

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of the  
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **November 17, 2010**

**CB RICHARD ELLIS GROUP, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other  
jurisdiction of  
incorporation)

**001-32205**  
(Commission File Number)

**94-3391143**  
(IRS Employer  
Identification No.)

**11150 Santa Monica Boulevard, Suite 1600, Los Angeles, California**  
(Address of Principal Executive Offices)

**90025**  
(Zip Code)

**(310) 405-8900**  
Registrant's Telephone Number, Including Area Code

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12(b))
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

This Current Report on Form 8-K is filed by CB Richard Ellis Group, Inc., a Delaware corporation (the "Company"), in connection with the matters described herein.

**Item 7.01 Regulation FD Disclosure**

The information set forth under Item 8.01 of this Current Report on Form 8-K is hereby incorporated by reference into this Item 7.01.

**Item 8.01 Other Events**

The Company is hosting its Business Review Day conference for institutional investors in New York, New York on November 18, 2009 beginning at 9:00 a.m. Eastern Time and will be discussing various aspects of its business. During the course of those discussions, certain limited financial information and other limited facts of its business will be presented to investors. The presentation materials are furnished as Exhibits 99.1, 99.2, 99.3, 99.4, 99.5, 99.6, 99.7 and 99.8 to this report.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
99.1	Financial Overview for Business Review Day
99.2	Economic Outlook for Business Review Day
99.3	Business Segment Overview for Business Review Day
99.4	Capital Markets Overview for Business Review Day
99.5	Leasing Overview for Business Review Day
99.6	Outsourcing Overview for Business Review Day
99.7	Investment Management Overview for Business Review Day
99.8	Case Study for Business Review Day

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 17, 2010

CB RICHARD ELLIS GROUP, INC.

By: /s/ GIL BOROK  
Gil Borok  
*Chief Financial Officer*

---



## Financial Overview

**Gil Borok**  
Chief Financial Officer

November 17, 2010



## Forward Looking Statements

This presentation, and those immediately following, contain statements that are forward looking within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our future growth momentum, operations, financial performance and our business outlook. These statements should be considered as estimates only and actual results may ultimately differ from these estimates. Except to the extent required by applicable securities laws, we undertake no obligation to update or publicly revise any of the forward-looking statements that you may hear today. Please refer to our third quarter earnings report, filed on Form 8-K, and our current annual report on Form 10-K and current quarterly report on Form 10-Q, in particular any discussion of risk factors or forward-looking statements, which are filed with the SEC and available at the SEC's website (<http://www.sec.gov>), for a full discussion of the risks and other factors that may impact any estimates that you may hear today. We may make certain statements during the course of this presentation which include references to "non-GAAP financial measures," as defined by SEC regulations. As required by these regulations, we have provided reconciliations of these measures to what we believe are the most directly comparable GAAP measures, which are attached hereto within the appendix.



# The Global Market Leader

- Leading Global Brand**
  - 100+ years
  - 400+ offices in 57 countries<sup>1</sup>
  - #1 in virtually every major global business center
- Broad Capabilities**
  - #1 leasing
  - #1 investment sales
  - #1 outsourcing
  - #1 appraisal and valuation
  - #1 commercial mortgage brokerage
  - \$35.7 billion in assets under management<sup>2</sup>
  - \$6.0 billion of development projects in process/pipeline<sup>2</sup>
- Scale and Diversity**
  - 1.7x nearest competitor<sup>3</sup>
  - Thousands of clients, nearly 80% of Fortune 100
  - \$97.2 billion of transaction activity in 2009
  - No client comprised >3% of revenues in 2009
- Recognized Leadership**
  - S&P 500 Only commercial real estate services company in the S&P 500
  - FORTUNE Only commercial real estate services company in the Fortune 500
  - The Lipsey Company #1 brand for nine consecutive years
  - Euromoney Top Global Real Estate Advisor for 2010
  - Financial Times Best Property Investment Advisor for 2010
  - Newsweek #30 (of 500) greenest company in U.S. and #1 in financial services

1. Includes affiliate offices.  
2. As of September 30, 2010.  
3. Based on 2009 revenues versus Jones Lang LaSalle.  
CB Richard Ellis | Page 3



## Our Vision

- Be the preeminent, vertically integrated, globally capable real estate services firm

## Our Mission

- Deliver superior results for stakeholders by:
  - Putting the client first—always
  - Collaborating across markets and services lines
  - Thinking innovatively, but acting practically
  - Providing a rewarding work environment

## Our Values

- **Respect:** Treat everyone with dignity, value their contributions and help one another succeed
- **Integrity:** Uphold the highest ethical standards in our business practices
- **Service:** Dedicate ourselves to making a meaningful impact on our clients and in our communities
- **Excellence:** Aspire to be the best in everything we do and strive for continuous improvement

RESPECT/INTEGRITY/SERVICE/EXCELLENCE





## Our Strategy

Provide a **complete suite of market leading services** to property owners and occupiers through a **fully integrated global business platform** and a **managed account strategy**



## Our Objectives

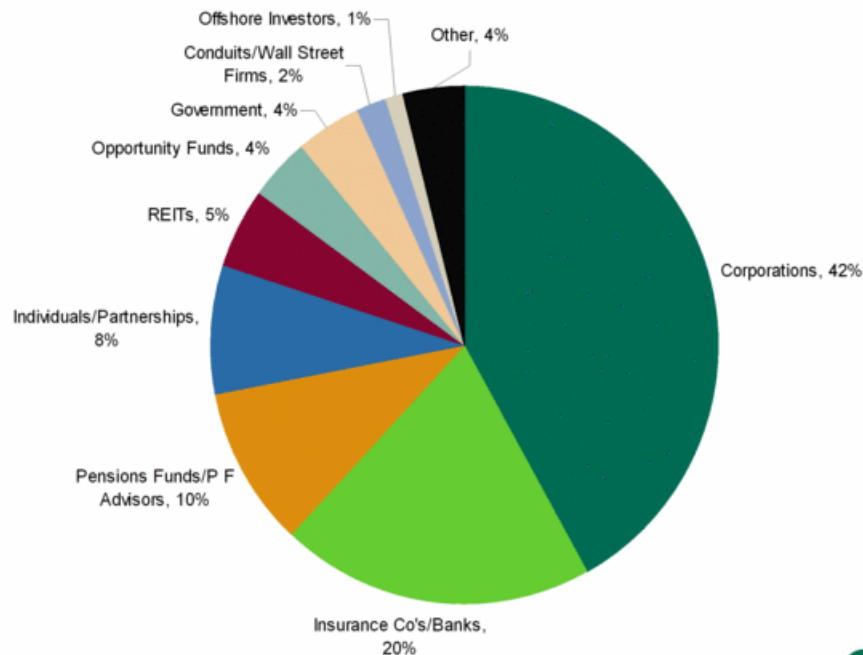
- Establish and maintain the leading position in every major world city.
- Establish and maintain the leading position in each service we provide.
- Maintain the most admired, highest quality brand.
- Recruit, hire and retain the finest people in our industry.
- Foster and maintain a culture of integrity, excellence and continuous improvement.
- Lead the industry in revenue and profit growth and retain the industry's highest operating margins.



## Diverse Client Base

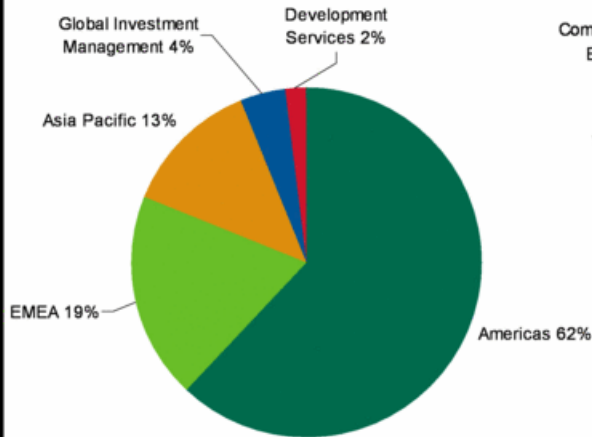
Diversified revenue spread across broad base of clients

2009 Revenue by Client Type

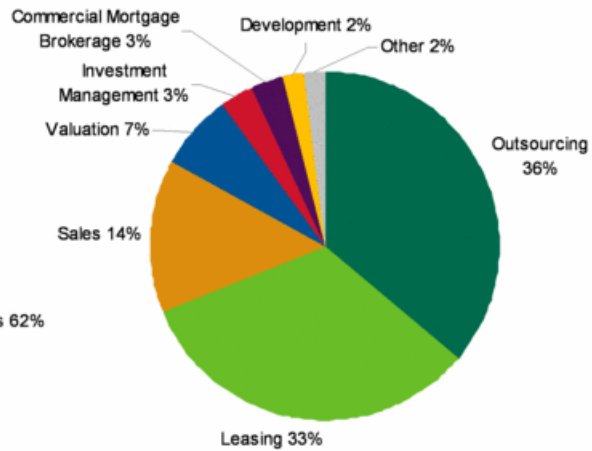


# Diversification

## Geographic (LTM 9/30/2010 Revenue<sup>1</sup>)



## Business Line (LTM 9/30/2010 Revenue<sup>1</sup>)



1. LTM 9/30/2010 revenue was \$4.8 billion. This includes \$1.7 million of revenue related to discontinued operations.

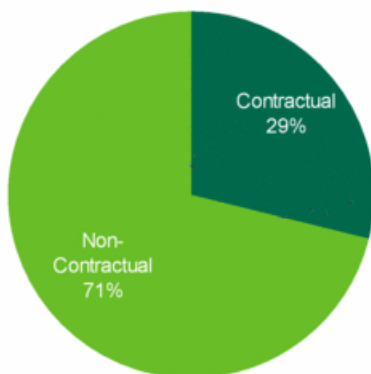
CB Richard Ellis | Page 7



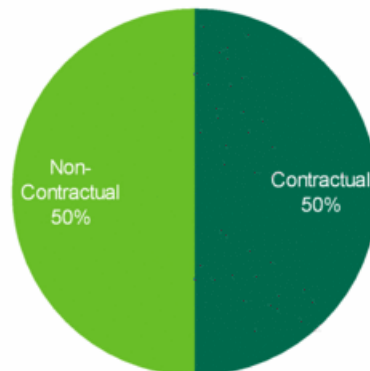
# Diversification

Contractual revenues<sup>1</sup> represented 50% of LTM revenue, up from 29% in 2006

## 2006 Revenue<sup>2,3</sup>



## LTM 9/30/2010 Revenue<sup>3</sup>



1. LTM 9/30/2010 revenue was \$4.8 billion. This includes \$1.7 million of revenue related to discontinued operations.

2. Reflects Trammell Crow Company's revenue contributions beginning on December 20, 2006.

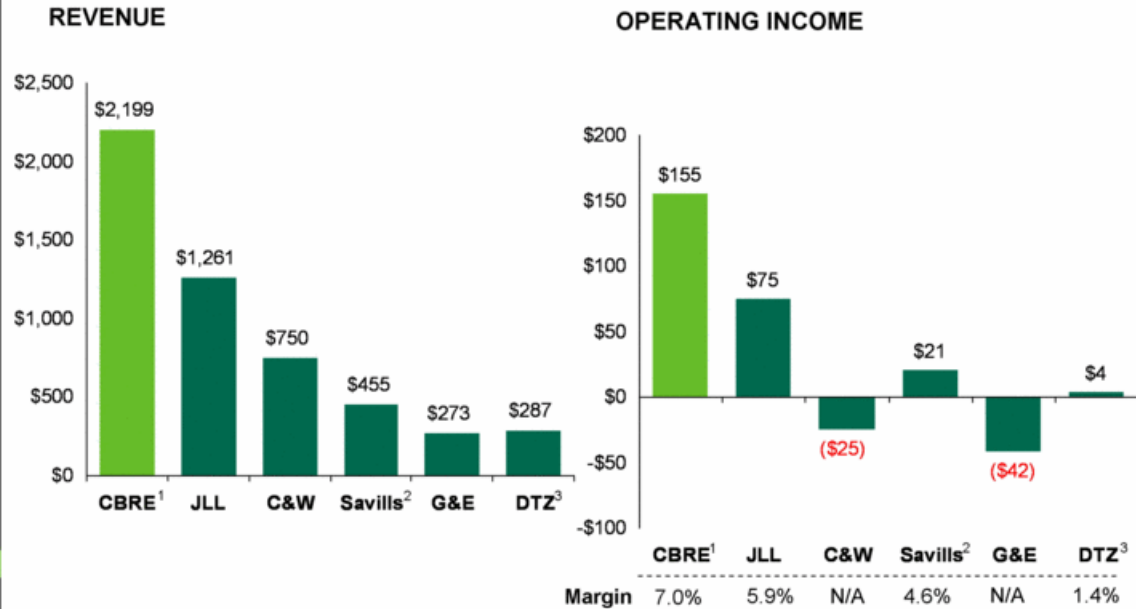
3. Contractual revenue includes: Property & Facilities Management (14% in 2006 and 36% in LTM 2010), Appraisal & Valuation (7% in both 2006 and LTM 2010), Investment Management (6% in 2006 and 3% in LTM 2010), Development Services (1% in 2006 and 2% in LTM 2010) and Other (1% in 2006 and 2% in LTM 2010). Non-contractual revenue includes: Sales (31% in 2006 and 14% in LTM 2010), Leasing (37% in 2006 and 33% in LTM 2010) and Commercial Mortgage Brokerage (3% in both 2006 and LTM 2010).

CB Richard Ellis | Page 8



# YTD Q2 2010 CBRE vs. Global Competitors: Global Results

\$ in millions



1. Includes \$1.0 million of revenue and \$12.3 million of operating income related to discontinued operations.
2. Based on 6/30/10 exchange rate of 1£ = \$1.4947.
3. Six months ended 4/30/10; based on 4/30/10 exchange rate of 1£ = \$1.52993.

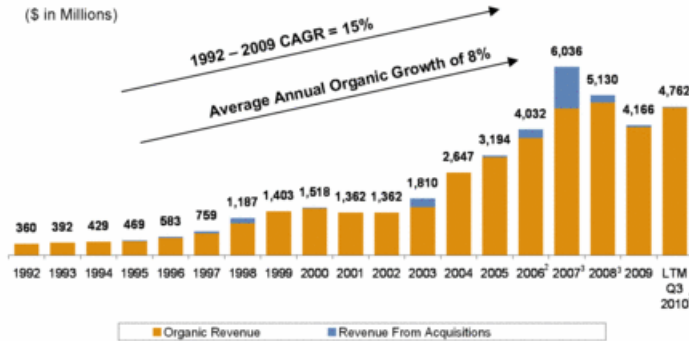
Source: Company public filings  
CB Richard Ellis | Page 9



## Historical Performance

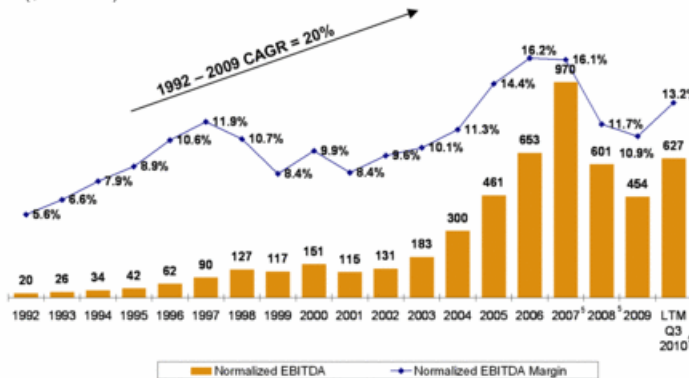
### Revenue <sup>1</sup>

(\$ in Millions)



### Normalized EBITDA and Margin <sup>4</sup>

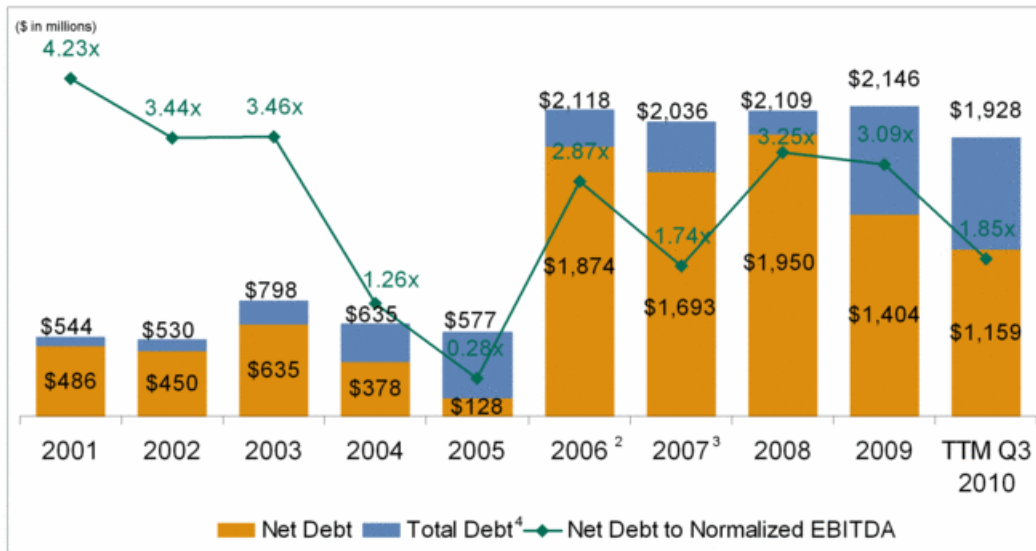
(\$ in Millions)



1. No reimbursements are included for the period 1992 through 1996, as amounts were immaterial. Reimbursements for 1997 through 2001 have been estimated. For 2002 and forward, reimbursements are included.
2. Includes Trammell Crow Company activity for the period December 20, 2006 through December 31, 2006.
3. Includes revenue from discontinued operations, which totaled \$2.1 million for the year ended December 31, 2007, \$1.3 million for the year ended December 31, 2008, and \$1.7 million for twelve months ended September 30, 2010.
4. Normalized EBITDA excludes merger-related and other non-recurring costs, integration costs related to acquisitions, cost containment expenses, one-time IPO-related compensation expense, gains/losses on trading securities acquired in the Trammell Crow Company acquisition and the write-down of impaired assets.
5. Includes EBITDA related to discontinued operations of \$6.5 million for the year ended December 31, 2007, \$16.9 million for the year ended December 31, 2008, and \$15.3 million for the twelve months ended September 30, 2010.



# Debt Highlights



Normalized <sup>1</sup> EBITDA:	2001	2002	2003	2004	2005	2006 <sup>2</sup>	2007 <sup>3</sup>	2008	2009	TTM Q3 2010
	\$115	\$131	\$183	\$300	\$461	\$653	\$970	\$601	\$454	\$627

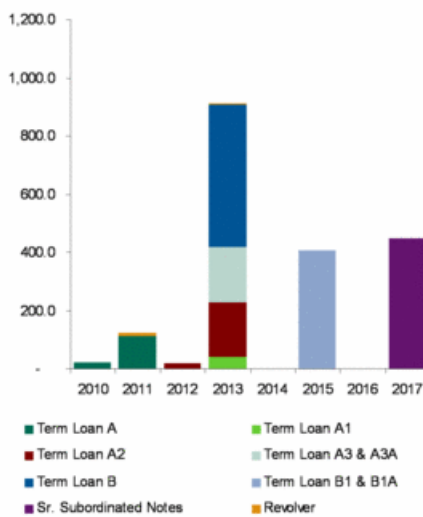
1. Normalized EBITDA excludes merger-related and other non-recurring costs, integration costs related to acquisitions, cost containment expenses, one-time IPO related compensation expense, gains/losses on trading securities acquired in the TCC acquisition and the write-down of impaired assets.
2. 2006 normalized EBITDA excludes \$106.8 million for TCC for the period January 1, 2006 through December 20, 2006.
3. 2007 normalized EBITDA excludes \$61.6 million of Development Services gains, which could not be recognized under purchase accounting rules.
4. Total debt excludes non-recourse debt.



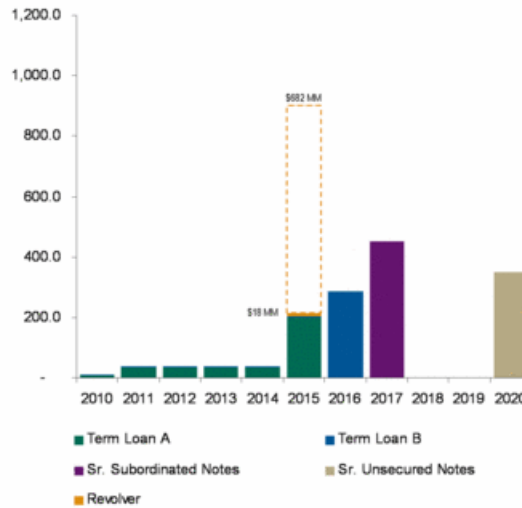
# Mandatory Amortization and Maturity Schedule

\$ millions

As of September 30, 2010<sup>1</sup>



As of November 10, 2010<sup>2</sup>



1. Approximately \$225.1 million and \$333.0 million of the revolver facilities mature in June 2011 and June 2013 respectively. As of 9/30/10 the outstanding revolver balance was \$17.9 million.
2. Includes the senior unsecured notes issued on October 8, 2010 and bank refinancing on November 10, 2010.



