered by guaranteed overnight courier) setting forth the name and address of the tendering holder, the names in which such Outstanding Notes are registered, and, if applicable, the certificate numbers of the Outstanding Notes to be tendered; and (iii) all tendered Outstanding Notes (or a confirmation of any book-entry transfer of such Outstanding Notes into the Exchange Agent's account at a book-entry transfer facility) as well as this Letter of Transmittal and all other documents required by this Letter of Transmittal, must be received by the Exchange Agent within three New York Stock Exchange trading days after the date of execution of such letter, telegram or facsimile transmission, all as provided in the Prospectus.

No alternative, conditional, irregular or contingent tenders will be accepted. All tendering holders, by execution of this Letter of Transmittal (or facsimile thereof), shall waive any right to receive notice of the acceptance of the Outstanding Notes for exchange.

2. Partial Tenders; Withdrawals. If less than the entire principal amount of Outstanding Notes evidenced by a submitted certificate is tendered, the tendering holder must fill in the aggregate principal amount of Outstanding Notes tendered in the box entitled "Description of Outstanding Notes Tendered Herewith." A newly issued certificate for the Outstanding Notes submitted but not tendered will be sent to such holder as soon as practicable after the Expiration Date. All Outstanding Notes delivered to the Exchange Agent will be deemed to have been tendered unless otherwise clearly indicated.

If not yet accepted, a tender pursuant to the Exchange Offer may be withdrawn prior to the Expiration Date.

To be effective with respect to the tender of Outstanding Notes, a written notice of withdrawal must: (i) be received by the Exchange Agent at one of the addresses for the Exchange Agent set forth above before the Company notifies the Exchange Agent that it has accepted the tender of Outstanding Notes pursuant to the Exchange Offer; (ii) specify the name of the person who tendered the Outstanding Notes to be withdrawn; (iii) identify the Outstanding Notes to be withdrawn (including the principal amount of such Outstanding Notes, or, if applicable, the certificate numbers shown on the particular certificates evidencing such Outstanding Notes and the principal amount of Outstanding Notes represented by such certificates); (iv) include a statement that such holder is withdrawing its election to have such Outstanding Notes exchanged; and (v) be signed by the holder in the same manner as the original signature on this Letter of Transmittal (including any required signature guarantee). The Exchange Agent will return the properly withdrawn Outstanding

Notes promptly following receipt of a notice of withdrawal. If Outstanding Notes have been tendered pursuant to the procedure for book-entry transfer, any notice of withdrawal must specify the name and number of the account at the book-entry transfer facility to be credited with the withdrawn Outstanding Notes or otherwise comply with the book-entry transfer facility's procedures. All questions as to the validity of notices of withdrawals, including time of receipt, will be determined by the Company, and such determination will be final and binding on all parties.

Any Outstanding Notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the Exchange Offer. Any Outstanding Notes which have been tendered for exchange but which are not exchanged for any reason will be returned to the holder thereof without cost to such holder (or, in the case of Outstanding Notes tendered by book-entry transfer into the Exchange Agent's account at the book-entry transfer facility pursuant to the book-entry transfer procedures described above, such Outstanding Notes will be credited to an account with such book-entry transfer facility specified by the holder) as soon as practicable after withdrawal, rejection of tender or termination of the Exchange Offer. Properly withdrawn Outstanding Notes may be retendered by following one of the procedures described under the caption "The Exchange Offer -- Procedures for Tendering" in the Prospectus at any time prior to the Expiration Date.

3. Signature On This Letter Of Transmittal; Written Instruments And Endorsements; Guarantee Of Signatures. If this Letter of Transmittal is signed by the registered holder(s) of the Outstanding Notes tendered hereby, the signature must correspond with the name(s) as written on the face of the certificates without alteration, enlargement or any change whatsoever.

If any of the Outstanding Notes tendered hereby are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.

If a number of Outstanding Notes registered in different names are tendered, it will be necessary to complete, sign and submit as many separate copies of this Letter of Transmittal as there are different registrations of Outstanding Notes.

When this Letter of Transmittal is signed by the registered holder or holders (which term, for the purposes described herein, shall include the book-entry transfer facility whose name appears on a security listing as the

owner of the Outstanding Notes) of Outstanding Notes listed and tendered hereby, no endorsements of certificates or separate written instruments of transfer or exchange are required.

If this Letter of Transmittal is signed by a person other than the registered holder or holders of the Outstanding Notes listed, such Outstanding Notes must be endorsed or accompanied by separate written instruments of transfer or exchange in form satisfactory to the Company and duly executed by the registered holder, in either case signed exactly as the name or names of the registered holder or holders appear(s) on the Outstanding Notes.

