UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2016

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from__________ to __________

Commission File Number 001 – 32205

CBRE

CBRE GROUP, INC.
(Exact name of Registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**94-3391143** **(I.R.S. Employer Identification Number)**
400 South Hope Street, 25th Floor **Los Angeles, California** **(Address of principal executive offices)**	**90071** **(Zip Code)**
(213) 613-3333 **(Registrant's telephone number, including area code)**	**Not applicable** **(Former name, former address and former fiscal year, if changed since last report)**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐.

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒.

The number of shares of Class A common stock outstanding at April 30, 2016 was 335,435,928.

Table of Contents

FORM 10-Q

March 31, 2016

TABLE OF CONTENTS

		Page
PART I—FINANCIAL INFORMATION		
Item 1.	**Financial Statements**	
	Consolidated Balance Sheets at March 31, 2016 (Unaudited) and December 31, 2015	1
	Consolidated Statements of Operations for the three months ended March 31, 2016 and 2015 (Unaudited)	2
	Consolidated Statements of Comprehensive Income (Loss) for the three months ended March 31, 2016 and 2015 (Unaudited)	3
	Consolidated Statements of Cash Flows for the three months ended March 31, 2016 and 2015 (Unaudited)	4
	Consolidated Statement of Equity for the three months ended March 31, 2016 (Unaudited)	5
	Notes to Consolidated Financial Statements (Unaudited)	6
Item 2.	**Management's Discussion and Analysis of Financial Condition and Results of Operations**	28
Item 3.	**Quantitative and Qualitative Disclosures About Market Risk**	44
Item 4.	**Controls and Procedures**	45
PART II—OTHER INFORMATION		
Item 1.	**Legal Proceedings**	45
Item 1A.	**Risk Factors**	45
Item 6.	**Exhibits**	46
Signatures		50

Table of Contents

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

CBRE GROUP, INC.
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except share data)

	March 31, 2016 (Unaudited)	December 31, 2015
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 489,229	$ 540,403
Restricted cash	63,372	72,764
Receivables, less allowance for doubtful accounts of $48,778 and $46,606 at March 31, 2016 and December 31, 2015, respectively	2,344,825	2,471,740
Warehouse receivables	724,508	1,767,107
Income taxes receivable	73,303	59,331
Prepaid expenses	178,935	172,922
Other current assets	212,724	220,956
Total Current Assets	4,086,896	5,305,223
Property and equipment, net	528,350	529,823
Goodwill	3,133,866	3,085,997
Other intangible assets, net of accumulated amortization of $637,418 and $589,236 at March 31, 2016 and December 31, 2015, respectively	1,416,336	1,450,469
Investments in unconsolidated subsidiaries	220,533	217,943
Deferred tax assets, net	127,513	135,252
Other assets, net	321,641	293,236
Total Assets	$ 9,835,135	$ 11,017,943
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	$ 1,351,062	$ 1,484,119
Compensation and employee benefits payable	648,996	705,070
Accrued bonus and profit sharing	552,031	866,894
Income taxes payable	59,030	82,194
Short-term borrowings:		
Warehouse lines of credit	714,377	1,750,781
Revolving credit facility	280,000	—
Other	16	16
Total short-term borrowings	994,393	1,750,797
Current maturities of long-term debt	40,062	34,428
Other current liabilities	50,846	70,655
Total Current Liabilities	3,696,420	4,994,157
Long-term debt, net of current maturities	2,635,045	2,645,111
Deferred tax liabilities, net	85,534	100,361
Non-current tax liabilities	90,807	88,667
Other liabilities	460,631	430,577
Total Liabilities	6,968,437	8,258,873
Commitments and contingencies	—	—
Equity:		
CBRE Group, Inc. Stockholders' Equity:		
Class A common stock; $0.01 par value; 525,000,000 shares authorized; 335,292,513 and 334,230,496 shares issued and outstanding at March 31, 2016 and December 31, 2015, respectively	3,353	3,342
Additional paid-in capital	1,115,203	1,106,758
Accumulated earnings	2,170,394	2,088,227
Accumulated other comprehensive loss	(471,355)	(485,675)
Total CBRE Group, Inc. Stockholders' Equity	2,817,595	2,712,652
Non-controlling interests	49,103	46,418
Total Equity	2,866,698	2,759,070
Total Liabilities and Equity	$ 9,835,135	$ 11,017,943

The accompanying notes are an integral part of these consolidated financial statements.

Table of Contents

CBRE GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(Dollars in thousands, except share data)

	Three Months Ended March 31, 2016	Three Months Ended March 31, 2015
Revenue	$ 2,846,734	$ 2,052,503
Costs and expenses:		
Cost of services	2,013,613	1,290,777
Operating, administrative and other	643,366	531,775
Depreciation and amortization	86,994	69,846
Total costs and expenses	2,743,973	1,892,398
Gain on disposition of real estate	4,819	—
Operating income	107,580	160,105
Equity income from unconsolidated subsidiaries	57,301	15,451
Other income	3,215	1,087
Interest income	1,459	2,297
Interest expense	34,790	26,214
Write-off of financing costs on extinguished debt	—	2,685
Income before provision for income taxes	134,765	150,041
Provision for income taxes	50,125	56,903
Net income	84,640	93,138
Less: Net income attributable to non-controlling interests	2,473	201
Net income attributable to CBRE Group, Inc.	$ 82,167	$ 92,937
Basic income per share:		
Net income per share attributable to CBRE Group, Inc.	$ 0.25	$ 0.28
Weighted average shares outstanding for basic income per share	333,992,935	331,976,907
Diluted income per share:		
Net income per share attributable to CBRE Group, Inc.	$ 0.24	$ 0.28
Weighted average shares outstanding for diluted income per share	337,506,232	335,698,590

The accompanying notes are an integral part of these consolidated financial statements.

CBRE GROUP, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(Dollars in thousands)

	Three Months Ended March 31,	
	2016	2015
Net income	$84,640	$ 93,138
Other comprehensive income (loss):		
Foreign currency translation gain (loss)	16,594	(105,420)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net of tax	1,743	1,795
Unrealized losses on interest rate swaps, net of tax	(2,909)	(2,774)
Unrealized holding losses on available for sale securities, net of tax	(929)	(166)
Other, net	(57)	2
Total other comprehensive income (loss)	14,442	(106,563)
Comprehensive income (loss)	99,082	(13,425)
Less: Comprehensive income attributable to non-controlling interests	2,595	168
Comprehensive income (loss) attributable to CBRE Group, Inc.	$96,487	$ (13,593)

The accompanying notes are an integral part of these consolidated financial statements.