# Capitalization Table

(\$ in millions)	As of		
	Proforma 9/30/2010 <sup>1</sup>	9/30/2010	12/31/2009
Cash	270.1	768.7	741.6
Revolving credit facility	17.9	17.9	21.1
New senior secured term loan A	350.0	-	-
Senior secured term loan A	-	135.9	326.3
Senior secured term loan A-1	-	41.4	48.6
Senior secured term loan A-2	-	203.2	203.2
Senior secured term loan A-3	-	167.5	167.5
Senior secured term loan A-3A	-	24.0	-
New senior secured term loan B	300.0	-	-
Senior secured term loan B	-	489.0	642.8
Senior secured term loan B-1	-	293.2	295.2
Senior secured term loan B-1A	-	114.4	-
Senior unsecured notes	350.0	-	-
Senior subordinated notes <sup>2</sup>	437.4	437.4	436.5
Notes payable on real estate <sup>3</sup>	3.5	3.5	3.5
Other debt <sup>4</sup>	0.2	0.2	1.0
<b>Total debt</b>	<b>1,459.0</b>	<b>1,927.6</b>	<b>2,145.7</b>
Stockholders' equity	773.4	773.4	629.1
<b>Total capitalization</b>	<b>2,232.4</b>	<b>2,701.0</b>	<b>2,774.8</b>
<b>Total net debt</b>	<b>1,188.9</b>	<b>1,158.9</b>	<b>1,404.1</b>

1. Includes refinancing of CBRE's credit facility and the issuance of 6 5/8% senior unsecured notes.
2. Net of original issue discount of \$12.6 million and \$13.5 million at September 30, 2010 and December 31, 2009, respectively.
3. Represents notes payable on real estate in Development Services that are recourse to the Company. Excludes non-recourse notes payable on real estate of \$676.1 million and \$547.8 million at September 30, 2010 and December 31, 2009, respectively.
4. Excludes \$260.1 million and \$312.9 million of non-recourse warehouse facility at September 30, 2010 and December 31, 2009, respectively, as well as \$2.0 million and \$5.5 million of non-recourse revolving credit facility in Development Services at September 30, 2010 and December 31, 2009, respectively.



# Business Outlook

- Investment sales and leasing should continue to show nice year over year improvements - but comparisons are getting tougher
- Recent outsourcing trends and wins give us confidence about solid growth ahead for this business
- Planned expenses reinstated in Q3 2010 will continue to be visible in near term quarterly comparisons



# Appendix



## Reconciliation of Normalized EBITDA to EBITDA to Net Income (Loss)

(\$ in millions)	LTM Q3 2010	Year Ended December 31,				
		2009	2008	2007	2006	2005
Normalized EBITDA <sup>1</sup>	\$ 627.2	\$ 453.9	\$ 601.2	\$ 970.1	\$ 652.5	\$ 461.3
Less:						
Write-down of impaired assets	25.5	32.5	100.4	-	-	-
Cost containment expenses	23.7	43.6	27.4	-	-	-
Integration costs related to acquisitions	4.3	5.7	16.4	45.2	7.6	7.1
Merger-related charges	-	-	-	56.9	-	-
Loss (gain) on trading securities acquired in the Trammell Crow Company acquisition	-	-	-	33.7	(8.6)	-
EBITDA <sup>1</sup>	573.7	372.1	457.0	834.3	653.5	454.2
Add:						
Interest income <sup>2</sup>	7.6	6.1	17.9	29.0	9.8	9.3
Less:						
Depreciation and amortization <sup>3</sup>	105.3	99.5	102.9	113.7	67.6	45.5
Interest expense <sup>4</sup>	203.7	189.1	167.8	164.8	45.0	54.3
Write-off of financing costs	-	29.3	-	-	33.8	7.4
Goodwill and other non-amortizable intangible asset impairments	-	-	1,159.4	-	-	-
Provision for income taxes <sup>5</sup>	102.9	27.0	56.9	194.3	198.3	138.9
Net income (loss) attributable to CB Richard Ellis Group, Inc.	\$ 169.4	\$ 33.3	\$ (1,012.1)	\$ 390.5	\$ 318.6	\$ 217.3
Revenue <sup>6</sup>	4,762.2	4,165.8	5,130.1	6,036.3	4,032.0	3,194.0
Normalized EBITDA Margin	13.2%	10.9%	11.7%	16.1%	16.2%	14.4%

Notes:

- Includes EBITDA related to discontinued operations of \$15.3 million for the twelve months ended September 30, 2010, \$16.9 million for the year ended December 31, 2008 and \$6.5 million for the year ended December 31, 2007.
- Includes interest income related to discontinued operations of \$0.1 million for the year ended December 31, 2008 and \$0.01 million for the year ended December 31, 2007.
- Includes depreciation and amortization related to discontinued operations of \$0.2 million for the twelve months ended September 30, 2010, \$0.1 million for the year ended December 31, 2008 and \$0.4 million for the year ended December 31, 2007.
- Includes interest expense related to discontinued operations of \$1.1 million for the twelve months ended September 30, 2010, \$0.6 million for the year ended December 31, 2008 and \$1.8 million for the year ended December 31, 2007.
- Includes provision for income taxes related to discontinued operations of \$5.0 million for the twelve months ended September 30, 2010, \$6.0 million for the year ended December 31, 2008 and \$1.6 million for the year ended December 31, 2007.
- Includes revenue related to discontinued operations of \$1.7 million for the twelve months ended September 30, 2010, \$1.3 million for the year ended December 31, 2008 and \$2.1 million for the year ended December 31, 2007.







## Economic Outlook

Raymond G. Torto, PhD, CRE  
Global Chief Economist

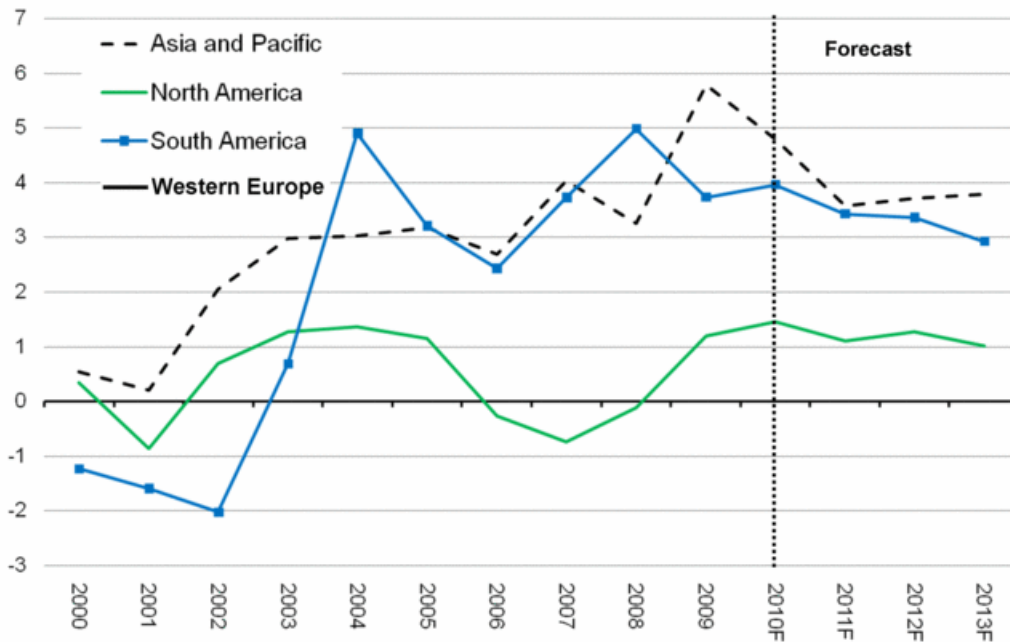
November 17, 2010

Global Research and Consulting



## Regional Growth Disparities Have Widened

Real GDP (Annual Percent Change)  
Spread from Western Europe



Source: CBRE Global Research and Consulting, Global Insight, October 2010

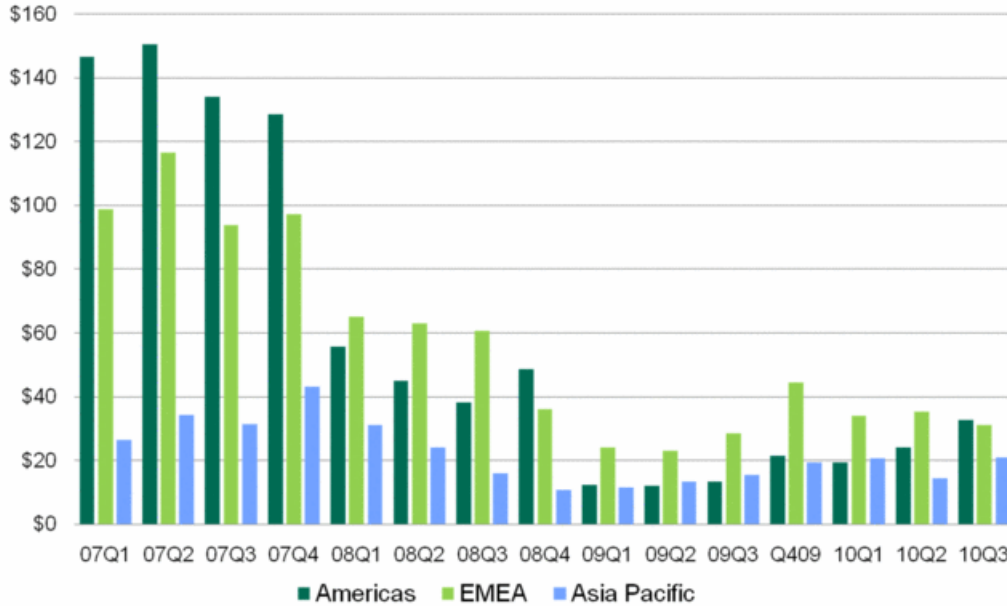
Global Research and Consulting





# Global Deal Flow Better, but...

Transaction Volume  
(\$ billions)



Source: Real Capital Analytics (October 2010).  
\*Does not include sales of Chinese development sites.

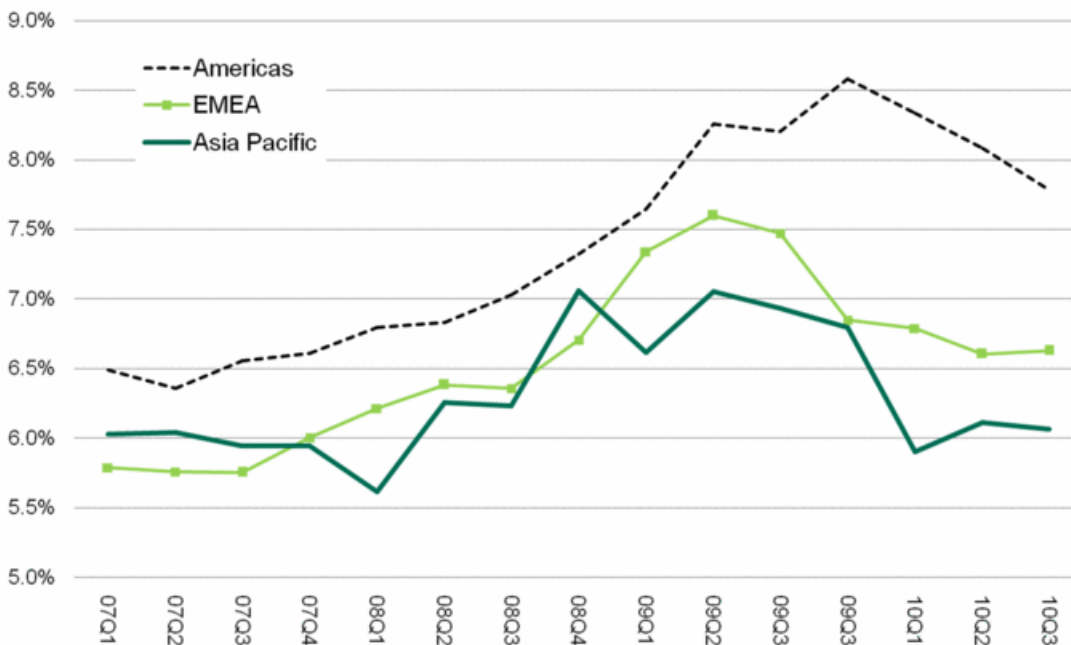
Global Research and Consulting

CB Richard Ellis | Page 3



# Data is Limited, but Cap Rates Recovering

Average Quarterly Cap Rates By Region



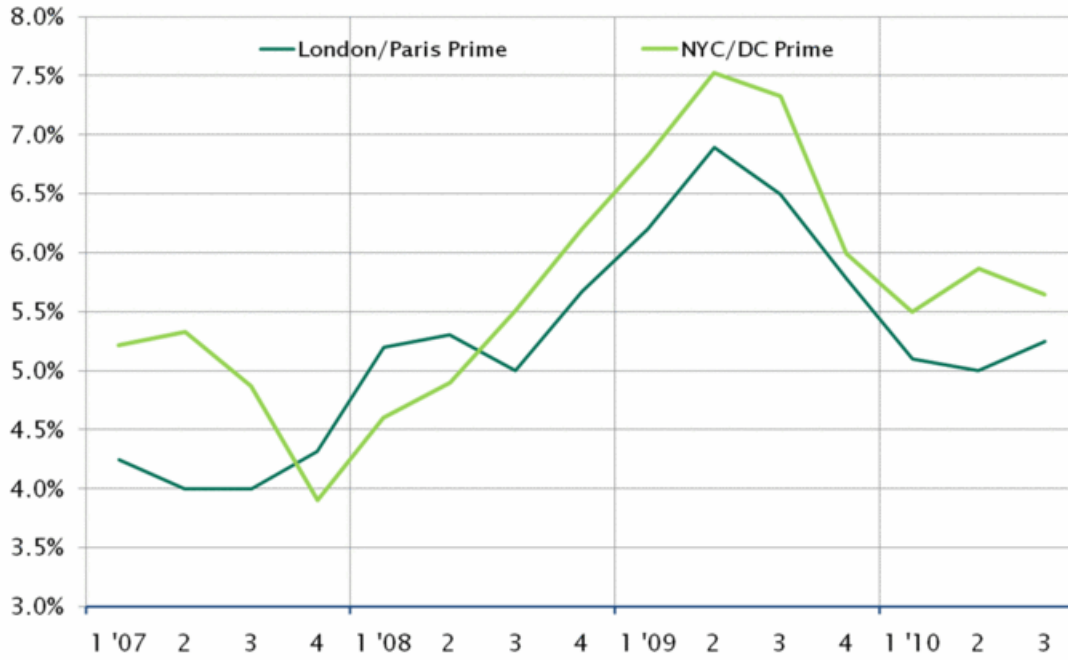
Source: Real Capital Analytics (October 2010).  
\* Cap rates for commercial properties only.

Global Research and Consulting

CB Richard Ellis | Page 4



# Prime Cap Rates: London/Paris vs. NY/DC



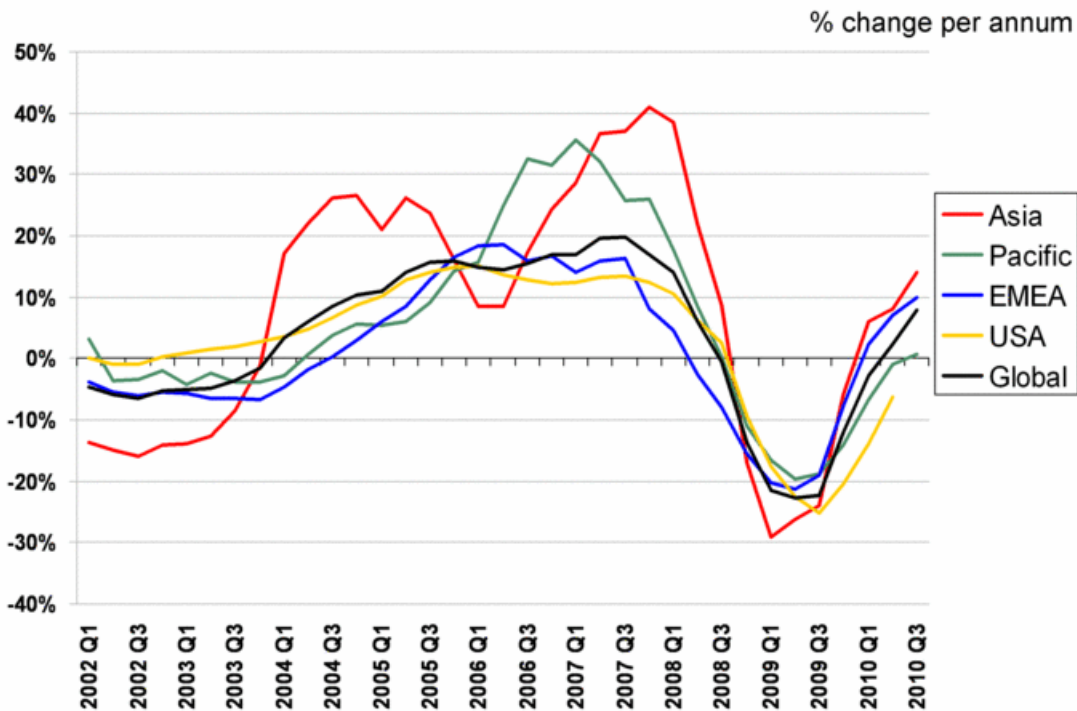
Source: RCA, October 2010

Global Research and Consulting

CB Richard Ellis | Page 5



# Global Capital Value Trends



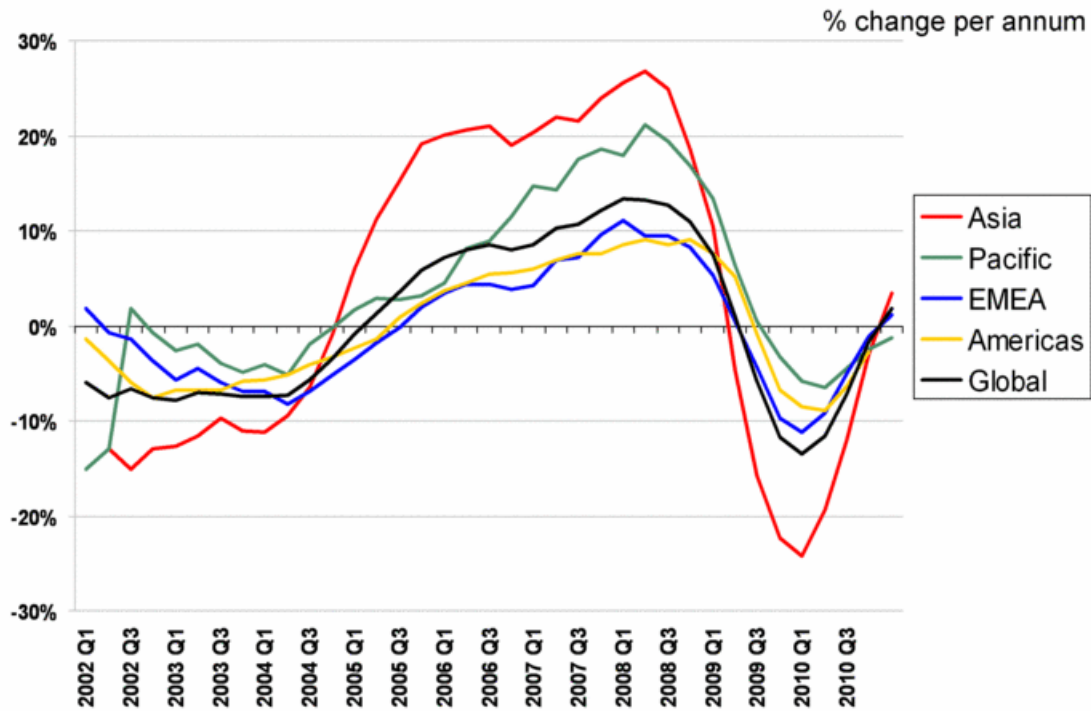
Source: CB Richard Ellis, NCREIF

Global Research and Consulting

CB Richard Ellis | Page 6



# Global Rental Trends



Source: CB Richard Ellis

Global Research and Consulting



CB Richard Ellis | Page 7

# Rental "Traction" Snapshot: 3Q



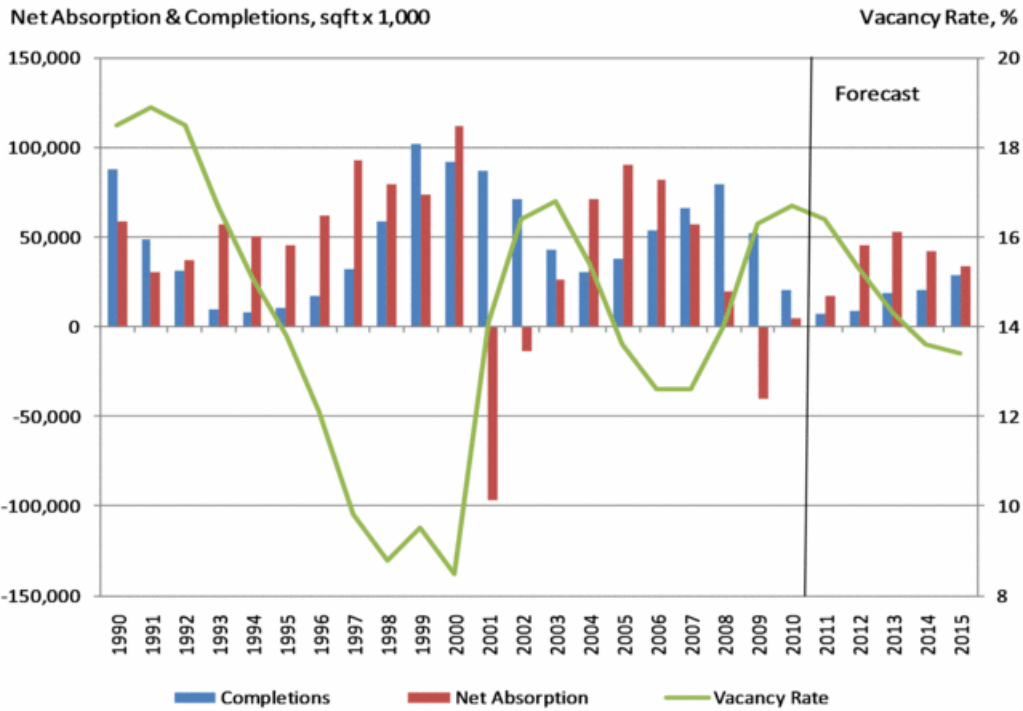
Source: CBRE Global Research and Consulting, November 2010