If this Letter of Transmittal, any certificates or separate written instruments of transfer or exchange are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and, unless waived by the Company, proper evidence satisfactory to the Company of their authority so to act must be submitted.

Endorsements on certificates or signatures on separate written instruments of transfer or exchange required by this Instruction 3 must be guaranteed by an Eligible Institution.

Signatures on this Letter of Transmittal must be guaranteed by an Eligible Institution, unless Outstanding Notes are tendered: (i) by a holder who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on this Letter of Transmittal; or (ii) for the account of an Eligible Institution (as defined below). In the event that the signatures in this Letter of Transmittal or a notice of withdrawal, as the case may be, are required to be guaranteed, such guarantees must be by an eligible guarantor institution which is a member of a firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or another "eligible institution" within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended (an "Eligible Institution"). If Outstanding Notes are registered in the name of a person other than the signer of this Letter of Transmittal, the Outstanding Notes surrendered for exchange must be endorsed by, or be accompanied by a written instrument or instruments of transfer or exchange, in satisfactory form as determined by the Company, in its sole discretion, duly executed by the registered holder with the signature thereon guaranteed by an Eligible Institution.

4. Special Issuance And Delivery Instructions. Tendering holders should indicate, as applicable, the name and address to which the Exchange Notes or certificates for Outstanding Notes not exchanged are to be issued or sent, if different from the name and address of the person signing this Letter of Transmittal. In the case of issuance in a different name, the tax identification number of the person named must also be indicated. Holders tendering Outstanding Notes by book-entry transfer may request that Outstanding Notes not exchanged be credited to such account maintained at the book-entry transfer facility as such holder may designate.

5. Transfer Taxes. The Company shall pay all transfer taxes, if any, applicable to the transfer and exchange of Outstanding Notes to it or its order pursuant to the Exchange Offer. If a transfer tax is imposed for any reason other than the transfer and exchange of Outstanding Notes to the Company or its order pursuant to the Exchange Offer, the amount of any such transfer taxes (whether imposed on the registered holder or any other person) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exception therefrom is not submitted herewith the amount of such transfer taxes will be billed directly to such tendering holder.

6. Waiver Of Conditions. The Company reserves the absolute right to waive, in whole or in part, any of the conditions to the Exchange Offer set forth in the Prospectus.

7. Mutilated, Lost, Stolen Or Destroyed Securities. Any holder whose Outstanding Notes have been mutilated, lost, stolen or destroyed, should contact the Exchange Agent at the address indicated below for further instructions.

8. Substitute Form W-9. Each holder (or other payee) of Outstanding Notes whose Outstanding Notes are accepted for exchange is required to provide a correct taxpayer identification number ("TIN"), generally the holder's Social Security or federal employer identification number, and certain other information, on Substitute Form W-9, which is provided under "Important Tax Information" below, and to certify that the holder (or other payee) is not subject to backup withholding. Failure to provide the information on the Substitute Form W-9 may subject the holder (or other payee) to a $50 penalty imposed by the Internal Revenue Service and up to 30.5% federal income tax backup withholding on payments made in connection with the Outstanding Notes. The box in Part 3 of the Substitute Form W-9 may be checked if the holder (or other payee) has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future. If the box in Part 3 is checked and a TIN is not provided by the time any payment is made in connection with the Outstanding Notes, up to 30.5% of all such payments will be withheld until a TIN is provided.

If backup withholding applies, the Exchange Agent is required to withhold up to 30.5% of any payments to be made to the holder of Outstanding Notes. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained by filing a tax return with the Internal Revenue Service. The Exchange Agent cannot refund amounts withheld by reason of backup withholding.

9. Requests For Assistance Or Additional Copies. Questions relating to the procedure for tendering, as well as requests for additional copies of the Prospectus and this Letter of Transmittal, may be directed to the Exchange Agent at the address and telephone number set forth above. In addition, all questions relating to the Exchange Offer, as well as requests for assistance or additional copies of the Prospectus and this Letter of Transmittal, may be directed to the Exchange Agent at the address and telephone number indicated above.

10. Irregularities. All questions as to the validity, form, eligibility (including time of receipt), and acceptance of Letters of Transmittal or Outstanding Notes will be resolved by the Company, whose determination will be final and binding. The Company reserves the absolute right to reject any or all letters of Transmittal or tenders that are not in proper form of the acceptance of which would, in the opinion of the Company's counsel, be unlawful. The Company also reserves the right to waive any irregularities or conditions of tender as to the particular Outstanding Notes covered by any Letter of Transmittal or tendered pursuant to such Letter of Transmittal. Neither the Company, the Exchange Agent nor any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification. The Company's interpretation of the terms and conditions of the Exchange Offer shall be final and binding.