CBRE GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in thousands)

	Three Months Ended March 31,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 84,640	$ 93,138
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	86,994	69,846
Amortization and write-off of financing costs on extinguished debt	2,648	4,947
Gain on sale of loans, servicing rights and other assets	(29,010)	(38,414)
Net realized and unrealized gain from investments	(3,215)	(1,087)
Equity income from unconsolidated subsidiaries	(57,301)	(15,451)
Provision for doubtful accounts	3,420	1,483
Compensation expense related to equity awards	12,594	15,941
Distribution of earnings from unconsolidated subsidiaries	11,017	8,925
Tenant concessions received	1,755	5,077
Purchase of trading securities	(20,815)	(20,522)
Proceeds from sale of trading securities	22,688	19,433
Decrease in receivables	145,976	155,574
Increase in prepaid expenses and other assets	(29,731)	(35,952)
Decrease in accounts payable and accrued expenses	(148,316)	(46,795)
Decrease in compensation and employee benefits payable and accrued bonus and profit sharing	(385,314)	(383,965)
(Increase) decrease in income taxes receivable/payable	(34,159)	444
Increase (decrease) in other liabilities	8,195	(7,836)
Other operating activities, net	(706)	(4,636)
Net cash used in operating activities	(328,640)	(179,850)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(33,468)	(18,628)
Acquisition of Global Workplace Solutions (GWS), including net assets acquired, intangibles and goodwill	(21,900)	—
Acquisition of businesses (other than GWS), including net assets acquired, intangibles and goodwill	(3,298)	(75,033)
Contributions to unconsolidated subsidiaries	(10,923)	(14,841)
Distributions from unconsolidated subsidiaries	55,571	24,422
Proceeds from the sale of servicing rights and other assets	5,603	4,941
Decrease (increase) in restricted cash	9,771	(31,358)
Purchase of available for sale securities	(7,716)	(11,878)
Proceeds from the sale of available for sale securities	9,969	15,854
Other investing activities, net	(2,303)	(312)
Net cash provided by (used in) investing activities	1,306	(106,833)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from senior term loans	—	500,000
Repayment of senior term loans	(5,625)	(645,613)
Proceeds from revolving credit facility	565,000	264,000
Repayment of revolving credit facility	(285,000)	(158,512)
Proceeds from notes payable on real estate held for sale and under development	12,427	746
Repayment of notes payable on real estate held for sale and under development	(4,102)	—
Shares repurchased for payment of taxes on equity awards	(4,252)	(5,092)
Non-controlling interest contributions	27	4,192
Non-controlling interest distributions	(1,138)	(748)
Payment of financing costs	(4,787)	(21,183)
Other financing activities, net	(236)	1,775
Net cash provided by (used in) financing activities	272,314	(60,435)
Effect of currency exchange rate changes on cash and cash equivalents	3,846	(14,738)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(51,174)	(361,856)
CASH AND CASH EQUIVALENTS, AT BEGINNING OF PERIOD	540,403	740,884
CASH AND CASH EQUIVALENTS, AT END OF PERIOD	$ 489,229	$ 379,028
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	$ 54,205	$ 37,163
Income taxes, net	$ 82,978	$ 56,890

The accompanying notes are an integral part of these consolidated financial statements.

CBRE GROUP, INC.
CONSOLIDATED STATEMENT OF EQUITY
(Unaudited)
(Dollars in thousands)

	CBRE Group, Inc. Shareholders					
	Class A common stock	Additional paid-in capital	Accumulated earnings	Accumulated other comprehensive loss	Non-controlling interests	Total
Balance at December 31, 2015	$ 3,342	$ 1,106,758	$ 2,088,227	$ (485,675)	$ 46,418	$ 2,759,070
Net income	—	—	82,167	—	2,473	84,640
Restricted stock awards vesting (including tax benefit)	11	1,465	—	—	—	1,476
Compensation expense for equity awards	—	12,594	—	—	—	12,594
Shares repurchased for payment of taxes on equity awards	—	(4,252)	—	—	—	(4,252)
Foreign currency translation gain	—	—	—	16,472	122	16,594
Amounts reclassified from accumulated other comprehensive loss to interest expense, net of tax	—	—	—	1,743	—	1,743
Unrealized losses on interest rate swaps, net of tax	—	—	—	(2,909)	—	(2,909)
Unrealized holding losses on available for sale securities, net of tax	—	—	—	(929)	—	(929)
Contributions from non-controlling interests	—	—	—	—	27	27
Distributions to non-controlling interests	—	—	—	—	(1,138)	(1,138)
Other	—	(1,362)	—	(57)	1,201	(218)
Balance at March 31, 2016	$ 3,353	$ 1,115,203	$ 2,170,394	$ (471,355)	$ 49,103	$ 2,866,698

The accompanying notes are an integral part of these consolidated financial statements.

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation

Readers of this Quarterly Report on Form 10-Q (Quarterly Report) should refer to the audited financial statements and notes to consolidated financial statements of CBRE Group, Inc., a Delaware corporation (which may be referred to in these financial statements as the “Company,” “we,” “us” and “our”), for the year ended December 31, 2015, which are included in our 2015 Annual Report on Form 10-K (Annual Report), filed with the United States Securities and Exchange Commission (SEC) and also available on our website (www.cbre.com), since we have omitted from this Quarterly Report certain footnote disclosures which would substantially duplicate those contained in such audited financial statements. You should also refer to Note 2, Significant Accounting Policies, in the notes to consolidated financial statements in our 2015 Annual Report for further discussion of our significant accounting policies and estimates.

The accompanying consolidated financial statements have been prepared in accordance with the rules applicable to Quarterly Reports on Form 10-Q and include all information and footnotes required for interim financial statement presentation, but do not include all disclosures required under accounting principles generally accepted in the United States (GAAP) for annual financial statements. In our opinion, all adjustments (consisting of normal recurring adjustments, except as otherwise noted) considered necessary for a fair presentation have been included. The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions about future events. These estimates and the underlying assumptions affect the amounts of assets and liabilities reported, and reported amounts of revenue and expenses. Such estimates include the value of goodwill, intangibles and other long-lived assets, real estate assets, accounts receivable, investments in unconsolidated subsidiaries and assumptions used in the calculation of income taxes, retirement and other post-employment benefits, among others. These estimates and assumptions are based on our best judgment. We evaluate our estimates and assumptions on an ongoing basis using historical experience and other factors, including consideration of the current economic environment, and adjust such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in these estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods. Certain reclassifications have been made to the 2015 financial statements to conform with the 2016 presentation.

The results of operations for the three months ended March 31, 2016 are not necessarily indicative of the results of operations to be expected for the year ending December 31, 2016.

2. New Accounting Pronouncements

Recently Adopted Accounting Pronouncements

In February 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-02,*“Consolidation (Topic 810): Amendments to the Consolidation Analysis.”* This ASU provides consolidation guidance for legal entities such as limited partnerships, limited liability corporations and securitization structures. ASU 2015-02 offers updated consolidation evaluation criteria and may require additional disclosures. This ASU is effective for fiscal years, and interim periods within those years, beginning after December 15, 2015. We adopted the provisions of ASU 2015-02 effective January 1, 2016. The adoption of ASU 2015-02 did not have a material impact on our consolidated financial position, results of operations or disclosure requirements of our consolidated financial statements.

Recent Accounting Pronouncements Pending Adoption

The FASB has recently issued three ASUs related to revenue recognition, all of which become effective for the Company on January 1, 2018. The ASUs issued are: 1) in May 2014, ASU 2014-09, *“Revenue from*

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

Contracts with Customers (Topic 606);" 2) in March 2016, ASU No. 2016-08, "*Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net);"* and 3) in April 2016, ASU 2016-10, *"Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing."* ASU 2014-09 requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers and will replace most existing revenue recognition guidance under GAAP. This ASU permits the use of either the retrospective or cumulative effect transition method. We are evaluating the effect that ASU 2014-09 will have on our consolidated financial statements and related disclosures. We have not yet selected a transition method nor have we determined the effect of this ASU on our ongoing financial reporting. ASU No. 2016-08 clarifies the implementation guidance on principal versus agent considerations. We are evaluating the effect that ASU 2016-08 will have on our consolidated financial statements and related disclosures. ASU 2016-10 clarifies guidance related to identifying performance obligations and licensing implementation guidance contained in ASU 2014-09. We do not believe the application of ASU 2016-10 will have a material impact on our consolidated financial position, results of operations or disclosure requirements of our consolidated financial statements.