Global Research and Consulting



CB Richard Ellis | Page 8

## Limits on US Supply Push Office Vacancy Downward



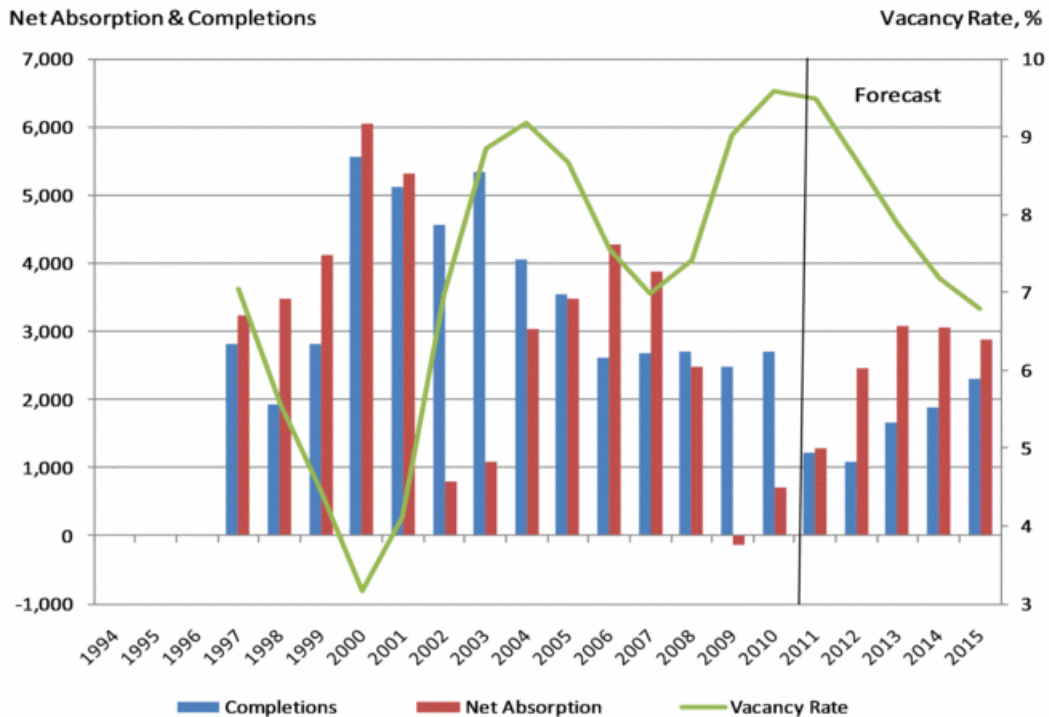
Source: CBRE-EA Outlook, Winter 2011

Global Research and Consulting

CB Richard Ellis | Page 9

**CBRE**  
CB RICHARD ELLIS

## Similar Story in EU Office Market



Source: CBRE-EA Outlook, Fall 2010

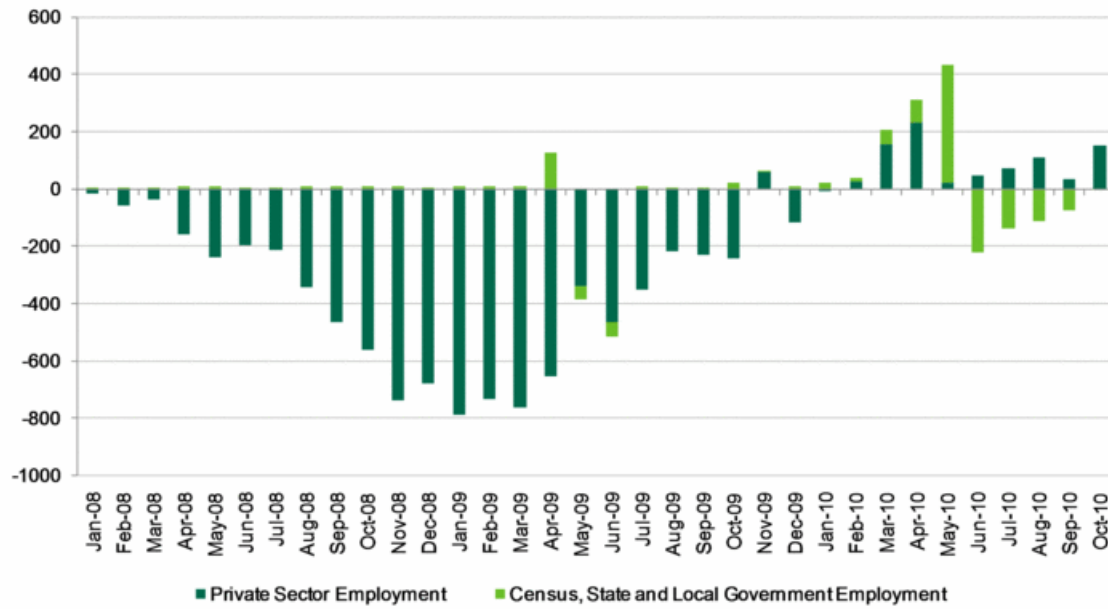
Global Research and Consulting

CB Richard Ellis | Page 10

**CBRE**  
CB RICHARD ELLIS

# The Private Sector is Adding Jobs

Change in Employment (x1000)



Source: Bureau of Labor Statistics

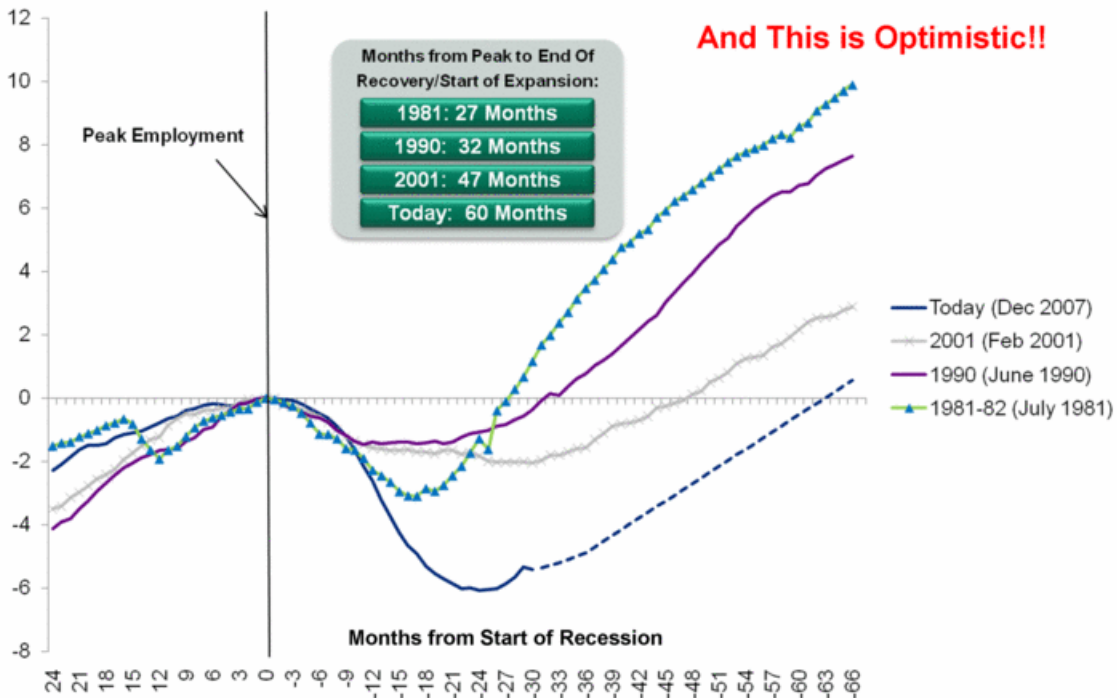
Global Research and Consulting

CB Richard Ellis | Page 11



# But a Long Recovery to Former Health

Employment, % Change From Peak



Source: Bureau of Labor Statistics, CBRE Economic Advisors (September, 2010).

Global Research and Consulting

CB Richard Ellis | Page 12



# Vacancy at 3Q

## Vacancy and Availability Rates

	2010Q3	Peak/Year	Previous Peak Year
Office	16.6	16.7 / 2010	17.0 / 2003
Industrial	14.0	14.1 / 2010	11.8 / 2004
Retail	13.0	13.1 / 2010	11.4 / 1992
Multifamily	5.7	7.5 / 2009	6.7 / 2003
Hotels*	30.6	42.7 / 2009	44.2 / 2001

Sources: CBRE-EA Winter 2011 Outlook

\*Full service only

Global Research and Consulting



CB Richard Ellis | Page 13

# Economic Rent by Property Type: Past & Future

	Economic Rent Growth (%)		
	History	Forecast	
	2007q4 – 2010q2	2010q2 – 2012q2 (Base case)	2010q2 – 2012q2 (Double Dip)
Office	-14.3	4.5	-4.6
Industrial	-17.6	2.4	-3.0
Multi-Housing	-4.7	5.6	1.4
Retail	-12.7	0.1	-5.4

Global Research and Consulting



CB Richard Ellis | Page 14





## Business Segment Overview

**Bob Sulentic**  
President

November 17, 2010



## Americas Business Overview





## Americas Trends

- Improving transaction activity, but challenging fundamentals without job growth
- High vacancies are peaking with relatively strong leasing activity
- Premium pricing for quality product (bifurcated market)... facilitating short term investment activity
- Debt returning to the market (higher LTV's, lower spreads)
- Significant new outsourcing wins, but competitive market
- Corporate customers continue to resist spending
- Some, but limited activity from "distress market"
- Phased reinstatement of certain costs



CB Richard Ellis | Page 3

## 2009 Americas Corporate Stats

### Unique Breadth and Depth

Total Transaction Value	\$53.7 billion
Property Sales (# of Transactions)	3,225
Property Sales (Transaction Value)	\$17.1 billion
Property Leasing (# of Transactions)	26,825
Property Leasing (Transaction Value)	\$36.6 billion
Property & Corporate Facilities	
Under Management	1.3 billion sq. ft. <sup>(1)</sup>
Loan Originations	\$6.3 billion
Loan Servicing	\$114.4 billion <sup>(2)</sup>
Investment Assets Under Management	\$20.9 billion
Development in Process/Pipeline	\$4.7 billion <sup>(3)</sup>
Valuation and Advisory Assignments	30,150
Project Management Contract Value	\$6.0 billion

(1) Includes affiliate company totals

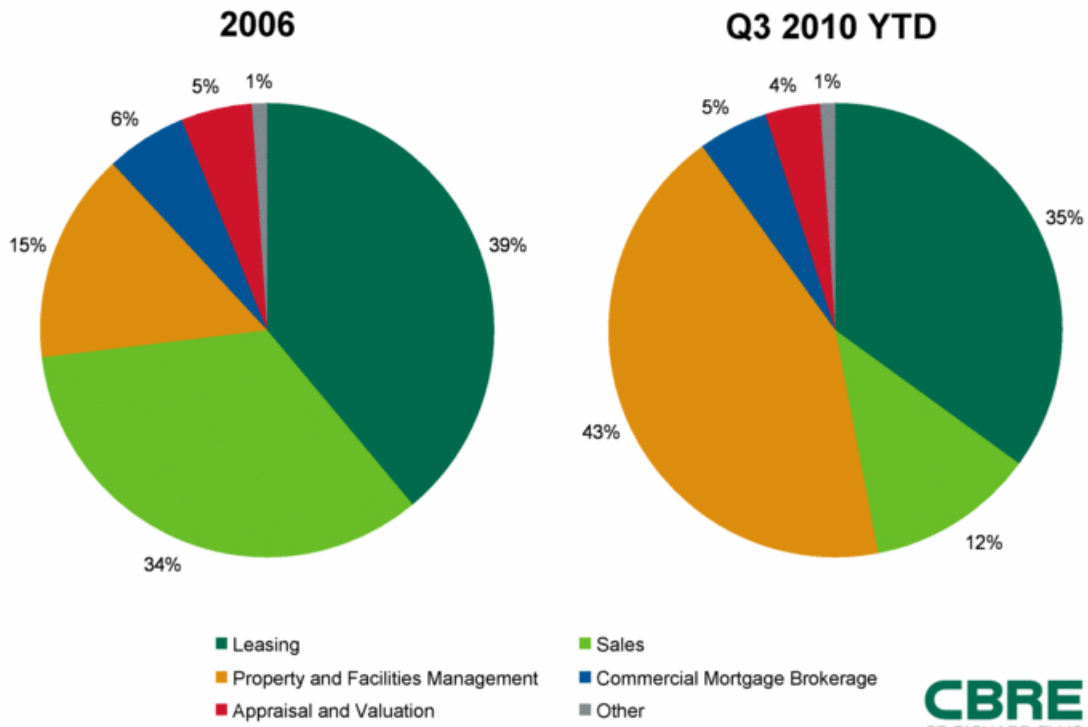
(2) Reflects loans serviced by GEMSA, a joint venture between CBRE Capital Markets and GE Capital Real Estate

(3) Includes \$1.4 billion of Long-Term Operating Assets (projects that have achieved a stabilized level of occupancy or have been held 18-24 months following shell completion or acquisition)

CB Richard Ellis | Page 4



# Americas Revenue by Service Line



## EMEA Business Overview



- Investment activity up materially in major economies
- Leasing up materially, but with concern about sustainability
- Economy challenged by job growth issues
- Significant momentum in GCS
- Aggressively pushing pan European Asset Services platform
- Strong continued focus on cost control



## 2009 EMEA Corporate Stats

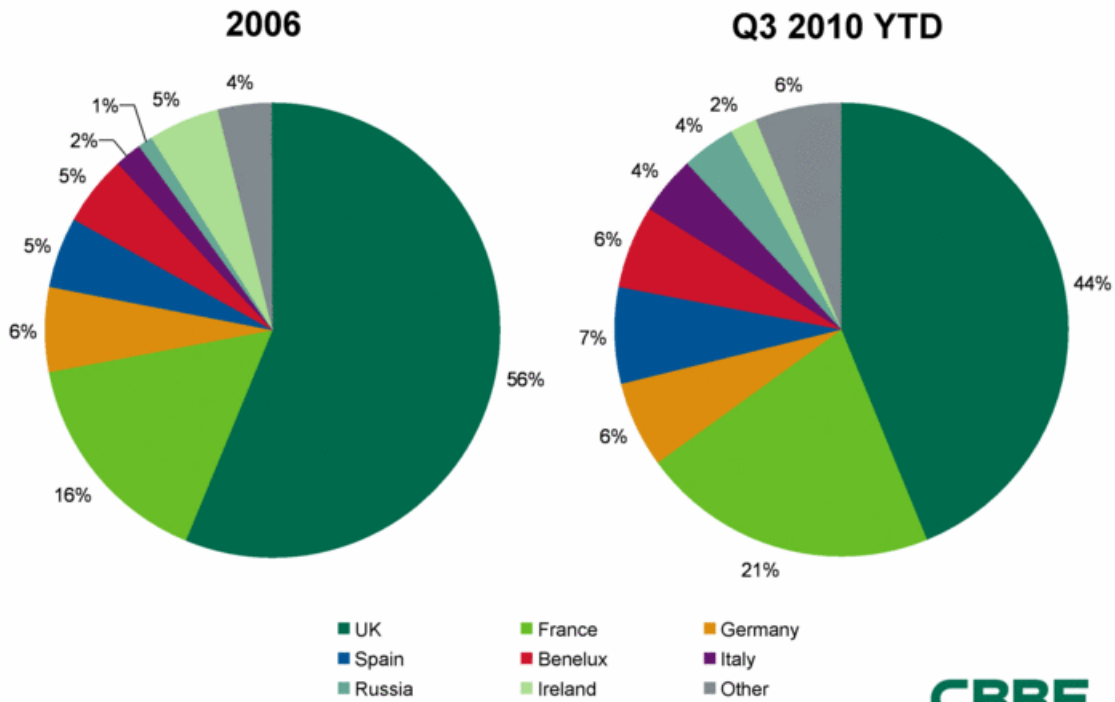
Total Transaction Value	\$27.1 billion
Property Sales (# of Transactions)	1,700
Property Sales (Transaction Value)	\$14.8 billion
Property Leasing (# of Transactions)	4,925
Property Leasing (Transaction Value)	\$12.3 billion
Property & Corporate Facilities Under Management	400 million sq. ft. <sup>(1)</sup>
Loan Servicing	\$1.8 billion
Investment Assets Under Management	\$12.7 billion
Valuation & Advisory Assignments	54,200
Project Management Contract Value	\$1.4 billion

(1) includes affiliate company totals



# EMEA Geographic Spread

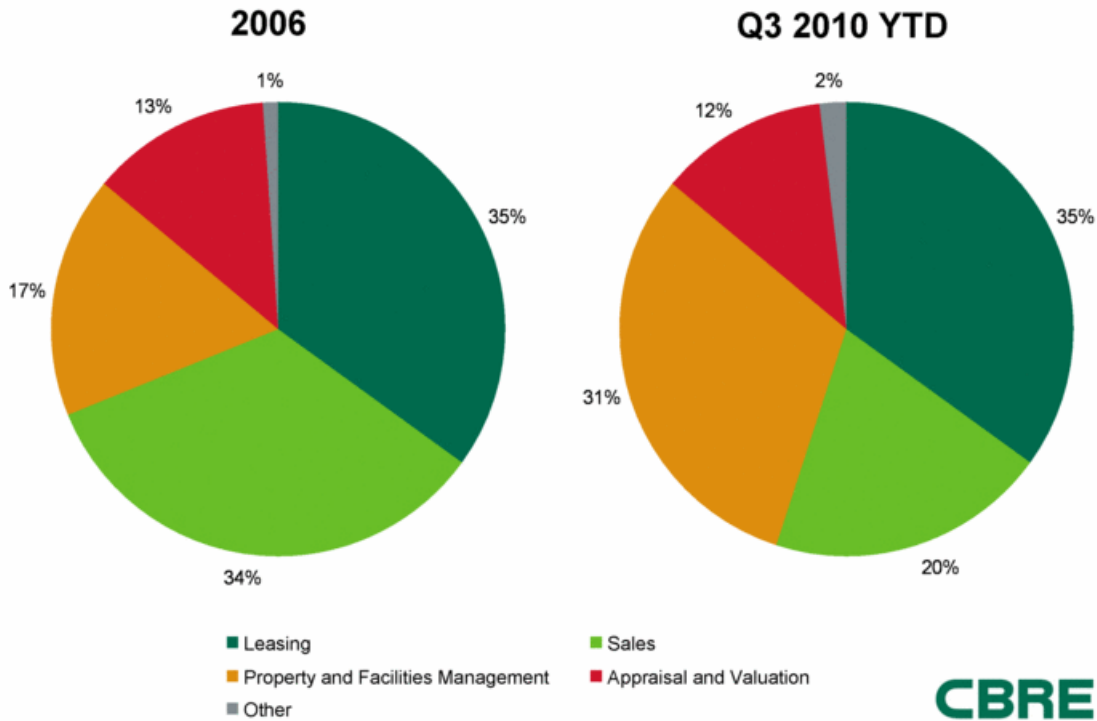
Revenue



\* Other: Includes Austria, Poland, Sweden, UAE, among others  
 CB Richard Ellis | Page 9