IMPORTANT: This Letter of Transmittal or a facsimile or copy thereof (together with certificates of Outstanding Notes or conformation of book-entry transfer and all other required documents) or a Notice of Guaranteed Delivery

must be received by the Exchange Agent prior to the Expiration Date.

IMPORTANT TAX INFORMATION

Under U.S. federal income tax law, a holder whose tendered Outstanding Notes are accepted for payment is required to provide Norwest Bank Minnesota, National Association, (the "Paying Agent"), as payer, with such holder's correct TIN on Substitute Form W-9 below and to certify that the TIN provided on Substitute Form W-9 is correct (or that such holder is awaiting a TIN). If such holder is an individual, the TIN is generally his or her social security number. If the Paying Agent is not provided with the correct TIN, the holder may be subject to a $50 penalty imposed by the Internal Revenue Service and payments that are made to such holder with respect to Outstanding Notes tendered may be subject to backup withholding (see below).

A holder who does not have a TIN may check the box in Part 3 of the Substitute Form W-9 if the holder has applied for a number or intends to apply for a TIN in the near future. If the box in Part 3 is checked, the holder

must also complete the Certificate of Awaiting Taxpayer Identification Number below in order to avoid backup withholding. If the box is checked, payments made within 60 days of the date of the form will be subject to backup withholding unless the holder has furnished the Paying Agent with his or her TIN. A holder who checks the box in Part 3 in lieu of furnishing his or her TIN should furnish the Paying Agent with his or her TIN as soon as it is received.

Certain holders (including, among others, all corporations and certain foreign individuals) may be exempt from these backup withholding requirements. In order for a foreign individual to qualify as an exempt recipient, that holder must submit a statement, signed under penalty of perjury, attesting to that individual's exempt status (such as Form W-8BEN). Forms for such statements can be obtained from the Paying Agent. Holders are urged to consult their own tax advisors to determine whether they are exempt from these backup withholding and reporting requirements.

If backup withholding applies, the Paying Agent is required to withhold up to 30.5% of any payments to be made to the holder. Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained by filing a tax return with the Internal Revenue Service. The Paying Agent cannot refund amounts withheld by reason of backup withholding.

<TABLE>
<CAPTION>

PAYER'S NAME:[insert payer's name]

<C>	<S>	<C>
SUBSTITUTE FORM W-9	Part 1--PLEASE PROVIDE YOUR NAME AND TIN IN THE BOX AT RIGHT AND CERTIFY BY SIGNING AND DATING BELOW.	Name
Department of the Treasury Internal Revenue Service	PART 2 Certification--Under penalty of perjury, I certify that: (1) The number shown on this form is my correct Taxpayer Identification Number (or I am waiting for a number to be issued to me), and (2) I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (the "IRS") that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and (3) I am a U.S. person (including a U.S. resident alien).	Social Security Number OR Employer Identification Number
Payer's Request for Taxpayer Identification Number (TIN)		Part 3-- [_] Awaiting TIN

CERTIFICATE INSTRUCTIONS--You must cross out item (2) above if you have been notified by the IRS that you are currently subject to backup withholding because of under-reporting interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out such item (2).

(right arrow) The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Sign Here

SIGNATURE

DATE

NOTE: FAILURE TO COMPLETE AND RETURN THIS FORM MAY RESULT IN BACKUP WITHHOLDING OF UP TO 30.5% OF ANY PAYMENTS MADE TO YOU PURSUANT TO THE OFFER. PLEASE REVIEW THE ENCLOSED GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9 FOR ADDITIONAL DETAILS.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 3 OF THE SUBSTITUTE FORM W-9.

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a taxpayer identification number has not been issued to me, and either (1) I have mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office, or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a taxpayer identification number by the time of payment, up to 30.5% of all reportable payments made to me will be withheld.

Signature Date _____, 20___

</TABLE>

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9

Guidelines for Determining the Proper Identification Number for the Payee (You) to Give the Payer.--Social security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employer identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer. All "Section" references are to the Internal Revenue Code of 1986, as amended. "IRS" is the Internal Revenue Service.