In January 2016, the FASB issued ASU 2016-01, *"Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities."* This ASU will significantly change the income statement impact of equity investments and the recognition of changes in fair value of financial liabilities when the fair value option is elected. This ASU is effective for fiscal years, and interim periods within those years, beginning after December 15, 2017. Early adoption is not permitted, except for the provisions related to the recognition of changes in fair value of financial liabilities when the fair value option is elected. We do not believe the adoption of ASU 2016-01 will have a material impact on our consolidated financial position, results of operations or disclosure requirements of our consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "*Leases (Topic 842)."* This ASU requires lessees to recognize most leases on-balance sheet and mandates a modified retrospective transition method for all entities. This ASU is effective for annual periods in fiscal years beginning after December 15, 2018. We are evaluating the effect that ASU 2016-02 will have on our consolidated financial statements and related disclosures.

In March 2016, the FASB issued ASU 2016-05, "*Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships."* This ASU clarifies that a change in one of the parties to a derivative contract (through novation) that is part of a hedge accounting relationship does not, by itself, require designation of that relationship, as long as all other hedge accounting criteria continue to be met. This ASU is effective for annual and interim periods in fiscal years beginning after December 15, 2016, with early adoption permitted. We do not believe the adoption of ASU 2016-05 will have a material impact on our consolidated financial position, results of operations or disclosure requirements of our consolidated financial statements.

In March 2016, the FASB issued ASU 2016-07, "*Simplifying the Transition to the Equity Method of Accounting."* This ASU eliminates the requirement for an investor to retroactively apply the equity method when its increase in ownership interest (or degree of influence) in an investee triggers equity method accounting. ASU 2016-07 should be applied prospectively upon its effective date to increases in the level of ownership interest or degree of influence that result in the adoption of the equity method. This ASU is effective for all entities for interim and annual periods in fiscal years beginning after December 15, 2016, with early application permitted. We do not believe the application of ASU 2016-07 will have a material impact on our consolidated financial position, results of operations or disclosure requirements of our consolidated financial statements.

In March 2016, the FASB issued ASU 2016-09, "*Improvements to Employee Share-Based Payment Accounting."* This ASU is intended to improve the accounting for share-based payment transactions as part of the

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

FASB's simplification initiative. This ASU is effective for fiscal years beginning after December 15, 2016, and interim periods within those years, with early adoption permitted. We are evaluating the effect that ASU 2016-09 will have on our consolidated financial statements and related disclosures.

3. Acquisition of Global Workplace Solutions

On September 1, 2015, CBRE, Inc., our wholly-owned subsidiary, pursuant to a Stock and Asset Purchase Agreement with Johnson Controls, Inc. (JCI), acquired JCI's Global Workplace Solutions business (we refer to this transaction as the GWS Acquisition). The acquired GWS business is a market-leading provider of integrated facilities management solutions for major occupiers of commercial real estate and has significant operations around the world. The purchase price was $1.475 billion, paid in cash, with adjustments for working capital and other items.

The preliminary purchase accounting adjustments related to the GWS Acquisition have been recorded in the accompanying consolidated financial statements. The excess purchase price over the estimated fair value of net assets acquired has been recorded to goodwill. The goodwill arising from the GWS Acquisition consists largely of the synergies and economies of scale expected from combining the operations acquired from GWS with our business. Of the $848 million of goodwill recorded in connection with the GWS Acquisition, approximately $442 million is deductible for tax purposes. Given the complexity of the transaction, the calculation of the fair value of certain assets and liabilities acquired, including intangible assets and income tax items, is still preliminary. As a result, the assignment of goodwill to our reporting units has not been completed. We expect to complete the purchase price allocation and the assignment of goodwill to our reporting units as soon as practicable, but no later than one year from the acquisition date.

Unaudited pro forma results, assuming the GWS Acquisition had occurred as of January 1, 2015 for purposes of the 2015 pro forma disclosures, are presented below. They include certain adjustments for the three months ended March 31, 2015, including $16.9 million of increased amortization expense as a result of intangible assets acquired in the GWS Acquisition, $10.3 million of additional interest expense as a result of debt incurred to finance the GWS Acquisition, the removal of $3.2 million of direct costs incurred by us related to the GWS Acquisition, net of the tax impact during the period of these pro forma adjustments. These pro forma results have been prepared for comparative purposes only and do not purport to be indicative of what operating results would have been had the GWS Acquisition occurred on January 1, 2015 and may not be indicative of future operating results (dollars in thousands, except share data):

	Three Months Ended March 31, 2015
Revenue	$ 2,925,503
Operating income	$ 171,403
Net income attributable to CBRE Group, Inc.	$ 94,769
Basic income per share:	
Net income per share attributable to CBRE Group, Inc.	$ 0.29
Weighted average shares outstanding for basic income per share	331,976,907
Diluted income per share:	
Net income per share attributable to CBRE Group, Inc.	$ 0.28
Weighted average shares outstanding for diluted income per share	335,698,590

4. Variable Interest Entities (VIEs)

We hold variable interests in certain variable interest entities (VIEs) in our Global Investment Management and Development Services segments which are not consolidated as it was determined that we are not the primary beneficiary. Our involvement with these entities is in the form of equity co-investments and fee arrangements.

As of March 31, 2016 and December 31, 2015, our maximum exposure to loss related to the VIEs which are not consolidated was as follows (dollars in thousands):

	March 31, 2016	December 31, 2015
Investments in unconsolidated subsidiaries	$ 24,703	$ 21,457
Other assets, current	3,827	3,723
Co-investment commitments	180	180
Maximum exposure to loss	$ 28,710	$ 25,360

5. Fair Value Measurements

The "*Fair Value Measurements and Disclosures*" topic (Topic 820) of the FASB Accounting Standards Codification (ASC) defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Topic 820 also establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

There were no significant transfers in or out of Level 1 and Level 2 during the three months ended March 31, 2016 and 2015. There have been no significant changes to the valuation techniques and inputs used to develop the recurring fair value measurements from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2015.