# EMEA Revenue by Service Line



CB Richard Ellis | Page 10





## Asia Pacific Business Overview



## Asia Pacific Trends

- Strong activity across all business lines
- Australia particularly strong across markets and business lines
- Some mixed signs on investment activity in Asia (bubble issue)
- Integrated and enhanced Asset Services and Valuation offerings to drive growth
- Significant progress in attracting talent and building support infrastructure



## 2009 Asia Pacific Corporate Stats

Total Transaction Value	\$16.4 billion
Property Sales (# of Transactions)	4,425
Property Sales (Transaction Value)	\$8.6 billion
Property Leasing (# of Transactions)	10,725
Property Leasing (Transaction Value)	\$7.8 billion
Property & Corporate Facilities Under Management	800 million sq. ft. <sup>(1)</sup>
Investment Assets Under Management	\$1.1 billion
Valuation & Advisory Assignments	19,875
Project Management Contract Value	\$3.7 billion

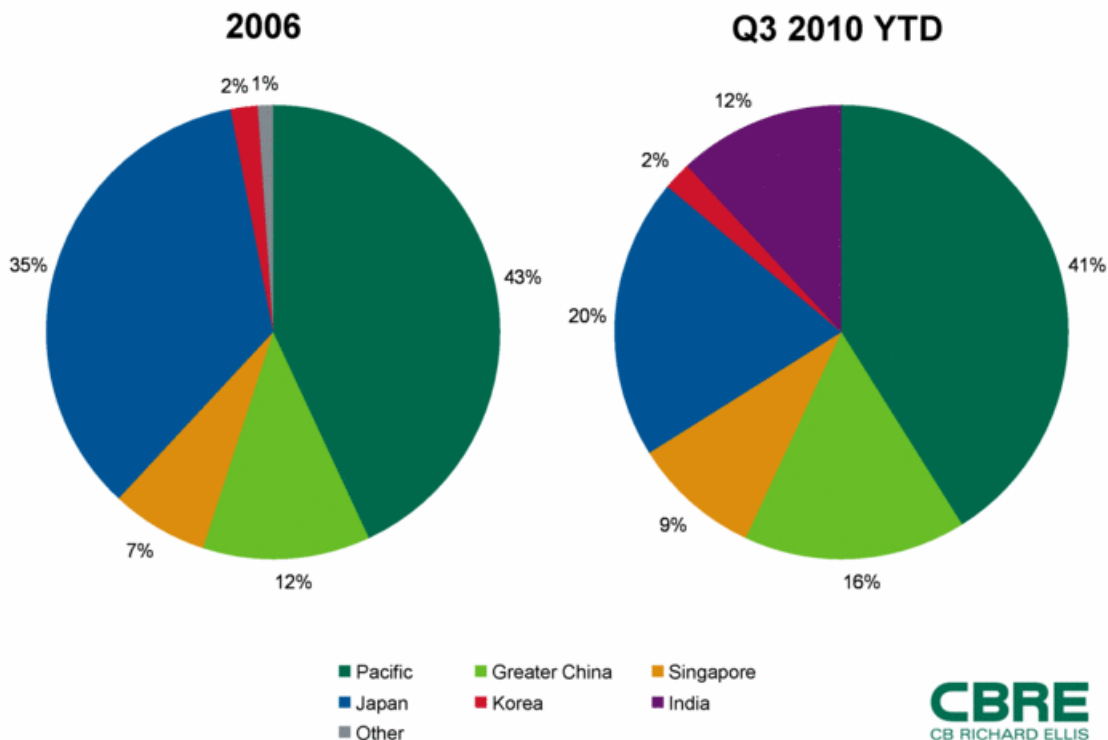
(1) includes affiliate company totals

CB Richard Ellis | Page 13



## Asia Pacific Geographic Spread

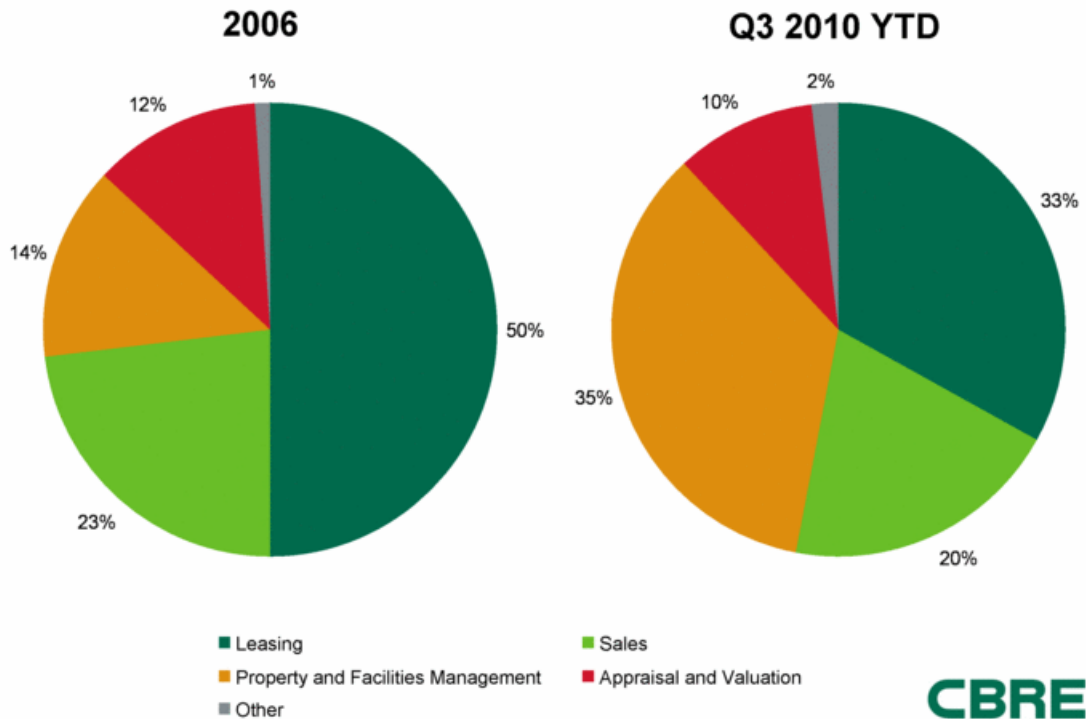
Revenue



CB Richard Ellis | Page 14



## Asia Pacific Revenue by Service Line



CB Richard Ellis | Page 15

**CBRE**  
CB RICHARD ELLIS

## Investment Management Trends

- Equity placed YTD through September 2010 -- \$3.3 Billion
- Capital raised YTD through September 2010 -- \$4.0 Billion
- Equity of \$2.4 Billion available for deployment at September 30, 2010
- Company co-investment of \$94.1 Million at September 30, 2010
- Starting to see increased capital allocations (focus on core v. value-add funds)
- Liquidity and fee pressures in a limited number of funds and managed accounts

CB Richard Ellis | Page 16

**CBRE**  
CB RICHARD ELLIS



# Development Trends

---

- Business dramatically downsized from year ago
- Company co-investment of \$60.0 Million at September 30, 2010
- Pipeline and in-process of \$6.0 Billion at September 30, 2010
- Several large and very profitable sales allowed for significant outperformance in 2010 but such “inventory” is limited
- Focus has shifted to build to suit, services and healthcare
- New capital is very scarce and the business remains challenged



## CBRE Capital Markets

**Brian Stoffers**  
President, Capital Markets

November 17, 2010



## Where Are We Now?

### U.S. Investment Market

- Q310 YTD market wide sales volume down 82.8% vs. Q307 YTD peak
- Q310 YTD market wide sales volume up 88.4% from a year ago to \$66.2 billion
- Lack of return in other asset classes and pension fund rebalancing are primary drivers for buyers
- Equity markets rebounding (at the moment)
- Pricing has increased by 25% from the bottom with cap rates tightening 100-150 bps for yield profile deals at 5.5%

### U.S. Debt Market

- Spreads on commercial 200+/- bps over 10-year treasury with 60-75% LTV
- 4-5% rate - 65-75% LTV



# Where Are We Now?

## Buyer/Seller

- Public and Private REITs continue to be some of the most aggressive capital in the market
- Foreign capital showing interest, dollar cheap
- Distressed properties experiencing increased rate of workouts and note sales experiencing higher prices due to vigorous bidding

## The Returns

Cap Rates	Q3 2010 Average	Change Since Q4 2009
Office	7.3%	↓ -173 bps
Retail	7.8%	↓ -46 bps
Industrial	8.4%	↓ -42 bps
Multi-Housing	6.7%	↓ -37 bps

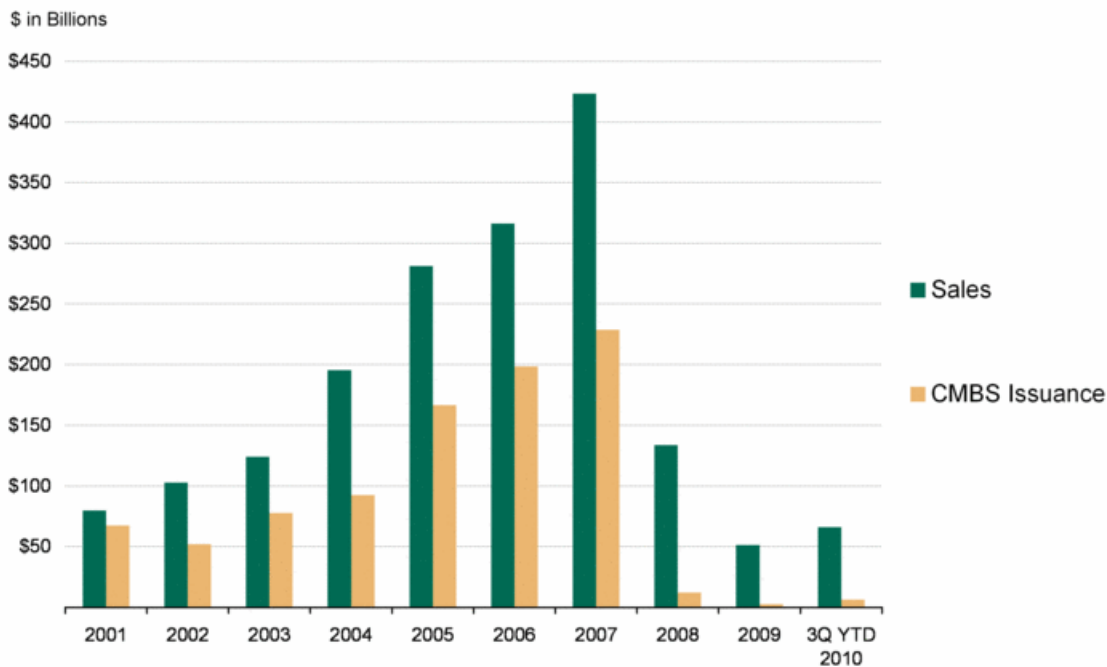
Source: Real Capital Analytics

CB Richard Ellis | Page 3



## Debt Spawns and Stalls Activity, Improving Horizon

### U.S. Commercial Real Estate Transaction Volume & CMBS Issuance



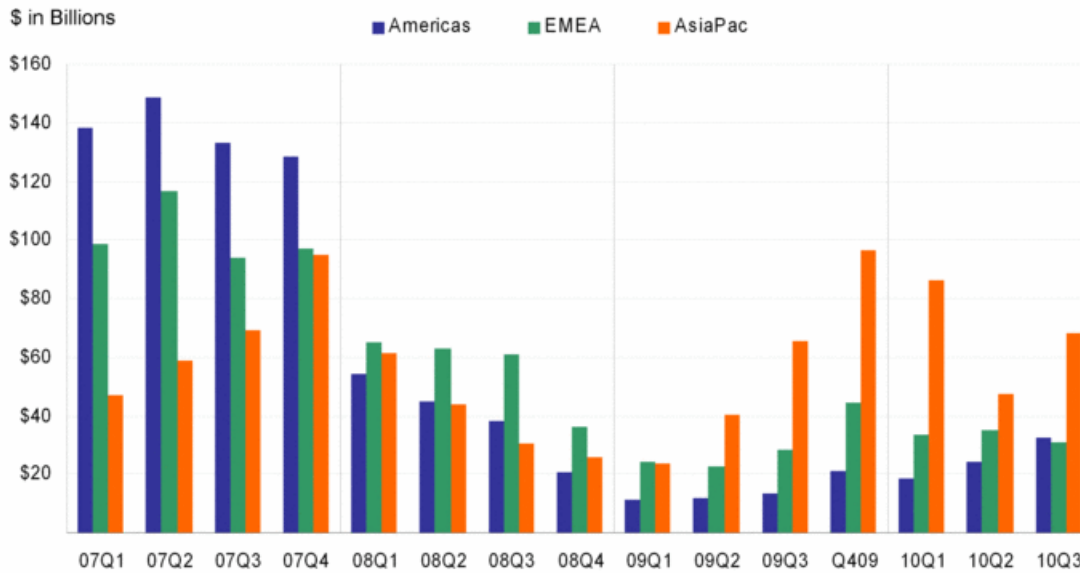
Source: Real Capital Analytics, Commercial Mortgage Alert, Data thru Q3 YTD 2010

CB Richard Ellis | Page 4



# Turning the Corner?

## Global Transaction Activity 2010 Q3



Source: Real Capital Analytics, CBRE Econometric Advisors

CB Richard Ellis | Page 5



## Q3 2010 U.S. CBRE Capital Markets Activity

Capital Markets Activity			
	Q3 2010	Q3 2009	% Change
Investment Sales Volume	\$5.1B	\$1.6B	219%
Loan Origination Volume	\$3.6B	\$1.3B	177%
<b>Total Capital Markets Activity</b>	<b>\$8.7B</b>	<b>\$2.9B</b>	<b>200%</b>

Loan Servicing			
	Q3 2010	Q3 2009	% Change
<b>Total Loan Servicing*</b>	<b>\$55.0B</b>	<b>\$59.4B</b>	<b>-7.4%</b>

Direct Lending Production	
<b>Fannie/Freddie/FHA</b>	\$2.5B Year-to-Date

\* Reflects loans serviced by GEMSA, a joint venture between CBRE Capital Markets and GE Capital Real Estate

CB Richard Ellis | Page 6



# CBRE's U.S. Capital Markets Activity Levels

Investment Sales	YTD Q3 2010	YTD Q3 2009	% Chg
Office	\$3.5B	\$1.8B	94.4%
Retail	\$1.3B	\$0.6B	117%
Industrial	\$1.4B	\$0.8B	75.0%
Multi-Housing	\$3.2B	\$1.9B	68.4%
Hotels	\$0.5B	\$0.1B	400%
<b>Investment Sales Volume</b>	<b>\$9.9B</b>	<b>\$5.2B</b>	<b>90.4%</b>
Loan Origination Activity	\$8.3B	\$4.4B	88.6%
<b>Total Capital Markets Activity</b>	<b>\$18.2B</b>	<b>\$9.6B</b>	<b>89.6%</b>

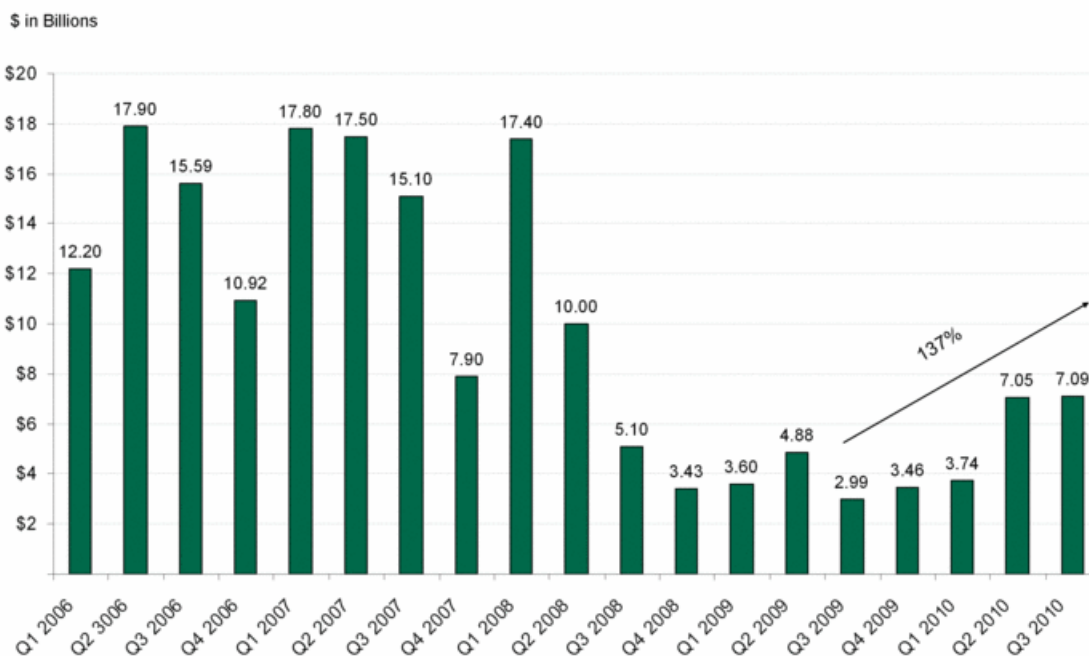
Source: Investment Sales data from Real Capital Analytics, Loan Origination volume includes Loan Sales Activity

CB Richard Ellis | Page 7



# Institutional Properties Pipeline

## New Business Wins

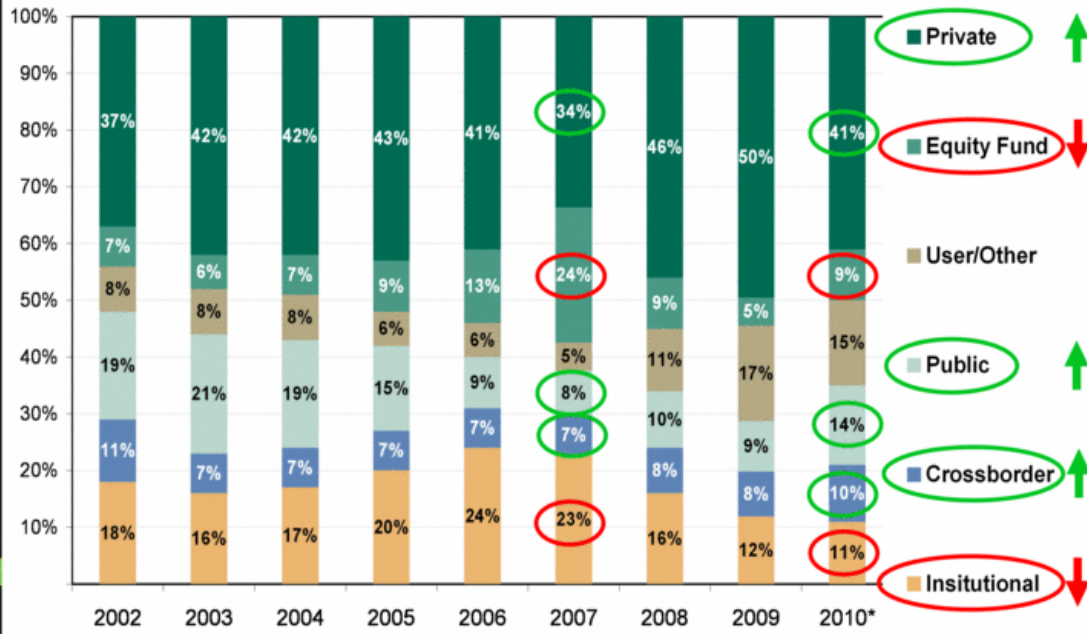


Source: CBRE Capital Markets

CB Richard Ellis | Page 8



# U.S. Sales Volume Buyer Composition



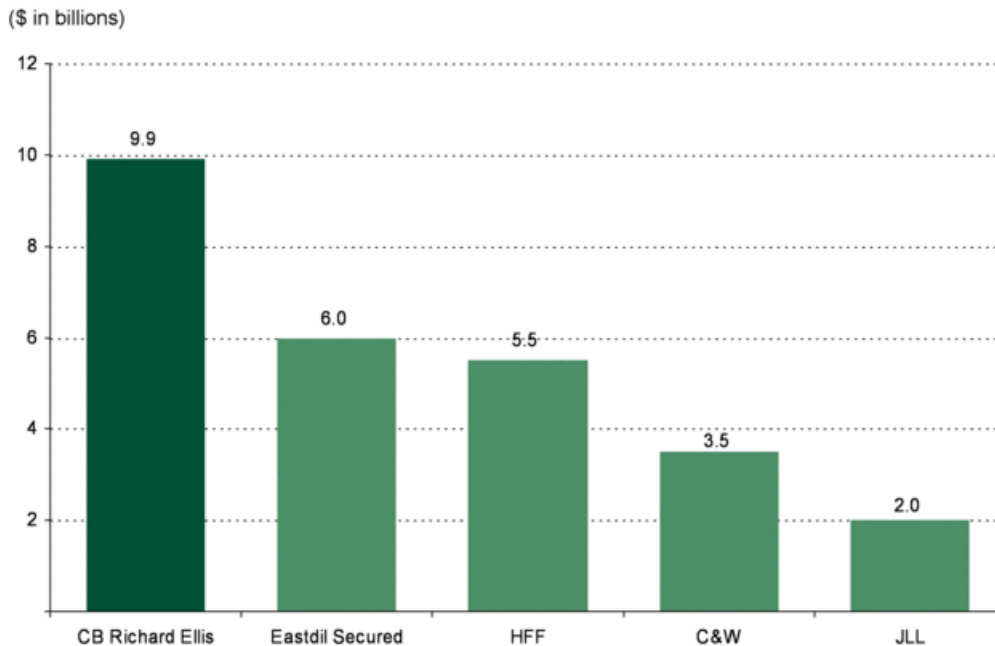
Source: Real Capital Analytics  
\*YTD Thru June 2010