<TABLE>
<CAPTION>

For this type of account:	Give the SOCIAL SECURITY number of--
<C>	<S>
1. Individual	The Individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account/1/
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor/2/
4. a.The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee/1/
b.So-called trust account that is not a legal or valid trust under state law	The actual owner/1/
5. Sole proprietorship	The owner/3/

<CAPTION>

For this type of account:	Give the EMPLOYER IDENTIFICATION number of--
<C>	<S>
6. Sole proprietorship	The owner/3/

7.	A valid trust, estate, or pension trust	The legal entity/4/
8.	Corporate	The corporation
9.	Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10.	Partnership	The partnership
11.	A broker or registered nominee	The broker or nominee
12.	Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

</TABLE>

1. List first and circle the name of the person whose number you furnish. If only one person on a joint account has a social security number, that person's number must be furnished.

2. Circle the minor's name and furnish the minor's social security number.

3. You must show your individual name, but you may also enter your business or "doing business as" name. You may use either your social security number of your employer identification number (if you have one).

4. List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the taxpayer identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

NOTE: If no name is circled when there is more than one name, the number will be considered to be that of the first name listed.

Obtaining a Number

If you don't have a taxpayer identification number or you don't know your number, obtain Form SS-5, Application for a Social Security Card, at the local Social Administration office, or Form SS-4, Application for Employer Identification Number, by calling 1 (800) TAX-FORM, and apply for a number.

Payees Exempt from Backup Withholding

Payees specifically exempted from withholding include:

.An organization exempt from tax under Section 501(a), an individual retirement account (IRA), or a custodial account under Section 403(b)(7), if the account satisfies the requirements of Section 401(f)(2).
.The United States or a state thereof, the District of Columbia, a possession of the United States, or a political subdivision or instrumentality of any one or more of the foregoing.
.An international organization or any agency or instrumentality thereof.
.A foreign government and any political subdivision, agency or instrumentality thereof.

Payees that may be exempt from backup withholding include:
.A corporation.
.A financial institution.
.A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States.
.A real estate investment trust.
.A common trust fund operated by a bank under Section 584(a).
.An entity registered at all times during the tax year under the Investment Company Act of 1940.
.A middleman known in the investment community as a nominee or custodian.
.A futures commission merchant registered with the Commodity Futures Trading Commission.
.A foreign central bank of issue.
.A trust exempt from tax under Section 664 or described in Section 4947.

Payments of dividends and patronage dividends generally exempt from backup withholding include:
.Payments to nonresident aliens subject to withholding under Section 1441.
.Payments to partnerships not engaged in a trade or business in the United States and that have at least one nonresident alien partner.
.Payments of patronage dividends not paid in money.
.Payments made by certain foreign organizations.
.Section 404(k) payments made by an ESOP.

Payments of interest generally exempt from backup withholding include:
.Payments of interest on obligations issued by individuals. Note: You may be subject to backup withholding if this interest is $600 or more and you have not provided your correct taxpayer identification number to the payer.
.Payments of tax-exempt interest (including exempt-interest dividends under

Section 852).
.Payments described in Section 6049(b)(5) to nonresident aliens.
.Payments on tax-free covenant bonds under Section 1451.
.Payments made by certain foreign organizations.
.Mortgage interest paid to you.
Certain payments, other than payments of interest, dividends, and patronage dividends, that are exempt from information reporting are also exempt from backup withholding. For details, see the regulations under sections 6041, 6041A, 6042, 6044, 6045, 6049, 6050A and 6050N.

Exempt payees described above must file Form W-9 or a substitute Form W-9 to avoid possible erroneous backup withholding. FILE THIS FORM WITH THE PAYER, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" IN PART II OF THE FORM, SIGN AND DATE THE FORM, AND RETURN IT TO THE PAYER.

Privacy Act Notice -- Section 6109 requires you to provide your correct taxpayer identification number to payers, who must report the payments to the IRS. The IRS uses the number for identification purposes and may also provide this information to various government agencies for tax enforcement or litigation purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold up to 30.5% of taxable interest, dividends, and certain other payments to a payee who does not furnish a taxpayer identification number to payer. Certain penalties may also apply.

Penalties

(1) Failure to Furnish Taxpayer Identification Number. -- If you fail to furnish your taxpayer identification number to a payer, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

(2) Civil Penalty for False Information With Respect to Withholding. -- If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

(3) Criminal Penalty for Falsifying Information. -- Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

FOR ADDITIONAL INFORMATION CONTACT YOUR TAX CONSULTANT OR THE INTERNAL REVENUE SERVICE

Exhibit 99.2

NOTICE OF GUARANTEED DELIVERY
for
Tender of all Outstanding
$229,000,000 11 1/4% Senior Subordinated Notes Due June 15, 2011
in exchange for
new $229,000,000 11 1/4% Senior Subordinated Notes Due June 15, 2011
of
CB RICHARD ELLIS SERVICES, INC.