Table of Contents

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

The following tables present the fair value of assets and liabilities measured at fair value on a recurring basis as of March 31, 2016 and December 31, 2015 (dollars in thousands):

	As of March 31, 2016			
	Fair Value Measured and Recorded Using			
	Level 1	Level 2	Level 3	Total
Assets				
Available for sale securities:				
Debt securities:				
U.S. treasury securities	$ 8,341	$ —	$ —	$ 8,341
Debt securities issued by U.S. federal agencies	—	3,139	—	3,139
Corporate debt securities	—	16,645	—	16,645
Asset-backed securities	—	1,615	—	1,615
Collateralized mortgage obligations	—	1,704	—	1,704
Total debt securities	8,341	23,103	—	31,444
Equity securities	20,585	—	—	20,585
Total available for sale securities	28,926	23,103	—	52,029
Trading securities	66,971	—	—	66,971
Warehouse receivables	—	724,508	—	724,508
Foreign currency exchange forward contracts	—	7,988	—	7,988
Total assets at fair value	$ 95,897	$ 755,599	$ —	$851,496
Liabilities				
Interest rate swaps	$ —	$ 23,559	$ —	$ 23,559
Securities sold, not yet purchased	4,286	—	—	4,286
Foreign currency exchange forward contracts	—	9,268	—	9,268
Total liabilities at fair value	$ 4,286	$ 32,827	$ —	$ 37,113

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

	As of December 31, 2015			
	Fair Value Measured and Recorded Using			
	Level 1	Level 2	Level 3	Total
Assets				
Available for sale securities:				
Debt securities:				
U.S. treasury securities	$ 7,350	$ —	$ —	$ 7,350
Debt securities issued by U.S. federal agencies	—	3,360	—	3,360
Corporate debt securities	—	18,085	—	18,085
Asset-backed securities	—	1,897	—	1,897
Collateralized mortgage obligations	—	1,752	—	1,752
Total debt securities	7,350	25,094	—	32,444
Equity securities	24,118	—	—	24,118
Total available for sale securities	31,468	25,094	—	56,562
Trading securities	64,124	—	—	64,124
Warehouse receivables	—	1,767,107	—	1,767,107
Loan commitments	—	—	1,680	1,680
Foreign currency exchange forward contracts	—	9,236	—	9,236
Total assets at fair value	$ 95,592	$1,801,437	$ 1,680	$1,898,709
Liabilities				
Interest rate swaps	$ —	$ 21,502	$ —	$ 21,502
Securities sold, not yet purchased	4,436	—	—	4,436
Foreign currency exchange forward contracts	—	1,008	—	1,008
Total liabilities at fair value	$ 4,436	$ 22,510	$ —	$ 26,946

The following table provides additional information about fair value measurements for the Level 3 assets for the three months ended March 31, 2016 (dollars in thousands):

Balance, December 31, 2015	$ 1,680
Net gains included in earnings	—
Settlements	(1,680)
Transfers into (out of) Level 3	—
Balance, March 31, 2016	$ —

There were no significant non-recurring fair value measurements recorded during the three months ended March 31, 2016 and 2015.

FASB ASC Topic 825, "*Financial Instruments*" requires disclosure of fair value information about financial instruments, whether or not recognized in the accompanying consolidated balance sheets. Our financial instruments are as follows:

- *Cash and Cash Equivalents and Restricted Cash*—These balances include cash and cash equivalents as well as restricted cash with maturities of less than three months. The carrying amount approximates fair value due to the short-term maturities of these instruments.
- *Receivables, less Allowance for Doubtful Accounts*—Due to their short-term nature, fair value approximates carrying value.

- *Warehouse Receivables*—These balances are carried at fair value based on market prices at the balance sheet date.
- *Trading and Available for Sale Securities*—These investments are carried at their fair value.
- *Foreign Currency Exchange Forward Contracts*—These assets and liabilities are carried at their fair value as calculated by using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative.
- *Securities Sold, not yet Purchased*—These liabilities are carried at their fair value.
- *Short-Term Borrowings*—The majority of this balance represents outstanding amounts under our warehouse lines of credit of our wholly-owned subsidiary, CBRE Capital Markets, Inc. (CBRE Capital Markets), and our revolving credit facility. Due to the short-term nature and variable interest rates of these instruments, fair value approximates carrying value (see Note 7).
- *Senior Term Loans*—Based upon information from third-party banks (which falls within Level 2 of the fair value hierarchy), the estimated fair value of our senior term loans was approximately $873.1 million and $878.6 million at March 31, 2016 and December 31, 2015, respectively. Their actual carrying value, net of unamortized debt issuance costs, totaled $872.9 million and $877.9 million at March 31, 2016 and December 31, 2015, respectively (see Note 7).
- *Interest Rate Swaps*—These liabilities are carried at their fair value as calculated by using widely-accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative.
- *Senior Notes*—Based on dealers' quotes (which falls within Level 2 of the fair value hierarchy), the estimated fair values of our 5.00% senior notes, 4.875% senior notes and 5.25% senior notes were $824.0 million, $608.5 million and $438.2 million, respectively, at March 31, 2016 and $802.6 million, $598.8 million and $430.4 million, respectively, at December 31, 2015. The actual carrying value of our 5.00% senior notes, 4.875% senior notes and 5.25% senior notes, net of unamortized debt issuance costs, totaled $789.5 million, $590.7 million and $422.0 million, respectively, at March 31, 2016 and $789.1 million, $590.5 million and $422.0 million, respectively, at December 31, 2015.

6. Investments in Unconsolidated Subsidiaries

Investments in unconsolidated subsidiaries are accounted for under the equity method of accounting. Our investment ownership percentages in equity method investments vary, generally ranging up to 5.0% in our Global Investment Management segment, up to 10.0% in our Development Services segment, and up to 50% in our other business segments.

Combined condensed financial information for the entities actually accounted for using the equity method is as follows (dollars in thousands):

	Three Months Ended March 31,	
	2016	**2015**
Global Investment Management		
Revenue	$ 232,603	$ 255,727
Operating income	$ 623	$ 28,627
Net loss	$ (21,875)	$ (42,956)
Development Services		
Revenue	$ 12,658	$ 9,259
Operating income	$ 120,910	$ 39,047
Net income	$ 118,461	$ 37,636
Other		
Revenue	$ 28,251	$ 27,587
Operating income	$ 6,182	$ 3,526
Net income	$ 6,194	$ 3,637
Total		
Revenue	$ 273,512	$ 292,573
Operating income	$ 127,715	$ 71,200
Net income (loss)	$ 102,780	$ (1,683)

7. Long-Term Debt and Short-Term Borrowings

Long-Term Debt

Long-term debt consists of the following (dollars in thousands):

	March 31, 2016	December 31, 2015
Senior term loans, with interest ranging from 1.39% to 2.04%, due quarterly through 2022	$ 882,500	$ 888,125
5.00% senior notes due in 2023	800,000	800,000
4.875% senior notes due in 2026, net of unamortized discount	595,652	595,568
5.25% senior notes due in 2025, net of unamortized premium	426,636	426,682
Other	71	63
Total long-term debt	2,704,859	2,710,438
Less: current maturities of long-term debt	(40,062)	(34,428)
Less: unamortized debt issuance costs	(29,752)	(30,899)
Total long-term debt, net of current maturities	$ 2,635,045	$ 2,645,111

On January 9, 2015, CBRE Services, Inc. (CBRE), our wholly-owned subsidiary, entered into an amended and restated credit agreement (the 2015 Credit Agreement) with a syndicate of banks jointly led by Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC and Credit Suisse AG. On March 21, 2016, we executed an amendment to the 2015 Credit Agreement which, among other things, extended the maturity on our revolving credit facility to March 2021 and increased the borrowing capacity under our revolving credit facility by $200.0 million.