**CBRE**  
CB RICHARD ELLIS

CB Richard Ellis | Page 9

# Investment Sales Broker Rankings – Q3 2010

All Property Types



Source: Real Capital Analytics, under \$5M transactions

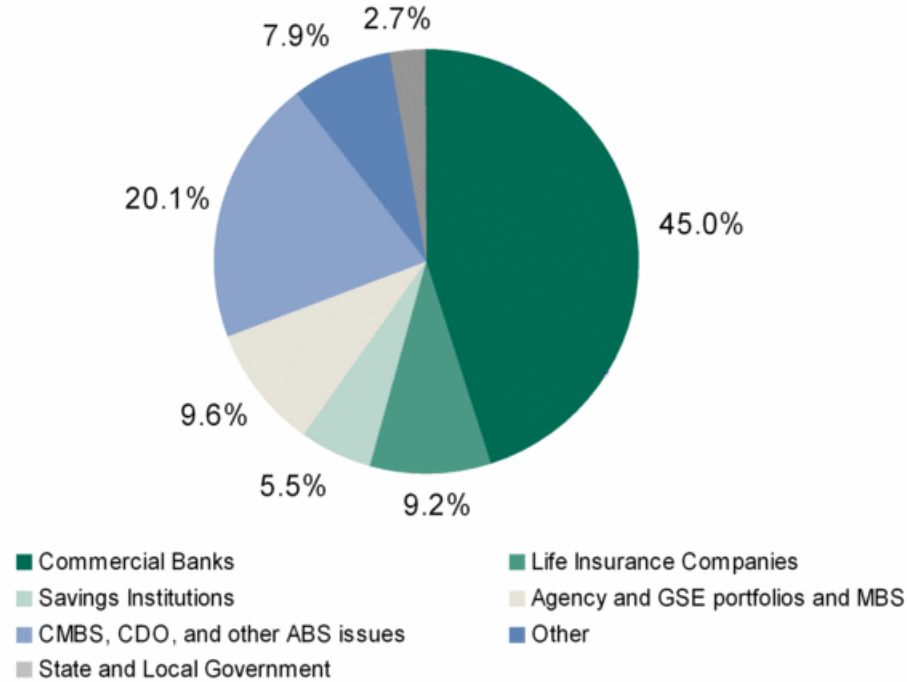
**CBRE**  
CB RICHARD ELLIS

CB Richard Ellis | Page 10

# U.S. Commercial & Multifamily Debt Outstanding

By Capital Source

Total \$3.24 Trillion

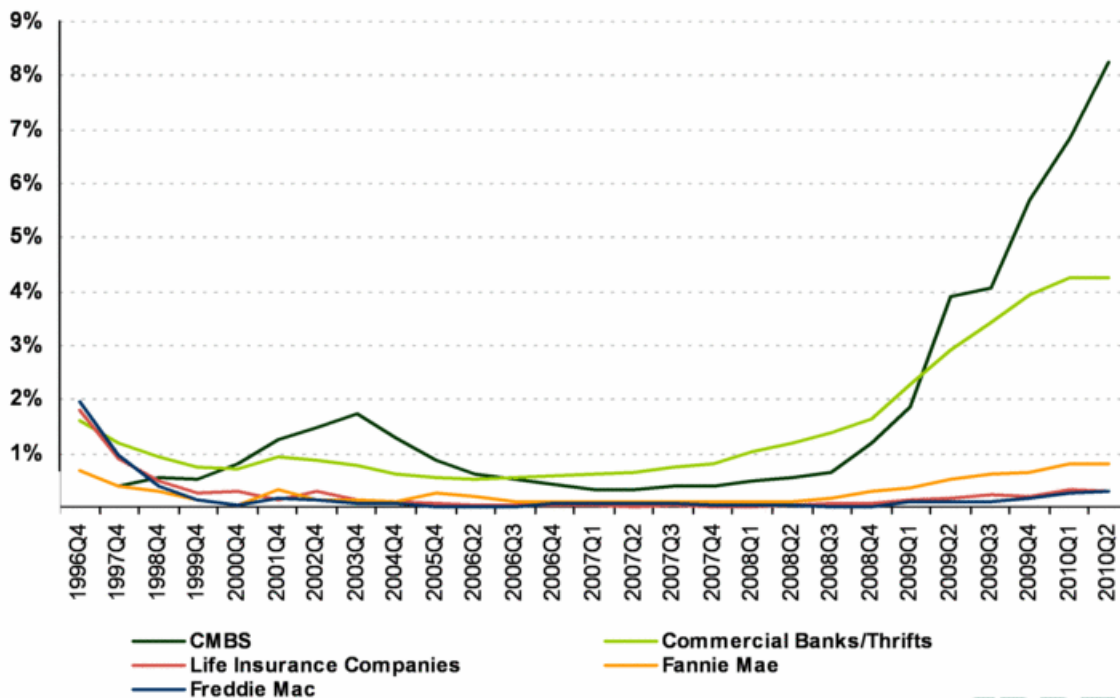


Source: Mortgage Bankers Association Q2 2010  
 CB Richard Ellis | Page 11



# Delinquency Spike but Still Historically Low for Some

Banks and CMBS Issues Likely to Face Highest Delinquencies Near-Term



Source: MBA, ACLI, Wells Fargo, Fannie Mae, Freddie Mac, OFHEO and FDIC

CB Richard Ellis | Page 12

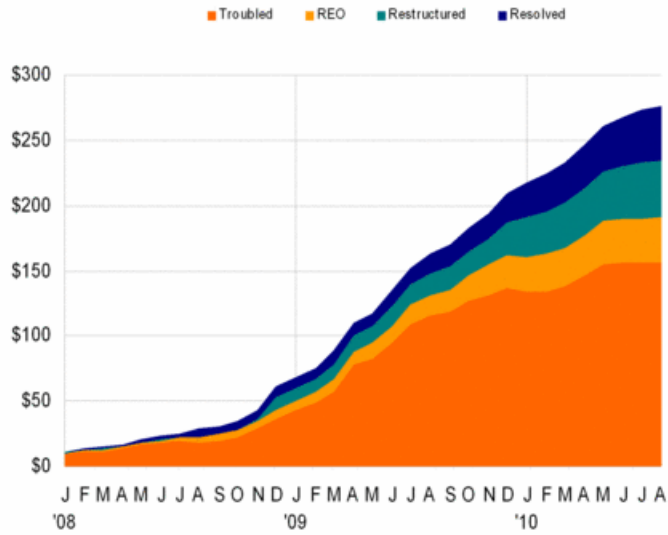
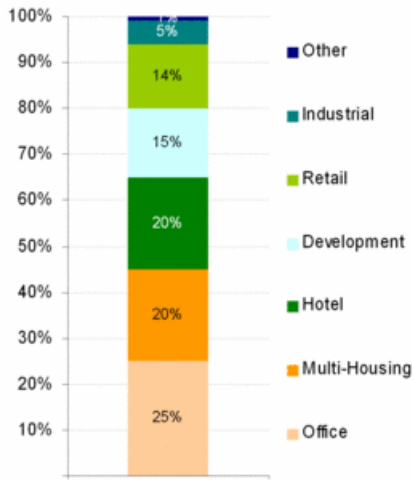




# Distressed Market Overview

## Distress Grows but so do Resolutions

Distress Composition  
By Property Type



Source: RCA Troubled Assets Radar, October 2010

CB Richard Ellis | Page 13



## Case Studies



## Case Study | TIAA-CREF Multifamily Portfolio

- Client: TIAA-CREF Global Real Estate
- Lender: CBRE's Freddie Mac direct lending platform
- \$273 Million Refinance
- 10 Class A assets located in Denver, Scottsdale, Houston, Atlanta and Herndon, VA, totaling 3,600 units



CB Richard Ellis | Page 15

## Case Study | State of California Portfolio Sale

- Buyer: A partnership led by Hines and Antarctica Capital Real Estate LLC
- Seller: State of California
- \$2.33 Billion
- Portfolio of 11 office properties in San Francisco, Sacramento, Los Angeles, Santa Rosa



CB Richard Ellis | Page 16

## Global Case Study | Sheraton Mirage Resort Sale

- Buyer: Pearls Australasia Pty Ltd
- Seller: Grant Thornton (Receiver Manager)
- AU\$62.5 Million
- Gold Coast, Australia
- International marketing campaign executed on the hotel property located in a vacation hot spot and internationally known destination



CB Richard Ellis | Page 17

## Global Case Study | DBS Towers Sale

- Buyer: Overseas Union Enterprise (OUE)
- Seller: Goldman Sachs
- US\$662 Million (S\$870.5 Million)
- 6 Shenton Way, Singapore
- Largest office investment sale in Singapore in 3 years. The property consists of two towers constructed in 1975, standing 37 stories tall



CB Richard Ellis | Page 18

## 2011 Initiatives

---

- Investment Banking Business Ramping Up
- Opportunities in Distressed Assets  
(mostly Note Sales and Restructuring of Debt)
- Active in the Auction space
- In-House Multifamily Platform  
Expansion Picking Up Speed





## Leasing Overview

**Chris Ludeman**  
 President, Americas Brokerage

November 17, 2010

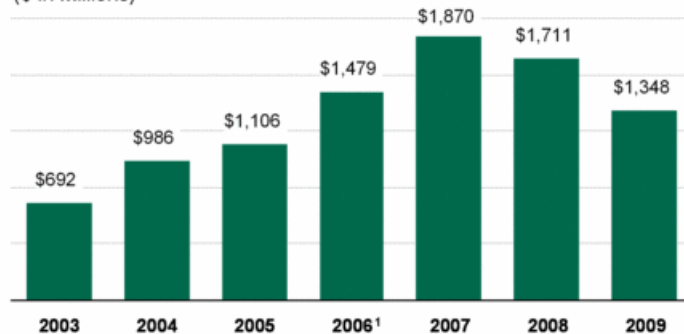


## Global Leasing Trends

### Q3 2010 Leasing Update

- Global vacancy approaching its peak; rents stabilizing and starting to strengthen in some markets
- Key U.S. markets believed to have hit bottom as national vacancy falls for first time in three years
- Strong Asia Pacific rebound continues, paced by Australia, China, India and Singapore
- EMEA recovery varies, with London showing particularly strong net absorption
- Limited office construction will aid rebound as demand revives

**Global Leasing Revenue**  
 (\$ in Millions)



1. CBRE and TCC revenue for the period December 20, 2006, through December 31, 2006.





## Key Market Review

**CBRE**  
CB RICHARD ELLIS

### Tokyo Market Snapshot

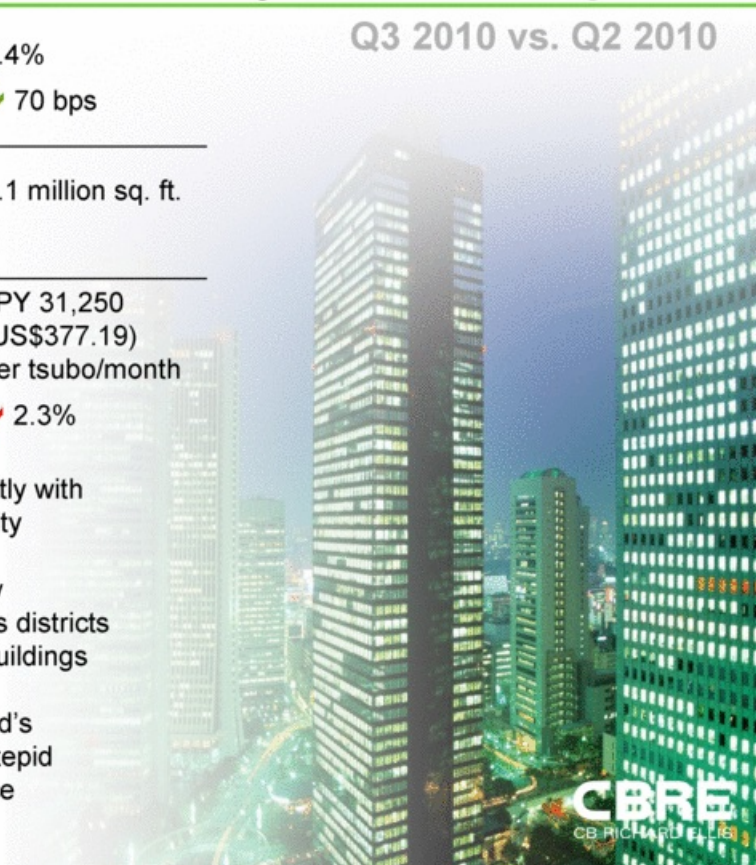
Q3 2010 vs. Q2 2010

**Vacancy:** 5.4%  
Q/Q Change: ↓ 70 bps

**Net Absorption:** 1.1 million sq. ft.  
Q/Q Change: 0

**Rent:** JPY 31,250  
(US\$377.19)  
per tsubo/month  
Q/Q Change: ↓ 2.3%

- Demand improved modestly with continued relocation activity
- Vacancy decline fueled by absorption in key business districts and in newly completed buildings
- Rents remain among world's highest but pressured by tepid demand for Grade A space



**CBRE**  
CB RICHARD ELLIS



# Sydney CBD Market Snapshot

Q3 2010 vs. Q2 2010

<b>Vacancy:</b>	8.7%
Q/Q Change:	↑ 100 bps
<hr/>	
<b>Net Absorption:</b>	323,030 sq. ft.
Q/Q Change:	↑ 0.07%
<hr/>	
<b>Rent:</b>	AUD\$709 (US\$701) per sq. m./year

Q/Q Change: ↑ 0.5%

- Gradual rent recovery under way
- Tenant activity beginning to increase causing sublease space to fall
- New construction caused uptick in vacancy

**CBRE**  
CB RICHARD ELLIS

CB Richard Ellis | Page 5

# Hong Kong Market Snapshot

Q3 2010 vs. Q2 2010

<b>Vacancy (citywide):</b>	5.93%
Q/Q Change:	↓ 102 bps
<hr/>	
<b>Net Absorption (citywide):</b>	1 million sq. ft.
Q/Q Change:	↓ 14.6%
<hr/>	
<b>(Central CBD) Rent:</b>	HK\$104.98 (US\$13.54) per sq. ft./month

Q/Q Change: ↑ 11.6%

- Demand for Grade A space continued to strengthen
- Robust takeup pushed vacancy below 6% marketwide – below 3% in CBD
- With tight supply and rising demand, rent growth remains strongest in the world

**CBRE**  
CB RICHARD ELLIS

CB Richard Ellis | Page 6

# London Market Snapshot

Q3 2010 vs. Q2 2010

**Vacancy:** 5.9%  
Q/Q Change: ↓ 40 bps

**Net Absorption  
(Central London):** 1,479,499 sq. ft.  
Q/Q Change: ↓ 15%

**Rent:** £85.00 (US\$136.50)  
per sq. ft./per annum  
Q/Q Change: 0%

- Gross leasing rose strongly driven by UBS's 700,000 sq. ft. pre-let
- Availability fell to lowest level since Q2 2009
- Prime rents rose in the City but were flat in West End
- City rent up 25% year-on-year, with further growth expected

CB Richard Ellis | Page 7

# Paris Region Market Snapshot

Q3 2010 vs. Q2 2010

**Vacancy:** 6.8%  
Q/Q Change: 0 bps

**Net Absorption  
(IdF):** 129,167 sq. ft.  
Q/Q Change: ↓ 29%

**Prime Rent:** €770 (US\$1,047)  
per sq. m./per annum  
Q/Q Change: 0%

- Vacancy and rents under pressure due to weak demand
- Most leases are renewals with little expansion
- Growth in sublease space expected to keep absorption negative

CB Richard Ellis | Page 8

**CBRE**  
CB RICHARD ELLIS



# Los Angeles DT Market Snapshot

Q3 2010 vs. Q2 2010

**Vacancy:** 17.8%  
Q/Q Change: ↑ 20 bps

**Net Absorption:** (20,765) sq. ft.  
Q/Q Change: ↑ 66.6%

**Rent:** \$33.72 per sq. ft.  
Q/Q Change: ↓ 0.7%

- Rents are believed to have hit bottom and are beginning to increase
- Gross leasing up from Q3 2009, fueling stronger absorption
- Vacancy decreases spurred by financial firms expanding their footprint

CB Richard Ellis | Page 9

# Manhattan Market Snapshot

Q3 2010 vs. Q2 2010

**Vacancy:** 9.0%  
Q/Q Change: ↓ 30 bps

**Net Absorption:** 2.64 million sq. ft.  
Q/Q Change: ↑ 131.6%

**Rent:** \$47.74 per sq. ft.  
Q/Q Change: ↑ 0.3%

- Tenants remain cautious but some are looking to expand
- Gross leasing slowed in Q3 but 28% higher than a year ago
- Stable vacancy as new construction is absorbed and new starts are limited
- Prime rent growth slowing, but broader rent growth to continue

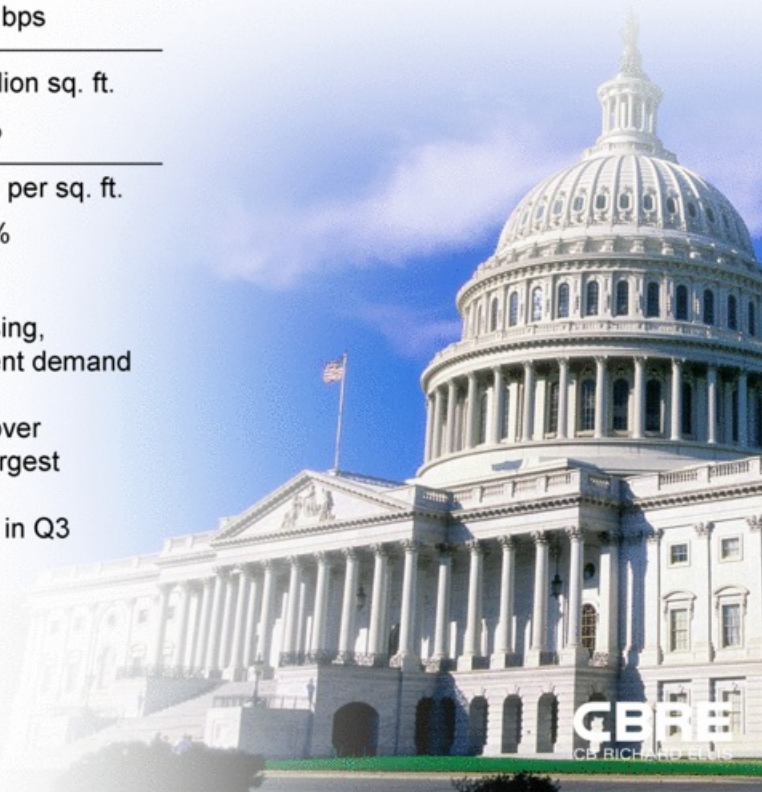
CB Richard Ellis | Page 10

# Washington, DC DT Market Snapshot

Q3 2010 vs. Q2 2010

<b>Vacancy:</b>	10.3%
Q/Q Change:	↓ 110 bps
<hr/>	
<b>Net Absorption:</b>	1.8 million sq. ft.
Q/Q Change:	↑ 63%
<hr/>	
<b>Rent:</b>	\$51.12 per sq. ft.
Q/Q Change:	↑ 1.7%