Registered holders of outstanding 11 1/4% Senior Subordinated Notes due June 15, 2011 (the "Outstanding Notes") who wish to tender their Outstanding Notes in exchange for a like principal amount of new 11 1/4% Senior Subordinated Notes due June 15, 2011 (the "Exchange Notes") and whose Outstanding Notes are not immediately available or who cannot deliver their Outstanding Notes and Letter of Transmittal (and any other documents required by the Letter of Transmittal) to State Street Bank and Trust Company of California, N.A. (the "Exchange Agent") prior to the Expiration Date, may use this Notice of Guaranteed Delivery or one substantially equivalent hereto. This Notice of Guaranteed Delivery may be delivered by hand or sent by facsimile transmission (receipt confirmed by telephone and an original delivered by guaranteed overnight courier) or mail to the Exchange Agent. See "The Exchange Offer--Procedures for Tendering" in the Prospectus.

The Exchange Agent for the Exchange Offer is:
STATE STREET BANK AND TRUST COMPANY OF CALIFORNIA, N.A.

<TABLE>
<CAPTION>

By Mail:	By Facsimile:	By Hand or Overnight Delivery:
State Street Bank and Trust Company of California, N.A. 2 Avenue de Lafayette Corporate Trust Window, 5/th/ Floor Boston, MA 02111-1724 Attn: Ralph Jones	State Street Bank and Trust Company of California, N.A. (617) 662-1452 Confirm Receipt of Facsimile by Telephone (617) 662-1548	State Street Bank and Trust Company of California, N.A. 2 Avenue de Lafayette Corporate Trust Window, 5/th/ Floor Boston, MA 02111-1724 Attn: Ralph Jones

</TABLE>

Delivery of this Notice of Guaranteed Delivery to an address other than as set forth above or transmission via a facsimile transmission to a number other than as set forth above will not constitute a valid delivery.

This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an eligible institution (as defined in the Prospectus), such signature guarantee must appear in the applicable space provided on the Letter of Transmittal for Guarantee of Signatures.

Ladies and Gentlemen:

The undersigned hereby tenders the principal amount of Outstanding Notes indicated below, upon the terms and subject to the conditions contained in the Prospectus dated , 2001 of CB Richard Ellis Services, Inc. (the "Prospectus"), receipt of which is hereby acknowledged.

DESCRIPTION OF OUTSTANDING NOTES TENDERED

<TABLE>
<CAPTION>

NAME OF TENDERING HOLDER	NAME AND ADDRESS OF REGISTERED HOLDER AS IT APPEARS ON THE OUTSTANDING NOTES (PLEASE PRINT)	CERTIFICATE NUMBER(S) OF OUTSTANDING NOTES TENDERED (OR ACCOUNT NUMBER AT BOOK-ENTRY FACILITY)	PRINCIPAL AMOUNT OUTSTANDING NOTES TENDERED
<S>	<C>	<C>	<C>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

</TABLE>

SIGN HERE

Name of Registered or Acting Holder: _____

Signature(s): _____

Name(s) (Please Print): _____

Address: _____

Telephone Number: _____

Date: _____

IF OUTSTANDING NOTES WILL BE TENDERED BY BOOK-ENTRY TRANSFER, PROVIDE THE FOLLOWING INFORMATION:

DTC Account Number: _____

Date: _____

THE FOLLOWING GUARANTEE MUST BE COMPLETED
GUARANTEE OF DELIVERY
(NOT TO BE USED FOR SIGNATURE GUARANTEE)

The undersigned, a member of a recognized signature guarantee medallion program within the meaning of Rule 17Ad-15 under the Securities Exchange Act of 1934, as amended, hereby guarantees to deliver to the Exchange Agent at one of its addresses set forth on the reverse hereof, the certificates representing the Outstanding Notes (or a confirmation of book-entry transfer of such Outstanding Notes into the Exchange Agent's account at the book-entry transfer facility), together with a properly completed and duly executed Letter of Transmittal (or facsimile thereof), with any required signature guarantees, and any other documents required by the Letter of Transmittal within three New York Stock Exchange trading days after the Expiration date (as defined in the Letter of Transmittal).

<TABLE>
<S> <C>
Name of Firm: _____ _____
(authorized signature)

Address: _____ Title: _____

_____ Name: _____
(zip code) (please type or print)

Area Code and
Telephone No.: _____ Date: _____
</TABLE>

NOTE: DO NOT SEND OUTSTANDING NOTES WITH THIS NOTICE OF GUARANTEED DELIVERY. OUTSTANDING NOTES SHOULD BE SENT WITH YOUR LETTER OR TRANSMITTAL.