The 2015 Credit Agreement is an unsecured credit facility that is jointly and severally guaranteed by us and substantially all of our material domestic subsidiaries. As of March 31, 2016, the 2015 Credit Agreement provided for the following: (1) a $2.8 billion revolving credit facility, which includes the capacity to obtain letters of credit and swingline loans and matures on March 21, 2021; (2) a $500.0 million tranche A term loan facility requiring quarterly principal payments, which began on June 30, 2015 and continue through maturity on January 9, 2020; (3) a $270.0 million tranche B-1 term loan facility requiring quarterly principal payments, which began on December 31, 2015 and continue through maturity on September 3, 2020; and (4) a $130.0 million tranche B-2 term loan facility requiring quarterly principal payments, which began on December 31, 2015 and continue through maturity on September 3, 2022.

Our 2015 Credit Agreement and the indentures governing our 5.00% senior notes, 4.875% senior notes and 5.25% senior notes contain restrictive covenants that, among other things, limit our ability to incur additional indebtedness, pay dividends or make distributions to stockholders, repurchase capital stock or debt, make investments, sell assets or subsidiary stock, create or permit liens on assets, engage in transactions with affiliates, enter into sale/leaseback transactions, issue subsidiary equity and enter into consolidations or mergers. Our 2015 Credit Agreement also requires us to maintain a minimum coverage ratio of EBITDA (as defined in the 2015 Credit Agreement) to total interest expense of 2.00x and a maximum leverage ratio of total debt less available cash to EBITDA (as defined in the 2015 Credit Agreement) of 4.25x as of the end of each fiscal quarter. On this basis, our coverage ratio of EBITDA to total interest expense was 11.98x for the trailing twelve months ended March 31, 2016, and our leverage ratio of total debt less available cash to EBITDA was 1.66x as of March 31, 2016.

Short-Term Borrowings

Revolving Credit Facility

As of March 31, 2016, we had $280.0 million of revolving credit facility principal outstanding under the 2015 Credit Agreement with a related weighted average annual interest rate of 2.7% and which was included in short-term borrowings in the accompanying consolidated balance sheets. As of March 31, 2016, letters of credit totaling $2.0 million were outstanding under the revolving credit facility. These letters of credit, which reduce the amount we may borrow under the revolving credit facility, were primarily issued in the ordinary course of business. As of December 31, 2015, no amounts were outstanding under our revolving credit facility other than letters of credit totaling $2.0 million.

Warehouse Lines of Credit

CBRE Capital Markets has warehouse lines of credit with third-party lenders for the purpose of funding mortgage loans that will be resold, and a funding arrangement with Federal National Mortgage Association (Fannie Mae) for the purpose of selling a percentage of certain closed multifamily loans to Fannie Mae. These warehouse lines are recourse only to CBRE Capital Markets and are secured by our related warehouse receivables.

During the three months ended March 31, 2016, we had a maximum of $1.9 billion of warehouse lines of credit principal outstanding. As of March 31, 2016 and December 31, 2015, we had $714.4 million and $1.8 billion, respectively, of warehouse lines of credit principal outstanding, which are included in short-term borrowings in the accompanying consolidated balance sheets. Additionally, we had $724.5 million and $1.8 billion of mortgage loans held for sale (warehouse receivables) as of March 31, 2016 and December 31, 2015, respectively, included in the accompanying consolidated balance sheets, which substantially represented mortgage loans funded through the lines of credit that were either under commitment to be purchased by Federal Home Loan Mortgage Corporation (Freddie Mac) or had confirmed forward trade commitments for the issuance and purchase of Fannie Mae or Government National Mortgage Association (Ginnie Mae) mortgage backed securities that will be secured by the underlying loans.

8. Commitments and Contingencies

We are a party to a number of pending or threatened lawsuits arising out of, or incident to, our ordinary course of business. We believe that any losses in excess of the amounts accrued therefor as liabilities on our financial statements are unlikely to be significant, but litigation is inherently uncertain and there is the potential for a material adverse effect on our financial statements if one or more matters are resolved in a particular period in an amount materially in excess of what we anticipated.

In January 2008, CBRE Multifamily Capital, Inc. (CBRE MCI), a wholly-owned subsidiary of CBRE Capital Markets, entered into an agreement with Fannie Mae under Fannie Mae's Delegated Underwriting and Servicing Lender Program (DUS Program), to provide financing for multifamily housing with five or more units. Under the DUS Program, CBRE MCI originates, underwrites, closes and services loans without prior approval by Fannie Mae, and in selected cases, is subject to sharing up to one-third of any losses on loans originated under the DUS Program. CBRE MCI has funded loans subject to such loss sharing arrangements with unpaid principal balances of $12.8 billion at March 31, 2016. CBRE MCI, under its agreement with Fannie Mae, must post cash reserves or other acceptable collateral under formulas established by Fannie Mae to provide for sufficient capital in the event losses occur. As of March 31, 2016 and December 31, 2015, CBRE MCI had a $38.0 million and $35.0 million, respectively, letter of credit under this reserve arrangement, and had provided approximately $22.4 million and $21.8 million, respectively, of loan loss accruals. Fannie Mae's recourse under the DUS Program is limited to the assets of CBRE MCI, which assets totaled approximately $489.6 million (including $332.2 million of warehouse receivables, a substantial majority of which are pledged against warehouse lines of credit and are therefore not available to Fannie Mae) at March 31, 2016.

We had outstanding letters of credit totaling $47.2 million as of March 31, 2016, excluding letters of credit for which we have outstanding liabilities already accrued on our consolidated balance sheet related to our subsidiaries' outstanding reserves for claims under certain insurance programs as well as letters of credit related to operating leases. CBRE MCI's letter of credit totaling $38.0 million as of March 31, 2016 referred to in the preceding paragraph represented the majority of the $47.2 million outstanding letters of credit as of such date. The remaining letters of credit are primarily executed by us in the ordinary course of business and expire at varying dates through September 2016.

We had guarantees totaling $53.9 million as of March 31, 2016, excluding guarantees related to pension liabilities, consolidated indebtedness and other obligations for which we have outstanding liabilities already accrued on our consolidated balance sheet, and excluding guarantees related to operating leases. The $53.9 million primarily represents guarantees executed by us in the ordinary course of business, including various guarantees of management and vendor contracts in our operations overseas, which expire at the end of each of the respective agreements.

In addition, as of March 31, 2016, we had issued numerous non-recourse carveout, completion and budget guarantees relating to development projects for the benefit of third parties. These guarantees are commonplace in our industry and are made by us in the ordinary course of our Development Services business. Non-recourse carveout guarantees generally require that our project-entity borrower not commit specified improper acts, with us potentially liable for all or a portion of such entity's indebtedness or other damages suffered by the lender if those acts occur. Completion and budget guarantees generally require us to complete construction of the relevant project within a specified timeframe and/or within a specified budget, with us potentially being liable for costs to complete in excess of such timeframe or budget. However, we generally use "guaranteed maximum price" contracts with reputable, bondable general contractors with respect to projects for which we provide these guarantees. These contracts are intended to pass the risk to such contractors. While there can be no assurance, we do not expect to incur any material losses under these guarantees.

An important part of the strategy for our Global Investment Management business involves investing our capital in certain real estate investments with our clients. These co-investments generally total up to 2.0% of the equity in a particular fund. As of March 31, 2016, we had aggregate commitments of $13.5 million to fund future co-investments.