- Tenant relocations increasing, backstopped by government demand
- 200 bps vacancy decline over last six months is U.S.'s largest
- Absorption turned positive in Q3 for first time since 2007



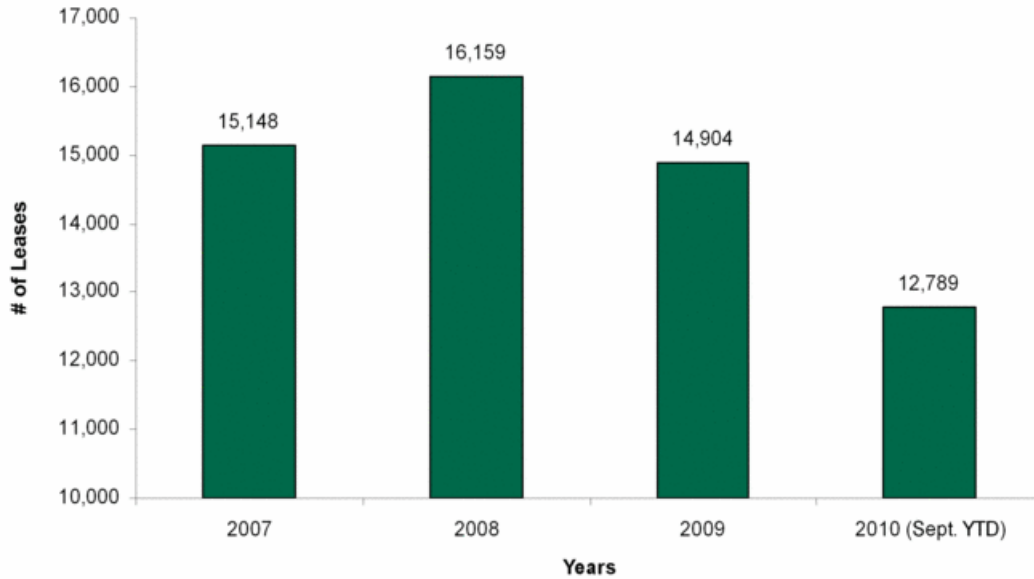
CB Richard Ellis | Page 11



## U.S. Office Lease Detail

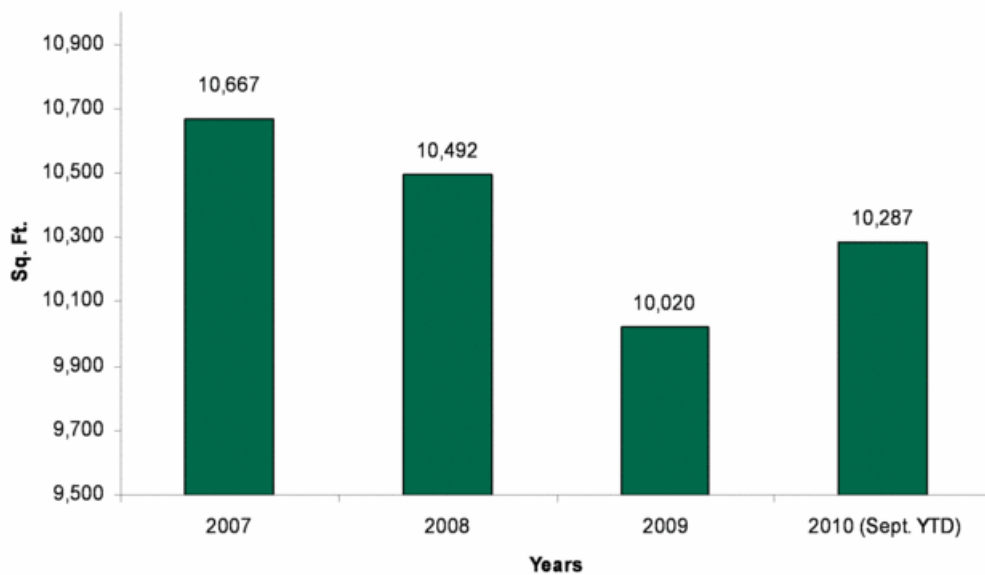
**CBRE**  
CB RICHARD ELLIS

## Average Number of U.S. Office Leases



**CBRE**  
CB RICHARD ELLIS

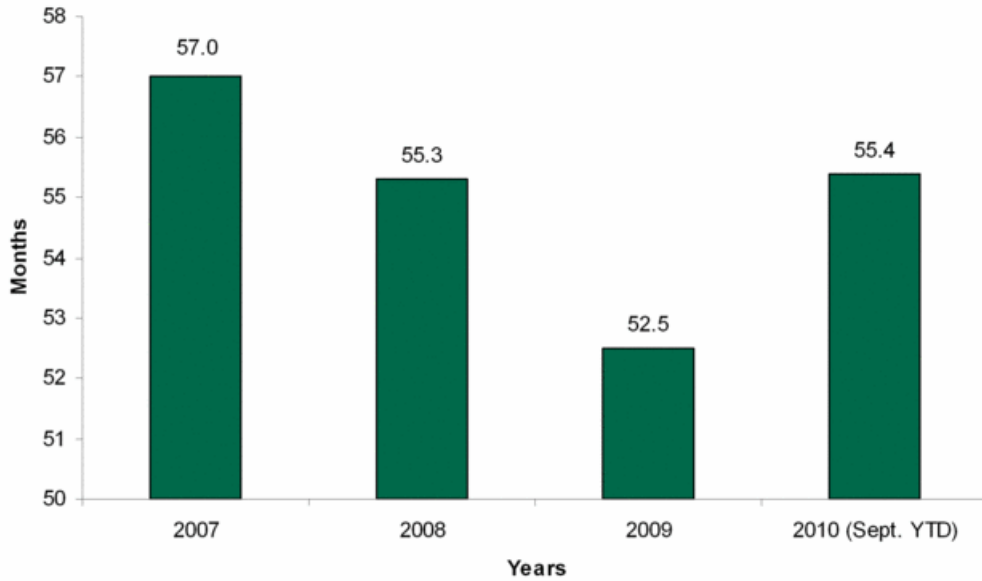
## U.S. Office Lease Size



**CBRE**  
CB RICHARD ELLIS



# U.S. Office Lease Term



CB Richard Ellis | Page 15

**CBRE**  
CB RICHARD ELLIS



## Case Studies

**CBRE**  
CB RICHARD ELLIS



## Case Study | R & F Center

China

- Occupier: 20 tenants
- Owner: R&F Group
- 188,900 sq. ft. in 20 leases
- No. 10, Huaxia Road
- Guangzhou



CB Richard Ellis | Page 17

## Case Study | Proskauer Rose at Eleven Times Square

Unites States

- Occupier: Proskauer Rose, L.L.P.
- Owner: SJP Properties
- 406,399 sq. ft.
- Eleven Times Square
- Midtown Manhattan, New York



CB Richard Ellis | Page 18

## Case Study | 163 Castlereagh Street

- Occupier: Freehills
- Owner: Grocon/LaSalle Investment Management/GPT Group
- 177,605 sq. ft.
- 163 Castlereagh Street
- Sydney



CB Richard Ellis | Page 19

## Case Study | Draper's Gardens

- Occupier: BlackRock Investment Management
- Owner: Canary Wharf Group Plc and Omega Land (joint venture)
- 290,626 sq. ft.
- Draper's Gardens  
Throgmorton Avenue
- City of London

United Kingdom



CB Richard Ellis | Page 20

## Case Study | Southern California Gas Company

United States

- Occupier: Southern California Gas Co.
- Owner: MPG Office Trust  
(formerly Maguire Properties)
- 350,000 sq. ft.
- 555 W. 5th Street
- Los Angeles, California







## Global Corporate Services (GCS)

**Jim Wilson**

Global Executive Managing Director  
Global Corporate Services

November 17, 2010



## GCS Overview

### 1. Large Real Estate Occupiers

- Corporations
- Healthcare Systems
- Government Agencies

### 2. Global Full Service Offering

- Transaction Management
- Facilities Management
- Project Management
- Strategic Consulting

### 3. Contract Business

- 3 to 5 Year Contracts with renewable term
- "Cost Plus" with Performance Fees
- Customized Solutions
- High renewal rate

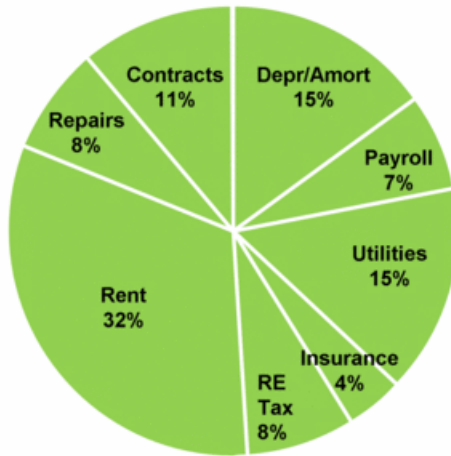
- First Client – Baxter in 1990
- 300+ Clients (Approximately 80 Fortune 100)
- Approximately 70 "Strategic Accounts"
- ± 90% retention for prior 5 years
- Approximately 12,000 GCS associates
- Approximately 24,000 Properties
- Approximately \$20 billion of client Opex under management
- Approximately 65 Countries
- Approximately 2/3 of contracts are multi-service



# Primary Value Proposition

Reduce occupancy related expenses

## Annual Opex



- Typically 4% - 5% of Revenue
- Typically 2<sup>nd</sup> Largest Expense

## Value to Fee

**5.03**  
Average

Client Endorsed Value

CBRE Fee

**CBRE**  
CB RICHARD ELLIS

# Market Trends

Demand trends favor global, full service firms!

## 1. Outsourcing is broadly recognized as the better service model

- Consistent value and service track record
- Achieved critical scale and capability

## 2. Economic conditions drive self-providers to evaluate outsourcing

## 3. Centralization and globalization of the corporate real estate function

- Competitive pressures to globalize business
- Heightened regulatory requirements driving need for tighter controls

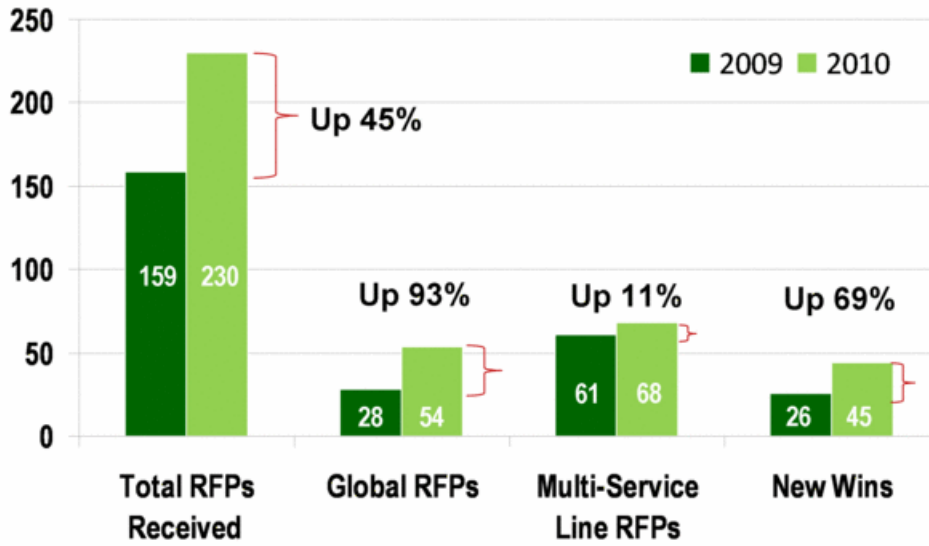
## 4. Rationalization of service providers

- Multi or full service vs. single-service solutions
- Global vs. regional solutions

**CBRE**  
CB RICHARD ELLIS

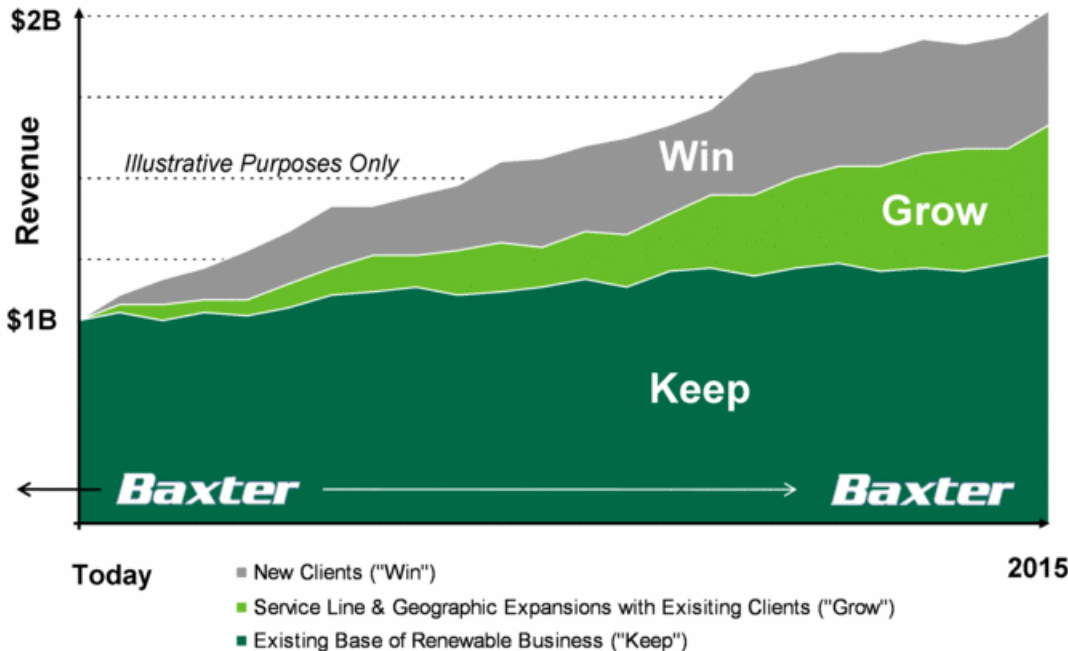
# RFP Activity (YTD 3Q)

RFP volume is a leading growth indicator



# Growth Equation

Win...Keep...Grow!





# Growth Drivers

Global, full service platform provides 5 growth avenues

Term	Services	Geography	Industry	Asset Class
Renew and extend term	Win/expand into new service lines	Win/expand into broader geography	Penetrate new and emerging markets	Win/expand into new asset types



- 12 MSF
- Full Service
- Global



- 70 MSF
- Transaction Management & Consulting
- Global



- 11.9 MSF
- Mobil Maintenance
- Western US



- 5.1 MSF
- Facilities Management
- Chicago



- 52,000 Cell Towers ground sites
- Facilities Management-lite
- US & Puerto Rico



# Growth Results (YTD Q3)

## Keep & Grow

**100%\***  
Contract  
Renewal Rate

- 24 Overall Renewals
- 19 Overall Expansions

\*Based on the GCS  
"Strategic Accounts"

## Win

**71%\*\***  
Target Market  
Win Rate

- 45 New Contracts

\*\*Formula:

$$\frac{\text{Total Revenue Won}}{\text{Total Revenue Pursued}}$$



To be the industry's Best Value & Service Provider

## Value to Fee

**5.03**  
Average

## Client Satisfaction

**3.24**  
Out of 4

## Strategy

- 1 Develop and apply our global, full service platform
- 2 Leverage our industry leading scale to deliver proprietary value to clients
- 3 Retain, recruit, develop, and reward the industry's best talent



# Competitive Advantage

Service & Value Performance Track Record

### Buyer Criteria

- Service & Value Track Record
- Mitigate Performance Risk
- Great Talent
- Subject Matter Expertise
- Innovation & Best Practices

### Advantages

- Industry leading brand; Client Satisfaction
- Regarded as the "safe" choice
- Talent Management Focus
- Global, full service platform
- Ability to invest in the business





## Global Investment Management

**Matt Hourie**  
CEO CBRE Investors

November 17, 2010



## Overview

- 208 institutional investor clients and partners
- \$35.7B<sup>1</sup> in assets under management
- \$4.0B in equity raised YTD through Q3 2010, with \$2.4B of dry powder currently available to invest globally
- Approximately \$2.5B capital deployed YTD through Q3 2010
- Investment teams and operations in the United States, Europe and Asia
- Active in core, core plus, value-add and opportunistic investment strategies
- Direct access to the world's premier real estate platform

(1) As of September 30, 2010



# CB Richard Ellis Investors Global Platform



\* Includes affiliate offices

As of December 31, 2009

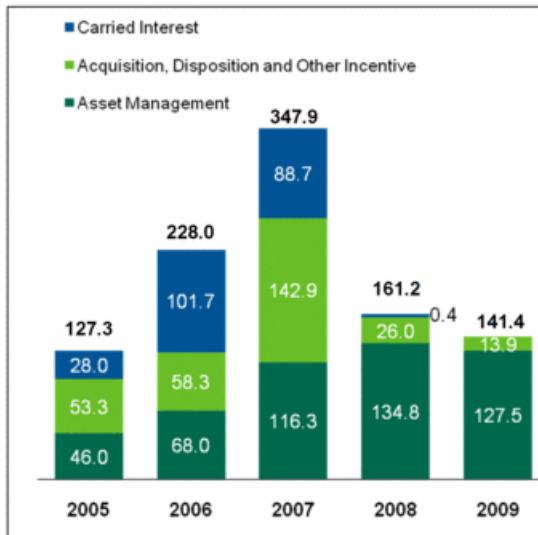
CB Richard Ellis | Page 3



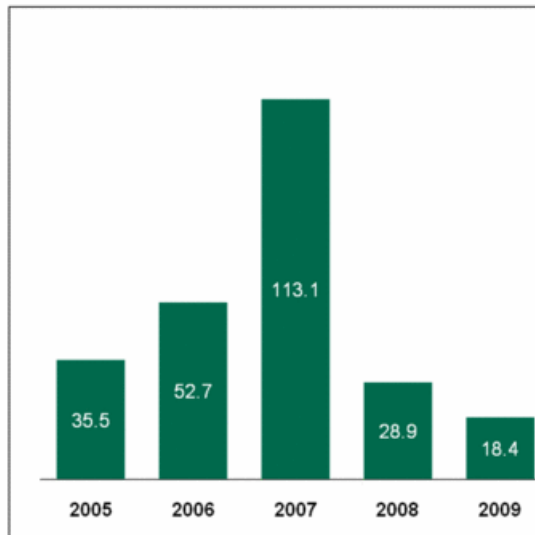
## Financials

\$ in millions

Revenue



Normalized EBITDA<sup>1</sup>

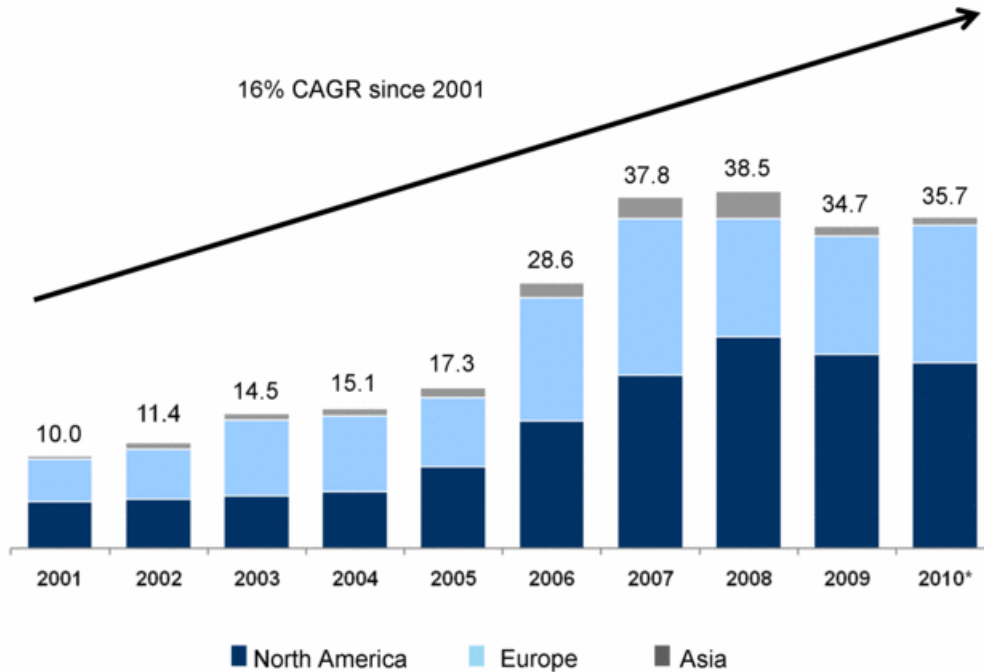


(1) Normalized EBITDA excludes the write-down of impaired investments and cost containment expenses.



# Assets Under Management

\$ in billions



\* As of September 30, 2010

CB Richard Ellis | Page 5

**CBRE**  
CB RICHARD ELLIS

# Global Investment Programs

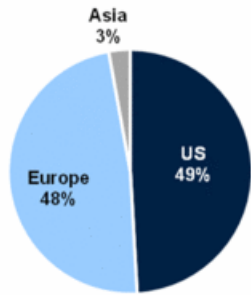
Description	Assets Under Management <sup>1</sup> (\$ in billions)	Typical Fee Structure
Separate Accounts	\$16.2	<ul style="list-style-type: none"> <li>Management fees</li> <li>Transaction fees</li> <li>Incentive fees</li> </ul>
Sponsored Funds	\$13.2	<ul style="list-style-type: none"> <li>Management fees</li> <li>Transaction fees</li> <li>LP profits</li> <li>Carried interest</li> </ul>
Unlisted Securities	\$4.1	<ul style="list-style-type: none"> <li>Management fees</li> <li>Incentive fees</li> </ul>
Listed Securities	\$2.2	<ul style="list-style-type: none"> <li>Management fees</li> <li>Incentive fees</li> </ul>

(1) As of September 30, 2010

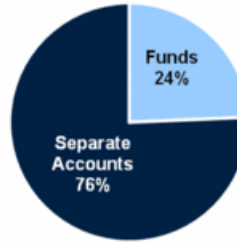
CB Richard Ellis | Page 6

**CBRE**  
CB RICHARD ELLIS

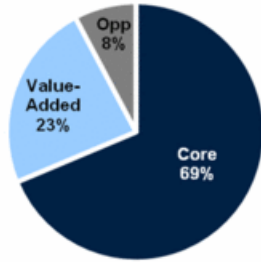
# Equity Raised 2005-2010



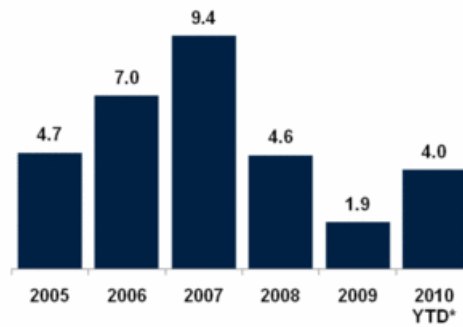
By Geography



By Vehicle



By Investment Strategy



Total \$ in billions

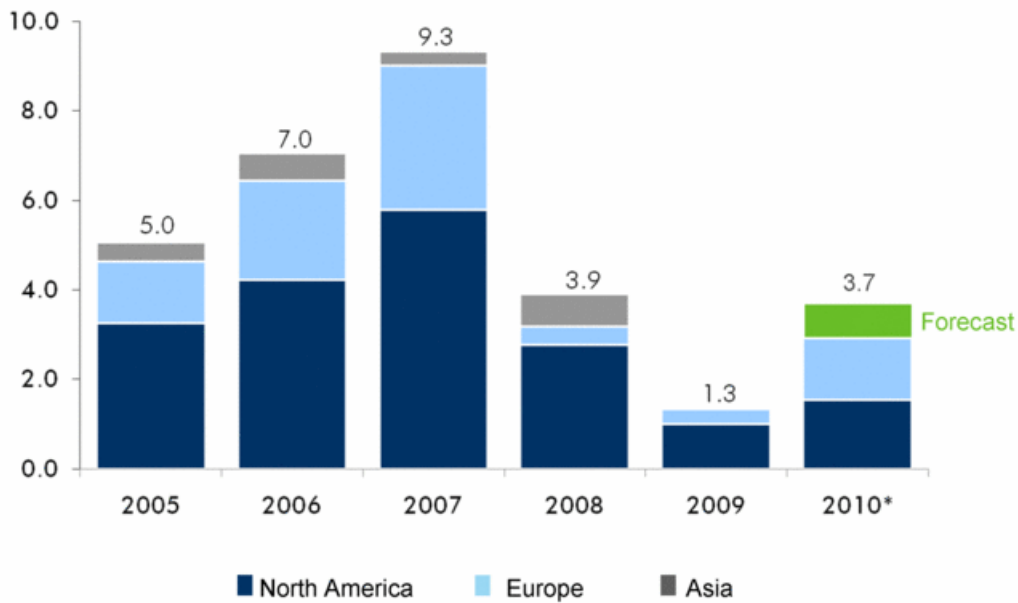
\*As of September 30, 2010

CB Richard Ellis | Page 7



# Acquisition Activity

\$ in billions



Direct real estate only. Excludes Global Real Estate Securities and Global Multi Manager. 2010 YTD data through Sept. 30, 2010.

\* Acquisition data combines actual results through Sept. 30, 2010 (blue) and projected acquisitions through Dec. 31, 2010 (green).

CB Richard Ellis | Page 8





## Largest U.S. Investment Managers

Investment Manager	Total Real Estate AUM (Gross, \$M)
TIAA-CREF Asset Management	54,734
J.P. Morgan Asset Management	44,320
Prudential Investment Management	43,800
Morgan Stanley Real Estate Investing	43,554
LaSalle Investment Management	40,067
<b>CB Richard Ellis Investors</b>	<b>33,735*</b>
Principal Real Estate Investors	33,113
Colony Capital	30,000
Invesco Real Estate	24,400
ING Clarion Partners	21,600

Source: IREN Investment Managers Guide, Sept. 8, 2010.

\* As of June 30, 2010

CB Richard Ellis | Page 9



## Growth Strategies

- Expand our global relationships with existing capital sources as global markets recover
- Harvest new sources of capital from new distribution channels and untapped geographies
- Capitalize on market opportunities through programs like our Capital Partners debt fund
- Expand indirect investment programs including our real estate securities and global multi manager businesses
- Grow our global separate account business as investors move toward core programs with greater investor control
- Acquire other real estate investment managers that fill gaps in our geographic and/or investment strategy matrix

CB Richard Ellis | Page 10



# Near-Term Investment Opportunities

---

- Purchase high-quality operating properties at a discount to replacement cost from distressed sellers
- Recapitalize problem debt structures in existing high quality properties
- Acquire multi-family assets in major U.S. metropolitan areas at prices well below peak value and replacement cost
- Capitalize on the unprecedented undersupply of new financing for commercial real estate coupled with the upcoming wave of loan maturities
- Take advantage of current oversized spread between risk-mitigated returns that can be achieved on properties acquired at today's reset values and 10-year T-Bills

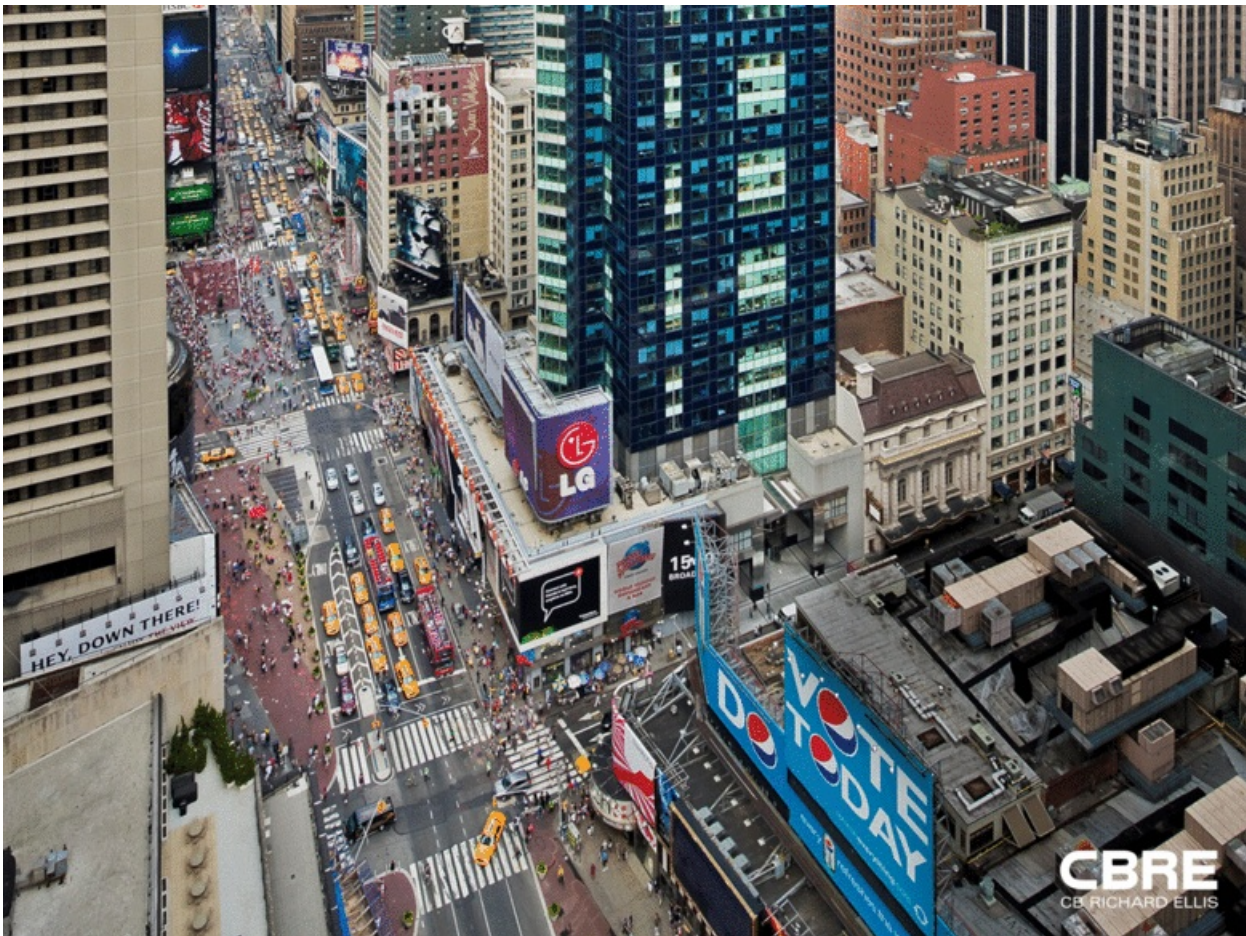


## Case Study: 1540 Broadway

**Mary Ann Tighe**

CEO, New York Tri-State Region

November 17, 2010





# A "Storied" History

*How 1,000 Men  
and Women  
Worked Around  
the Clock for  
Five Years  
and Lost  
\$200 Million  
Building  
a Skyscraper*



**HIGH RISE**  
JERRY ADLER

**CBRE**  
CB RICHARD ELLIS

CB Richard Ellis | Page 3

# Times Square - Challenges of Success



**CBRE**  
CB RICHARD ELLIS



# Times Square - Challenges of Success







**CBRE**  
CB RICHARD ELLIS

## A Challenged Asset

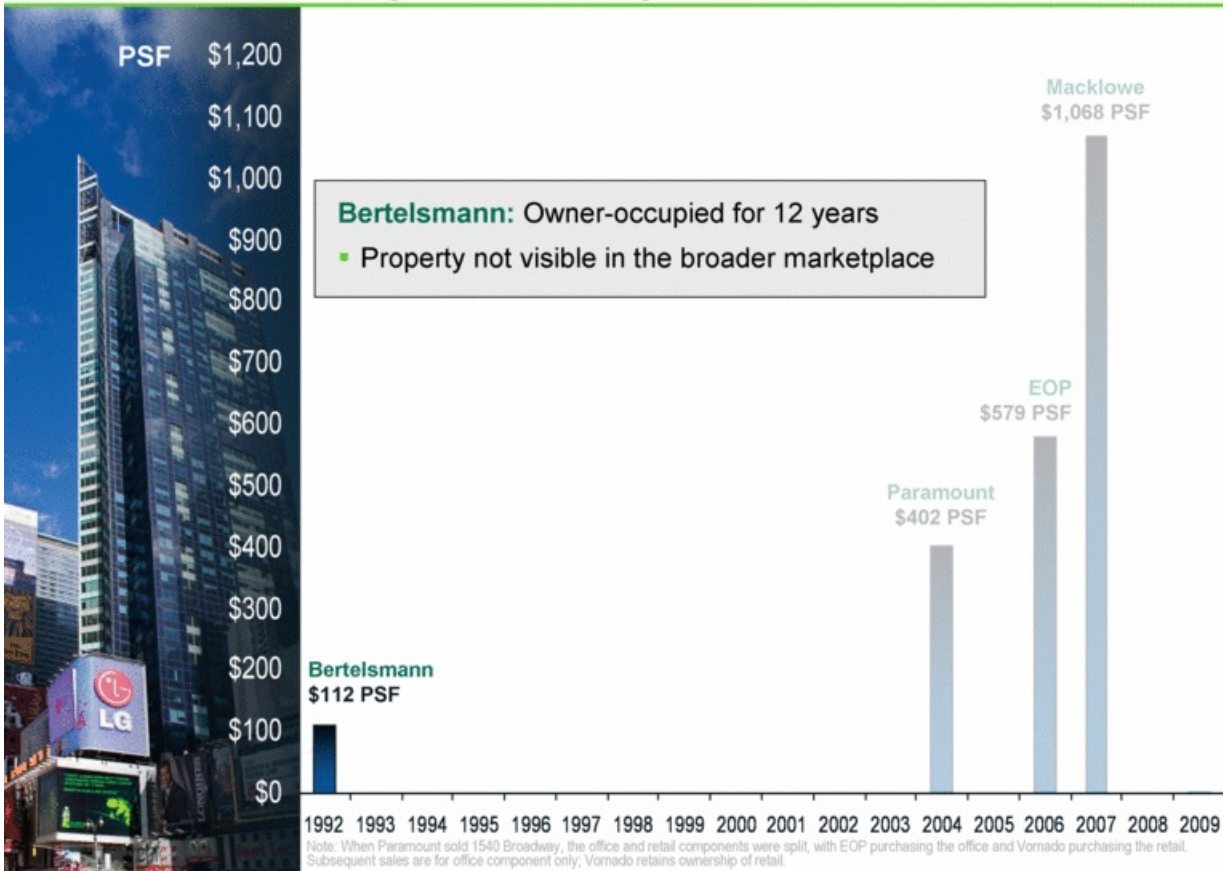
- Lack of visibility/credibility in New York's real estate community
- Financials in disarray
- Condition of property