Additionally, an important part of our Development Services business strategy is to invest in unconsolidated real estate subsidiaries as a principal (in most cases co-investing with our clients). As of March 31, 2016, we had committed to fund $30.1 million of additional capital to these unconsolidated subsidiaries.

9. Income Per Share Information

The calculations of basic and diluted income per share attributable to CBRE Group, Inc. shareholders are as follows (dollars in thousands, except share data):

	Three Months Ended March 31,	
	2016	**2015**
Basic Income Per Share		
Net income attributable to CBRE Group, Inc. shareholders	$ 82,167	$ 92,937
Weighted average shares outstanding for basic income per share	333,992,935	331,976,907
Basic income per share attributable to CBRE Group, Inc. shareholders	$ 0.25	$ 0.28
Diluted Income Per Share		
Net income attributable to CBRE Group, Inc. shareholders	$ 82,167	$ 92,937
Weighted average shares outstanding for basic income per share	333,992,935	331,976,907
Dilutive effect of contingently issuable shares	3,469,041	3,444,604
Dilutive effect of stock options	44,256	277,079
Weighted average shares outstanding for diluted income per share	337,506,232	335,698,590
Diluted income per share attributable to CBRE Group, Inc. shareholders	$ 0.24	$ 0.28

For the three months ended March 31, 2016 and 2015, 1,562,323 and 47,757, respectively, of contingently issuable shares were excluded from the computation of diluted income per share because their inclusion would have had an anti-dilutive effect.

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

10. Segments

We report our operations through the following segments: (1) Americas; (2) Europe, Middle East and Africa (EMEA); (3) Asia Pacific; (4) Global Investment Management and (5) Development Services.

The Americas segment is our largest segment of operations and provides a comprehensive range of services throughout the U.S. and in the largest regions of Canada and key markets in Latin America. The primary services offered consist of the following: real estate services, mortgage loan origination and servicing, valuation services, asset services and occupier outsourcing services.

Our EMEA and Asia Pacific segments generally provide services similar to the Americas business segment. The EMEA segment has operations primarily in Europe, while the Asia Pacific segment has operations in Asia, Australia and New Zealand.

Our Global Investment Management business provides investment management services to clients seeking to generate returns and diversification through direct and indirect investments in real estate in North America, Europe and Asia Pacific.

Our Development Services business consists of real estate development and investment activities primarily in the U.S.

Summarized financial information by segment is as follows (dollars in thousands):

	Three Months Ended March 31,	
	2016	**2015 (1)**
Revenue		
Americas	$ 1,583,559	$ 1,227,616
EMEA	847,498	494,024
Asia Pacific	308,524	208,366
Global Investment Management	90,380	110,224
Development Services	16,773	12,273
Total revenue	$ 2,846,734	$ 2,052,503
EBITDA		
Americas	$ 173,338	$ 170,062
EMEA	15,214	18,183
Asia Pacific	10,654	14,462
Global Investment Management	21,536	38,045
Development Services	31,875	5,536
Total EBITDA	$ 252,617	$ 246,288

(1) During 2016, we changed our methodology for allocating certain costs to our reporting segments, including stock compensation, currency hedging and certain intercompany transactions. Prior year amounts have been reclassified to conform with the current year presentation. Such changes had no impact on our consolidated results.

EBITDA represents earnings before net interest expense, write-off of financing costs on extinguished debt, income taxes, depreciation and amortization. EBITDA is not a recognized measurement under U.S. generally accepted accounting principles (GAAP) and when analyzing our operating performance, investors should use

Table of Contents

EBITDA in addition to, and not as an alternative for, net income as determined in accordance with GAAP. Because not all companies use identical calculations, our presentation of EBITDA may not be comparable to similarly titled measures of other companies.

We generally use EBITDA to evaluate operating performance and for other discretionary purposes, and we believe that this measure provides a more complete understanding of ongoing operations and enhances comparability of current results to prior periods. We further believe that investors may find EBITDA useful in evaluating our operating performance compared to that of other companies in our industry because EBITDA calculations generally eliminate the effects of acquisitions, which would include impairment charges of goodwill and intangibles created from acquisitions, the effects of financings and income taxes and the accounting effects of capital spending. EBITDA may vary for different companies for reasons unrelated to overall operating performance.

EBITDA is not intended to be a measure of free cash flow for our discretionary use because it does not consider certain cash requirements such as tax and debt service payments. EBITDA may also differ from the amount calculated under similarly titled definitions in our debt instruments, which amounts are further adjusted to reflect certain other cash and non-cash charges and are used by us to determine compliance with financial covenants therein and our ability to engage in certain activities, such as incurring additional debt and making certain restricted payments.

Net interest expense and write-off of financing costs on extinguished debt have been expensed in the segment where incurred. Provision for income taxes has been allocated among our segments by using applicable U.S. and foreign effective tax rates. EBITDA for our segments is calculated as follows (dollars in thousands):

	Three Months Ended March 31,	
	2016	**2015 (1)**
Americas		
Net income attributable to CBRE Group, Inc.	$ 71,518	$ 83,135
Add:		
Depreciation and amortization	60,600	42,950
Interest expense, net	20,926	3,546
Write-off of financing costs on extinguished debt	—	2,685
Royalty and management service income	(6,768)	(5,084)
Provision for income taxes	27,062	42,830
EBITDA	$ 173,338	$ 170,062
EMEA		
Net loss attributable to CBRE Group, Inc.	$ (12,135)	$ (10,288)
Add:		
Depreciation and amortization	15,005	14,792
Interest expense, net	3,512	11,447
Royalty and management service (income) expense	(626)	1,190
Provision for income taxes	9,458	1,042
EBITDA	$ 15,214	$ 18,183

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

Asia Pacific		
Net (loss) income attributable to CBRE Group, Inc.	$ (2,570)	$ 3,786
Add:		
Depreciation and amortization	4,181	3,846
Interest expense, net	915	898
Royalty and management service expense	6,258	2,848
Provision for income taxes	1,870	3,084
EBITDA	$10,654	$14,462
Global Investment Management		
Net income attributable to CBRE Group, Inc.	$ 7,284	$13,873
Add:		
Depreciation and amortization	6,620	7,611
Interest expense, net	7,697	7,684
Royalty and management service expense	1,136	1,046
(Benefit of) provision for income taxes	(1,201)	7,831
EBITDA	$21,536	$38,045
Development Services		
Net income attributable to CBRE Group, Inc.	$18,070	$ 2,431
Add:		
Depreciation and amortization	588	647
Interest expense, net	281	342
Provision for income taxes	12,936	2,116
EBITDA	$31,875	$ 5,536

(1) During 2016, we changed our methodology for allocating certain costs to our reporting segments, including stock compensation, currency hedging and certain intercompany transactions. Prior year amounts have been reclassified to conform with the current year presentation. Such changes had no impact on our consolidated results.

11. Guarantor and Nonguarantor Financial Statements

The following condensed consolidating financial information includes condensed consolidating balance sheets as of March 31, 2016 and December 31, 2015 and condensed consolidating statements of operations, condensed consolidating statements of comprehensive income (loss) and condensed consolidating statements of cash flows for the three months ended March 31, 2016 and 2015 of:

- CBRE Group, Inc., as the parent; CBRE, as the subsidiary issuer; the guarantor subsidiaries; the nonguarantor subsidiaries;
- Elimination entries necessary to consolidate CBRE Group, Inc., as the parent, with CBRE and its guarantor and nonguarantor subsidiaries; and
- CBRE Group, Inc., on a consolidated basis.