**CBRE**  
CB RICHARD ELLIS



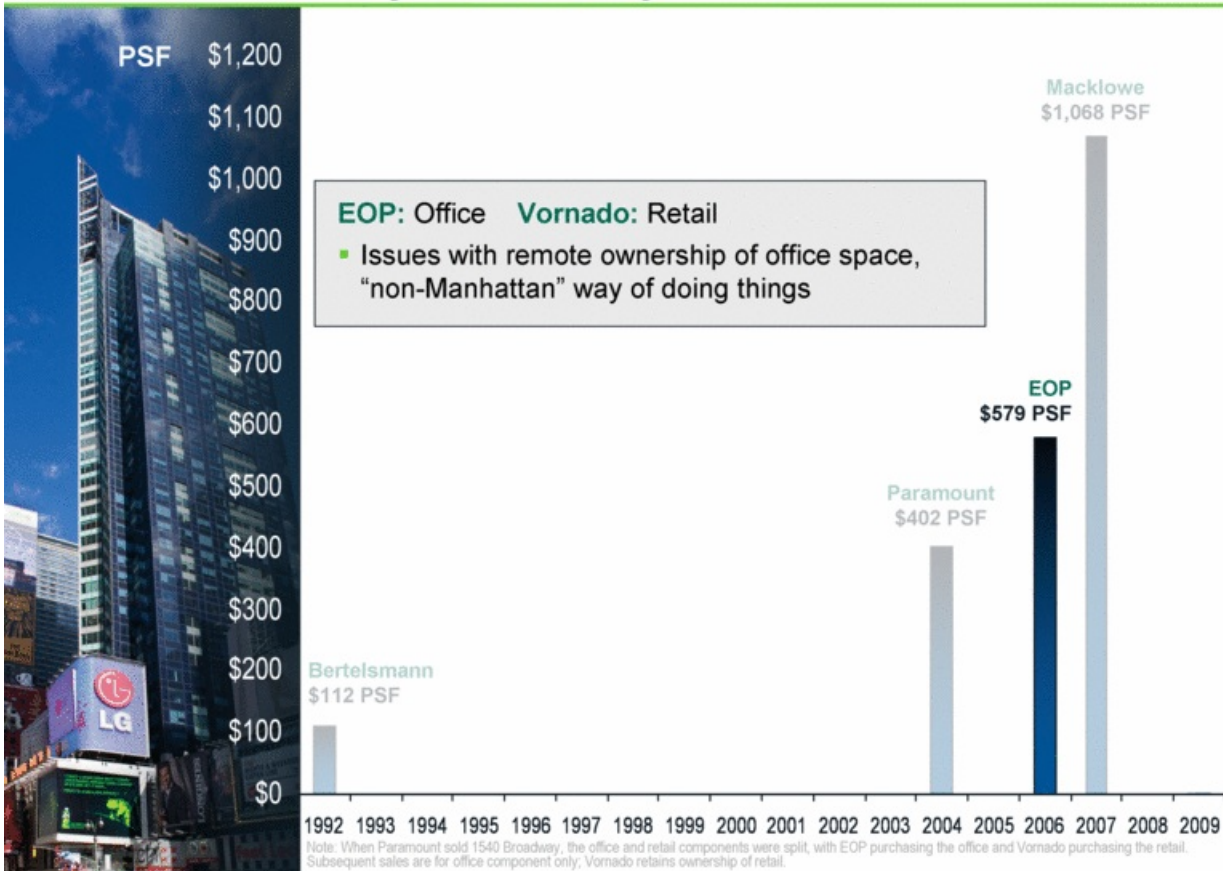
## Lack of Visibility/Credibility



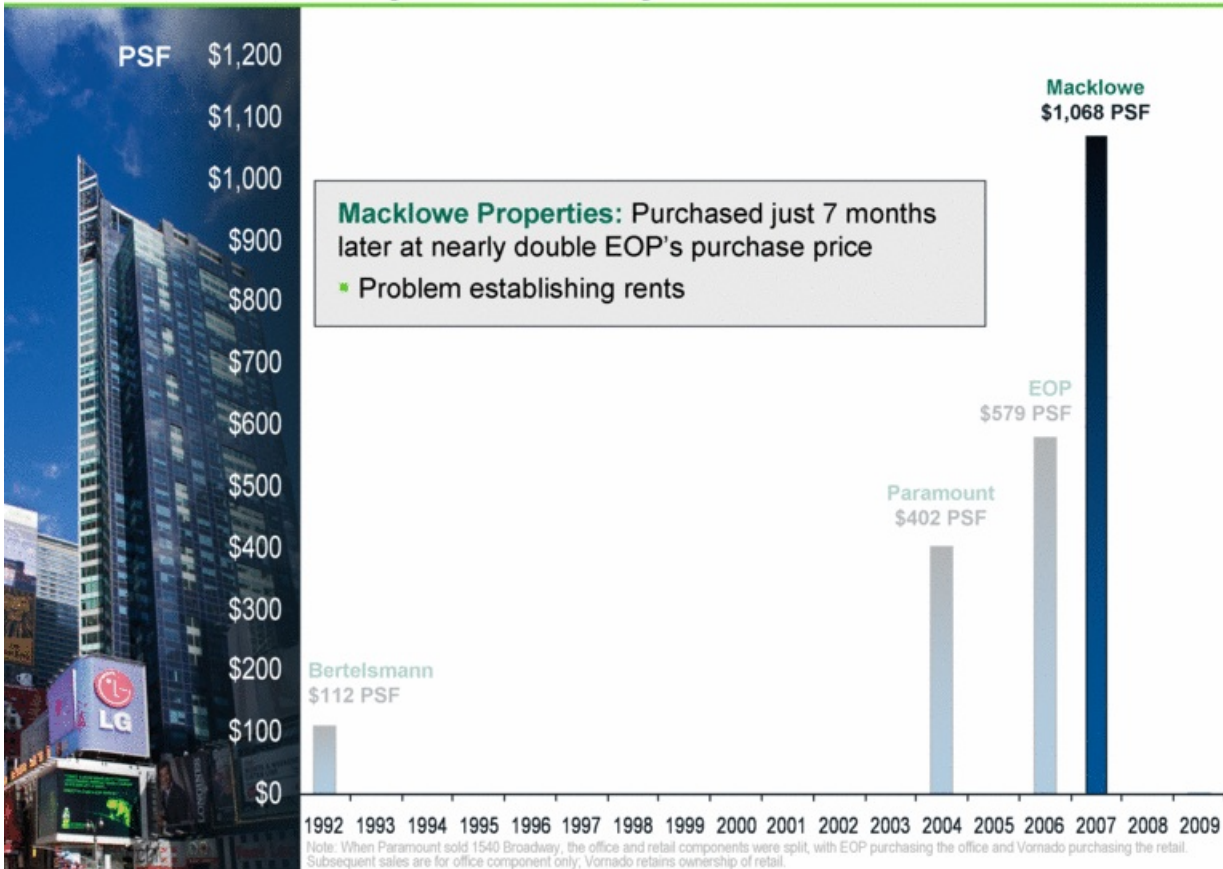
## Lack of Visibility/Credibility



## Lack of Visibility/Credibility



## Lack of Visibility/Credibility





# Financials in Disarray



**CBRE**  
CB RICHARD ELLIS

CB Richard Ellis | Page 13

## Condition of Property



**CBRE**  
CB RICHARD ELLIS





**CBRE**  
CB RICHARD ELLIS



**CBRE**  
CB RICHARD ELLIS





**CBRE**  
CB RICHARD ELLIS



**CBRE**  
CB RICHARD ELLIS





## CBREI Strategic Partners U.S. 5 Fund

**CBRE**  
**INVESTORS**  
CB RICHARD ELLIS INVESTORS, LLC

STRATEGIC  
PARTNERS

**SP5**  
US

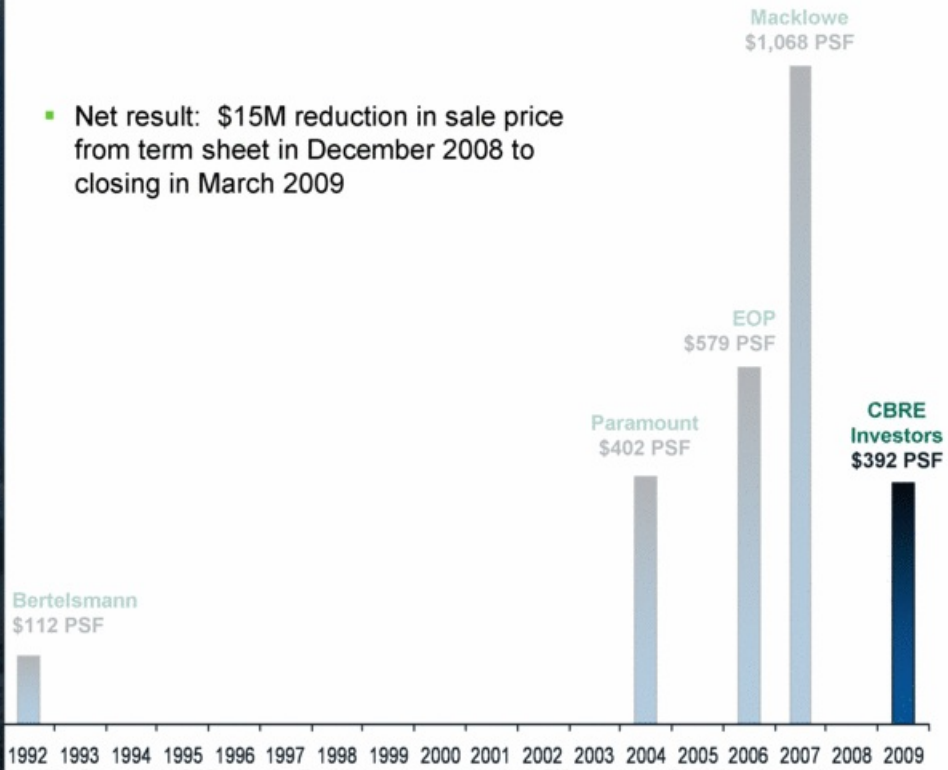
**CBRE**  
CB RICHARD ELLIS

# Due Diligence

CB Richard Ellis Investors • Asset Services • Office Brokerage • Technical Services



PSF \$1,200  
\$1,100  
\$1,000  
\$900  
\$800  
\$700  
\$600  
\$500  
\$400  
\$300  
\$200  
\$100  
\$0



■ Net result: \$15M reduction in sale price from term sheet in December 2008 to closing in March 2009

Note: When Paramount sold 1540 Broadway, the office and retail components were split, with EOP purchasing the office and Vornado purchasing the retail. Subsequent sales are for office component only; Vornado retains ownership of retail.

## The Value Proposition

Manhattan Office Inventory - 370 MSF  
**737** Buildings

# The Value Proposition

---

Manhattan Office Inventory - 370 MSF  
**737** Buildings

Midtown Office Inventory - 224 MSF  
**384** Buildings



# The Value Proposition

---

Manhattan Office Inventory - 370 MSF  
**737** Buildings

Midtown Office Inventory - 224 MSF  
**384** Buildings

Post-1990 Midtown Construction  
**26** Buildings





# The Value Proposition



# The Value Proposition





# The Value Proposition



# The Value Proposition



# The Solutions

- Restoring credibility
- Clearing the financial debris
- Capital investment and service offering



## Restoring Credibility

CB Richard Ellis Investors

Telling the market a different story about ownership

- Well capitalized
- Committed to the asset and its tenants
- Market-oriented in its approach to leasing



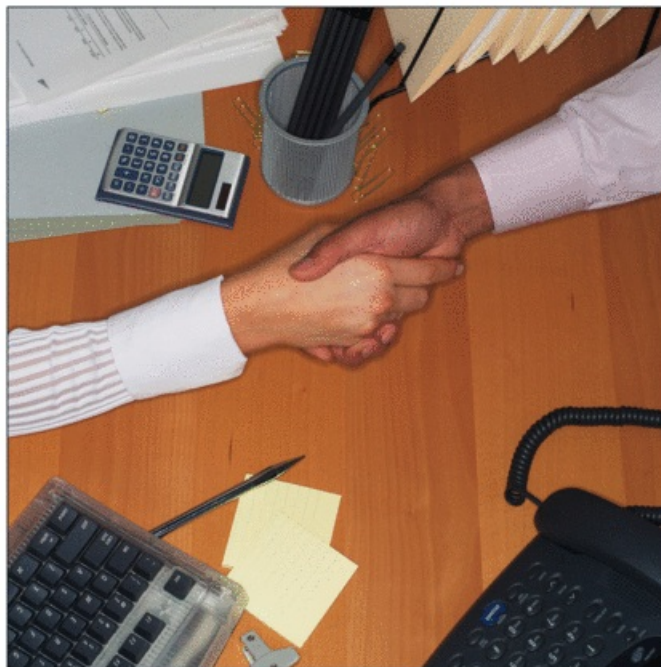
# Clearing the Financial Debris

CB Richard Ellis Investors • Accounting Services • Asset Services



# Clearing the Financial Debris

CB Richard Ellis Investors • Accounting Services • Asset Services



## Improving Operating Efficiencies

CB Richard Ellis Investors • Accounting Services • Asset Services  
Facilities Management-Energy & Sustainability • Procurement Group

### 2008 Operating Expenses

- \$9,805,051 (\$10.81 psf)

### 2009 Operating Expenses

- \$9,541,719 (\$10.52 psf)

- Improved operating efficiencies: \$263,332 (\$0.29 psf)



## Master Insurance Program

CB Richard Ellis Investors • Global Risk Management Group

### 2008 Insurance Costs

- \$827,343 (\$0.91 psf)

### 2009 Insurance Costs

- \$420,542 (\$0.46 psf)

- Reduction in insurance costs: \$406,801 (\$0.45 psf)





# Real Estate Taxes

CB Richard Ellis Investors • Asset Services

## Assessment

- 2010/2011 tax year (before reduction): \$124,200,000 (\$136.87 psf)
- 2010/2011 tax year (after reduction): \$97,500,000 (\$107.45 psf)
- Reduction in assessed value: \$26,700,000 (\$29.42 psf)

## Taxes

- 2010/2011 tax year (before assessment reduction): \$9,227,604.59 (\$10.17 psf)
- 2010/2011 tax year (after assessment reduction): \$8,676,423.68 (\$9.56 psf)

- **2010/2011 tax year real estate tax savings: \$551,180.91 (\$0.61 psf)**

# Capital Investment

CB Richard Ellis Investors • Asset Services • Marketing Services • Project Management





















**CBRE**  
CB RICHARD ELLIS



**CBRE**  
CB RICHARD ELLIS



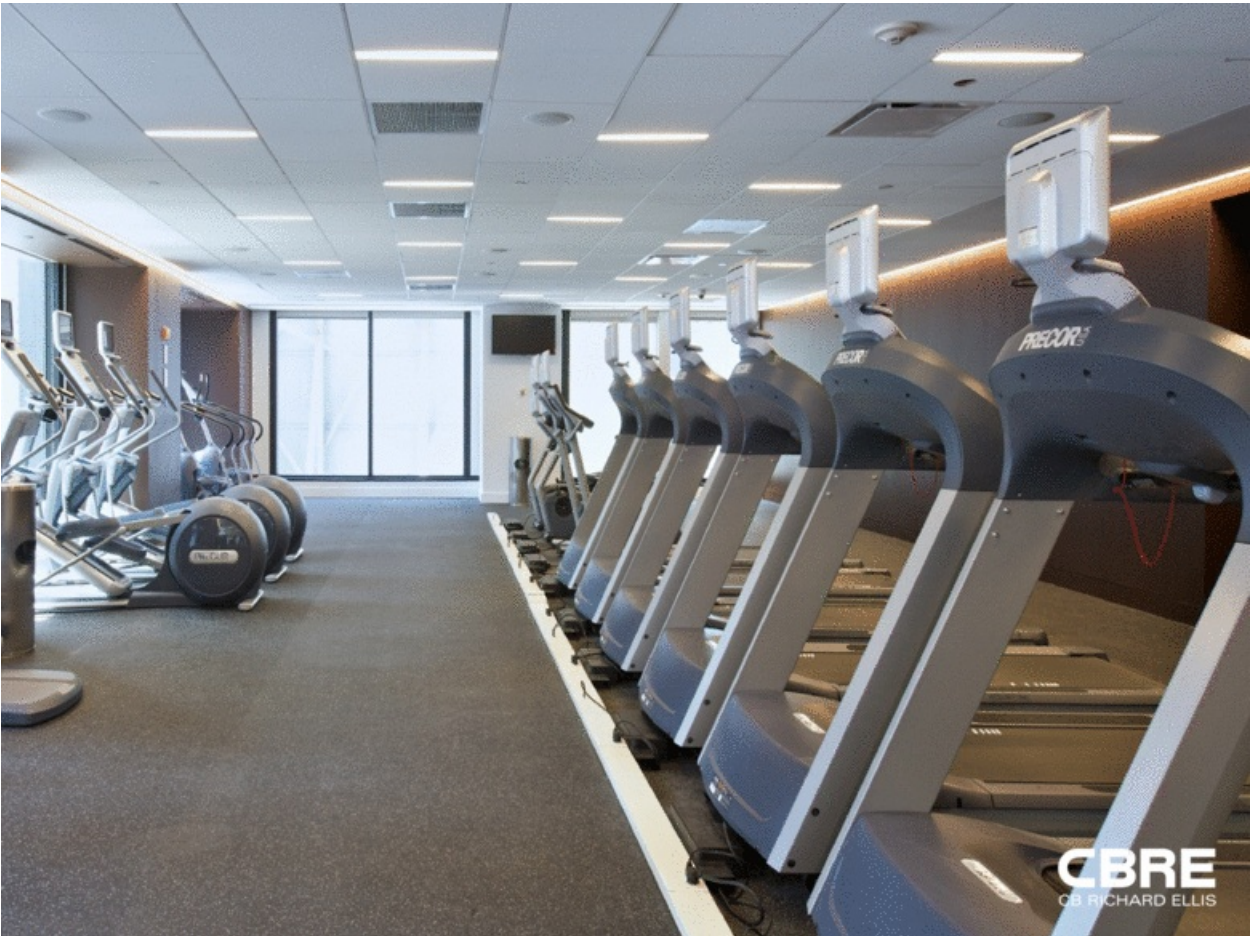


**CBRE**  
CB RICHARD ELLIS



**CBRE**  
CB RICHARD ELLIS









**CBRE**  
CB RICHARD ELLIS



**CBRE**  
CB RICHARD ELLIS



# 5-Star Service WORLDWIDE

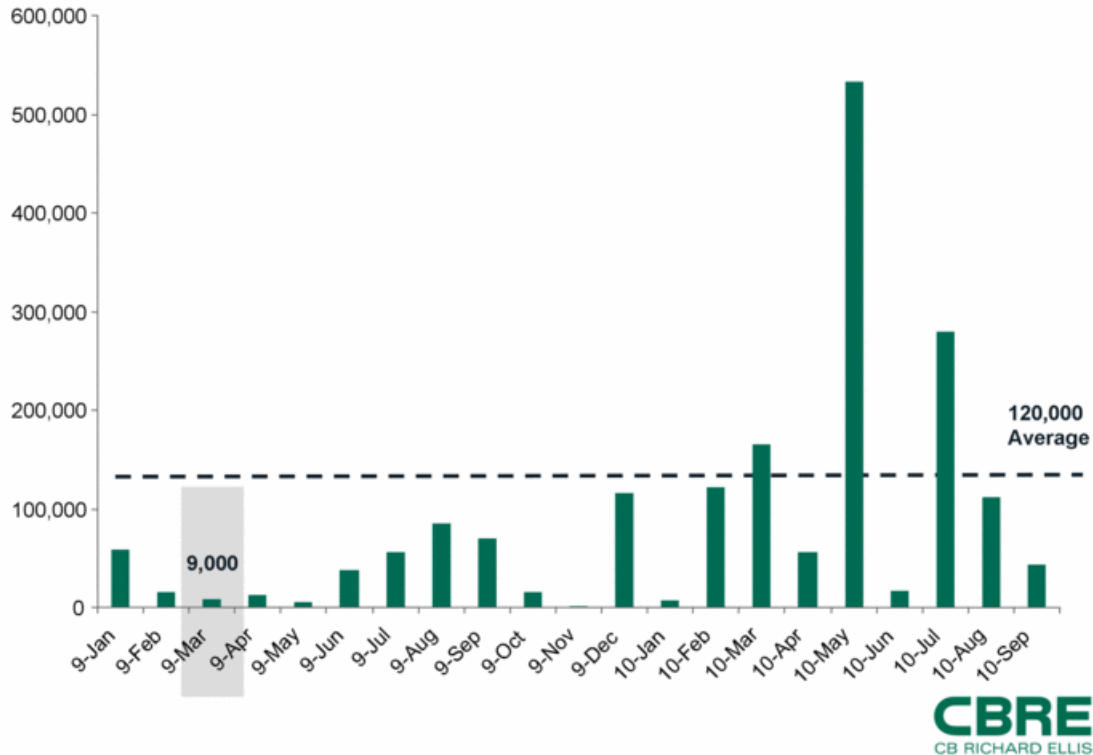


## Stack Plan (March 2009)

Floor	RSE	Usage
44	18,600	Available
43	18,475	Available
42	18,476	Available
41	18,476	Available
40	18,641	Available
39	18,620	Available
38	Leased	Occupied
37	Leased	Occupied
36	18,682	Available
35	Leased	Occupied
34	Leased	Occupied
33	Leased	Occupied
32	Leased	Occupied
31	Leased	Occupied
30	Leased	Occupied
29	Leased	Occupied
28	Leased	Occupied
27	Leased	Occupied
26	Leased	Occupied
25	26,791	Occupied
24	Leased	Occupied
23	Leased	Occupied
22	Leased	Occupied
21	Leased	Occupied
20	Leased	Occupied
19	Leased	Occupied
18	Leased	Occupied
17	27,323	Available
16	Leased	Occupied
15	Leased	Occupied
14	Leased	Occupied
12	Leased	Occupied
11	Leased	Occupied
10	26,952	Available
9	25,502	Available
8	Leased	Occupied
Mec		Cafeteria & Management Office
4	Retail	Mechanical
3	Retail	Retail
Ground	Retail	Retail
B1	Retail	Retail
B2	Retail	Retail
B3	Retail	Retail
B4	Retail	Retail

# Times Square (31.3 MSF)

## Leasing Activity (SF)



CB Richard Ellis | Page 55

## Tenant Growth

CB Richard Ellis Investors • Asset Services • Office Brokerage

### March 2009

- 15 tenants
- 709,813 sq. ft. leased (78%)
- 197,614 sq. ft. vacant (22%), including about 112,000 sq. ft. of contiguous space in the top tower floors

### October 2010

- 22 tenants
- 779,445 sq. ft. leased (86%)
- 127,982 sq. ft. vacant (14%)

- Net gain of 8 points in occupancy and a 10% increase in leased space**

CB Richard Ellis | Page 56

**CBRE**  
CB RICHARD ELLIS



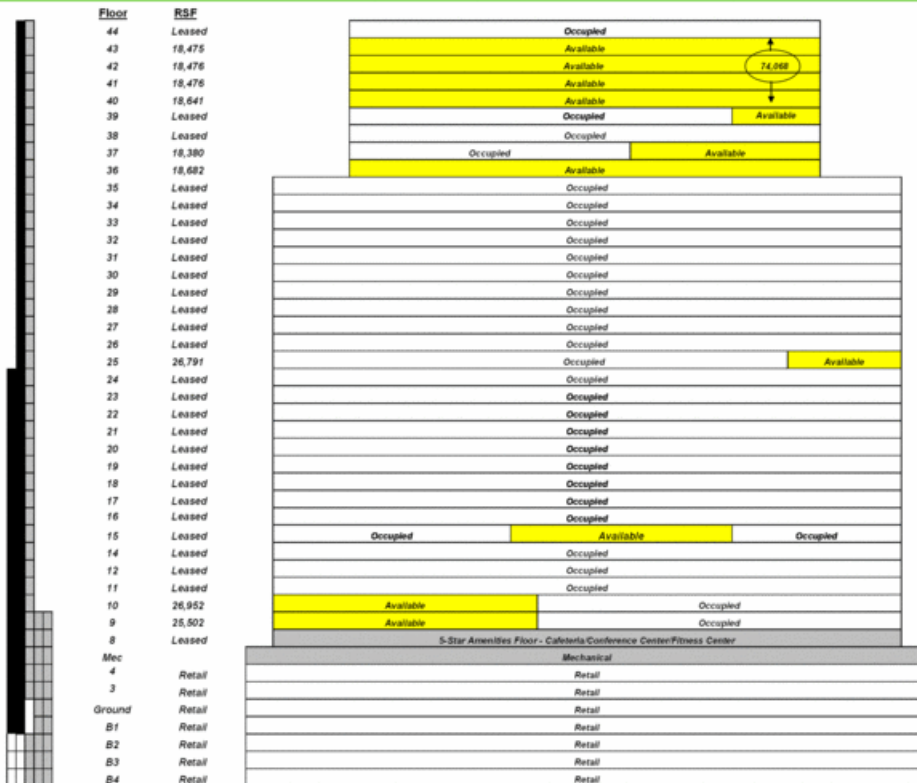
# Tenant Growth

CB Richard Ellis Investors • Asset Services • Office Brokerage



# Stack Plan (October 2010)

CB Richard Ellis Investors • Asset Services • Office Brokerage



# Net Operating Income

## 2009 Full Year

- \$22,181,033

## 2010 Full Year (est.)

- \$23,172,546

- Increase in net operating income: 4.5%



## What We Accomplished

- New visibility in the market
- Credibility in the market
- Improved financials
- Desirable space and amenities



# Testing the Market

## July 2010

- Tested the market with an off-market opportunity for 49% interest in 1540 Broadway



# Adding Value

## CB Richard Ellis Investors • Investment Properties

## July 2010

- Tested the market with an off-market opportunity for 49% interest in 1540 Broadway

## November 8, 2010

- Sold a 49% minority interest to HSBC Alternative Investments Limited and Edge Fund Advisors based on a property value of approximately \$520 million

- **\$165M increase in the value of the asset, an increase of 46%, in 20 months**







1540  
BR★ADWAY

- ★ CB Richard Ellis Investors
- ★ Accounting Services
- ★ Asset Services
- ★ Facilities Management
- ★ Global Risk Management
- ★ Investment Properties
- ★ Marketing Services
- ★ Office Brokerage
- ★ Procurement Group
- ★ Project Management
- ★ Technical Services

---

LEVERAGING THE PLATFORM

**CBRE**  
CB RICHARD ELLIS