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.

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

CONDENSED CONSOLIDATING BALANCE SHEET
AS OF MARCH 31, 2016
(Dollars in thousands)

	Parent	CBRE	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
ASSETS						
Current Assets:						
Cash and cash equivalents	$ 5	$ 3,416	$ 52,231	$ 433,577	$ —	$ 489,229
Restricted cash	—	—	3,167	60,205	—	63,372
Receivables, net	—	—	880,322	1,464,503	—	2,344,825
Warehouse receivables (1)	—	—	392,307	332,201	—	724,508
Income taxes receivable	546	3,325	14,118	59,346	(4,032)	73,303
Prepaid expenses	—	—	64,671	114,264	—	178,935
Other current assets	—	7,938	65,076	139,710	—	212,724
Total Current Assets	551	14,679	1,471,892	2,603,806	(4,032)	4,086,896
Property and equipment, net	—	—	381,835	146,515	—	528,350
Goodwill	—	—	1,655,802	1,478,064	—	3,133,866
Other intangible assets, net	—	—	827,816	588,520	—	1,416,336
Investments in unconsolidated subsidiaries	—	—	187,100	33,433	—	220,533
Investments in consolidated subsidiaries	3,890,498	4,165,191	2,367,105	—	(10,422,794)	—
Intercompany loan receivable	—	2,681,258	700,000	—	(3,381,258)	—
Deferred tax assets, net	—	—	66,382	100,605	(39,474)	127,513
Other assets, net	—	25,371	170,146	126,124	—	321,641
Total Assets	$ 3,891,049	$ 6,886,499	$ 7,828,078	$ 5,077,067	$ (13,847,558)	$ 9,835,135
LIABILITIES AND EQUITY						
Current Liabilities:						
Accounts payable and accrued expenses	$ —	$ 7,512	$ 356,509	$ 987,041	$ —	$ 1,351,062
Compensation and employee benefits payable	—	626	337,482	310,888	—	648,996
Accrued bonus and profit sharing	—	—	215,904	336,127	—	552,031
Income taxes payable	—	—	—	63,062	(4,032)	59,030
Short-term borrowings:					—	
Warehouse lines of credit (1)	—	—	388,545	325,832	—	714,377
Revolving credit facility	—	280,000	—	—	—	280,000
Other	—	—	16	—	—	16
Total short-term borrowings	—	280,000	388,561	325,832	—	994,393
Current maturities of long-term debt	—	40,000	—	62	—	40,062
Other current liabilities	—	9,268	30,373	11,205	—	50,846
Total Current Liabilities	—	337,406	1,328,829	2,034,217	(4,032)	3,696,420
Long-Term Debt, net:						
Long-term debt, net	—	2,635,036	—	9	—	2,635,045
Intercompany loan payable	1,073,454	—	2,012,662	295,142	(3,381,258)	—
Total Long-Term Debt, net	1,073,454	2,635,036	2,012,662	295,151	(3,381,258)	2,635,045
Deferred tax liabilities, net	—	—	—	125,008	(39,474)	85,534
Non-current tax liabilities	—	—	89,535	1,272	—	90,807
Other liabilities	—	23,559	231,861	205,211	—	460,631
Total Liabilities	1,073,454	2,996,001	3,662,887	2,660,859	(3,424,764)	6,968,437
Commitments and contingencies	—	—	—	—	—	—
Equity:						
CBRE Group, Inc. Stockholders' Equity	2,817,595	3,890,498	4,165,191	2,367,105	(10,422,794)	2,817,595
Non-controlling interests	—	—	—	49,103	—	49,103
Total Equity	2,817,595	3,890,498	4,165,191	2,416,208	(10,422,794)	2,866,698
Total Liabilities and Equity	$ 3,891,049	$ 6,886,499	$ 7,828,078	$ 5,077,067	$ (13,847,558)	$ 9,835,135

(1) Although CBRE Capital Markets is included among our domestic subsidiaries that jointly and severally guarantee our 5.00% senior notes, 4.875% senior notes, 5.25% senior notes and our 2015 Credit Agreement, a substantial majority of warehouse receivables funded under TD Bank, N.A. (TD Bank), Capital One, N.A. (Capital One), Bank of America (BofA), JP Morgan Chase Bank, N.A. (JP Morgan) and Fannie Mae ASAP lines of credit are pledged to TD Bank, Capital One, BofA, JP Morgan and Fannie Mae, and accordingly, are not included as collateral for these notes or our other outstanding debt.

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

CONDENSED CONSOLIDATING BALANCE SHEET
AS OF DECEMBER 31, 2015
(Dollars in thousands)

	Parent	CBRE	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
ASSETS						
Current Assets:						
Cash and cash equivalents	$ 5	$ 8,479	$ 147,410	$ 384,509	$ —	$ 540,403
Restricted cash	—	—	6,421	66,343	—	72,764
Receivables, net	—	—	860,776	1,610,964	—	2,471,740
Warehouse receivables (1)	—	—	1,397,094	370,013	—	1,767,107
Income taxes receivable	25,912	6,365	10,552	48,779	(32,277)	59,331
Prepaid expenses	—	—	77,109	95,813	—	172,922
Other current assets	—	9,236	62,386	149,334	—	220,956
Total Current Assets	25,917	24,080	2,561,748	2,725,755	(32,277)	5,305,223
Property and equipment, net	—	—	382,897	146,926	—	529,823
Goodwill	—	—	1,626,618	1,459,379	—	3,085,997
Other intangible assets, net	—	—	844,611	605,858	—	1,450,469
Investments in unconsolidated subsidiaries	—	—	184,508	33,435	—	217,943
Investments in consolidated subsidiaries	3,699,642	3,796,841	2,360,544	—	(9,857,027)	—
Intercompany loan receivable	—	2,590,949	700,000	—	(3,290,949)	—
Deferred tax assets, net	—	—	68,971	105,754	(39,473)	135,252
Other assets, net	—	22,055	176,835	94,346	—	293,236
Total Assets	$ 3,725,559	$ 6,433,925	$ 8,906,732	$ 5,171,453	$ (13,219,726)	$ 11,017,943
LIABILITIES AND EQUITY						
Current Liabilities:						
Accounts payable and accrued expenses	$ —	$ 31,616	$ 395,509	$ 1,056,994	$ —	$ 1,484,119
Compensation and employee benefits payable	—	626	388,251	316,193	—	705,070
Accrued bonus and profit sharing	—	—	479,106	387,788	—	866,894
Income taxes payable	—	—	69,121	45,350	(32,277)	82,194
Short-term borrowings:					—	
Warehouse lines of credit (1)	—	—	1,388,033	362,748	—	1,750,781
Other	—	—	16	—	—	16
Total short-term borrowings	—	—	1,388,049	362,748	—	1,750,797
Current maturities of long-term debt	—	34,375	—	53	—	34,428
Other current liabilities	—	1,063	31,474	38,118	—	70,655
Total Current Liabilities	—	67,680	2,751,510	2,207,244	(32,277)	4,994,157
Long-Term Debt, net:						
Long-term debt, net	—	2,645,101	—	10	—	2,645,111
Intercompany loan payable	1,012,907	—	2,043,433	234,609	(3,290,949)	—
Total Long-Term Debt, net	1,012,907	2,645,101	2,043,433	234,619	(3,290,949)	2,645,111
Deferred tax liabilities, net	—	—	—	139,834	(39,473)	100,361
Non-current tax liabilities	—	—	87,483	1,184	—	88,667
Other liabilities	—	21,502	227,465	181,610	—	430,577
Total Liabilities	1,012,907	2,734,283	5,109,891	2,764,491	(3,362,699)	8,258,873
Commitments and contingencies	—	—	—	—	—	—
Equity:						
CBRE Group, Inc. Stockholders' Equity	2,712,652	3,699,642	3,796,841	2,360,544	(9,857,027)	2,712,652
Non-controlling interests	—	—	—	46,418	—	46,418
Total Equity	2,712,652	3,699,642	3,796,841	2,406,962	(9,857,027)	2,759,070
Total Liabilities and Equity	$ 3,725,559	$ 6,433,925	$ 8,906,732	$ 5,171,453	$ (13,219,726)	$ 11,017,943

(1) Although CBRE Capital Markets is included among our domestic subsidiaries that jointly and severally guarantee our 5.00% senior notes, 4.875% senior notes, 5.25% senior notes and our 2015 Credit Agreement, a substantial majority of warehouse receivables funded under TD Bank, N.A. (TD Bank), Capital One, N.A. (Capital One), Bank of America (BofA), JP Morgan Chase Bank, N.A. (JP Morgan) and Fannie Mae ASAP lines of credit are pledged to TD Bank, Capital One, BofA, JP Morgan and Fannie Mae, and accordingly, are not included as collateral for these notes or our other outstanding debt.

Table of Contents

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(Dollars in thousands)

	Parent	CBRE	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Revenue	$ —	$ —	$ 1,497,499	$ 1,349,235	$ —	$ 2,846,734
Costs and expenses:						
Cost of services	—	—	1,024,563	989,050	—	2,013,613
Operating, administrative and other	1,426	7,524	342,870	291,546	—	643,366
Depreciation and amortization	—	—	54,731	32,263	—	86,994
Total costs and expenses	1,426	7,524	1,422,164	1,312,859	—	2,743,973
Gain on disposition of real estate	—	—	3,659	1,160	—	4,819
Operating (loss) income	(1,426)	(7,524)	78,994	37,536	—	107,580
Equity income from unconsolidated subsidiaries	—	—	56,265	1,036	—	57,301
Other (loss) income	—	—	(432)	3,647	—	3,215
Interest income	—	32,473	917	542	(32,473)	1,459
Interest expense	—	33,627	24,583	9,053	(32,473)	34,790
Royalty and management service (income) expense	—	—	(7,428)	7,428	—	—
Income from consolidated subsidiaries	83,047	88,400	3,532	—	(174,979)	—
Income before (benefit of) provision for income taxes	81,621	79,722	122,121	26,280	(174,979)	134,765
(Benefit of) provision for income taxes	(546)	(3,325)	33,721	20,275	—	50,125
Net income	82,167	83,047	88,400	6,005	(174,979)	84,640
Less: Net income attributable to non-controlling interests	—	—	—	2,473	—	2,473
Net income attributable to CBRE Group, Inc.	$ 82,167	$ 83,047	$ 88,400	$ 3,532	$ (174,979)	$ 82,167

Table of Contents

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2015
(Dollars in thousands)

	Parent	CBRE	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Revenue	$ —	$ —	$ 1,157,871	$ 894,632	$ —	$ 2,052,503
Costs and expenses:						
Cost of services	—	—	717,643	573,134	—	1,290,777
Operating, administrative and other	13,144	(18,620)	284,587	252,664	—	531,775
Depreciation and amortization	—	—	36,527	33,319	—	69,846
Total costs and expenses	13,144	(18,620)	1,038,757	859,117	—	1,892,398
Operating (loss) income	(13,144)	18,620	119,114	35,515	—	160,105
Equity income from unconsolidated subsidiaries	—	—	15,321	130	—	15,451
Other income	—	—	924	163	—	1,087
Interest income	—	55,367	674	1,623	(55,367)	2,297
Interest expense	—	24,886	39,402	17,293	(55,367)	26,214
Write-off of financing costs on extinguished debt	—	2,685	—	—	—	2,685
Royalty and management service (income) expense	—	—	(4,102)	4,102	—	—
Income from consolidated subsidiaries	101,121	72,220	225	—	(173,566)	—
Income before (benefit of) provision for income taxes	87,977	118,636	100,958	16,036	(173,566)	150,041
(Benefit of) provision for income taxes	(4,960)	17,515	28,738	15,610	—	56,903
Net income	92,937	101,121	72,220	426	(173,566)	93,138
Less: Net income attributable to non-controlling interests	—	—	—	201	—	201
Net income attributable to CBRE Group, Inc.	$ 92,937	$ 101,121	$ 72,220	$ 225	$ (173,566)	$ 92,937

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(Dollars in thousands)

	Parent	CBRE	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net income	$82,167	$83,047	$ 88,400	$ 6,005	$ (174,979)	$ 84,640
Other comprehensive (loss) income:						
Foreign currency translation gain	—	—	—	16,594	—	16,594
Amounts reclassified from accumulated other comprehensive loss to interest expense, net	—	1,743	—	—	—	1,743
Unrealized losses on interest rate swaps, net	—	(2,909)	—	—	—	(2,909)
Unrealized holding (losses) gains on available for sale securities, net	—	—	(1,089)	160	—	(929)
Other, net	—	—	(57)	—	—	(57)
Total other comprehensive (loss) income	—	(1,166)	(1,146)	16,754	—	14,442
Comprehensive income	82,167	81,881	87,254	22,759	(174,979)	99,082
Less: Comprehensive income attributable to non-controlling interests	—	—	—	2,595	—	2,595
Comprehensive income attributable to CBRE Group, Inc.	$82,167	$81,881	$ 87,254	$ 20,164	$ (174,979)	$ 96,487

Table of Contents

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE INCOME (LOSS)
FOR THE THREE MONTHS ENDED MARCH 31, 2015
(Dollars in thousands)

	Parent	CBRE	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net income	$ 92,937	$ 101,121	$ 72,220	$ 426	$ (173,566)	$ 93,138
Other comprehensive loss:						
Foreign currency translation loss	—	—	—	(105,420)	—	(105,420)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net	—	1,795	—	—	—	1,795
Unrealized losses on interest rate swaps, net	—	(2,774)	—	—	—	(2,774)
Unrealized holding (losses) gains on available for sale securities, net	—	—	(287)	121	—	(166)
Other, net	—	—	2	—	—	2
Total other comprehensive loss	—	(979)	(285)	(105,299)	—	(106,563)
Comprehensive income (loss)	92,937	100,142	71,935	(104,873)	(173,566)	(13,425)
Less: Comprehensive income attributable to non-controlling interests	—	—	—	168	—	168
Comprehensive income (loss) attributable to CBRE Group, Inc.	$ 92,937	$ 100,142	$ 71,935	$ (105,041)	$ (173,566)	$ (13,593)

Table of Contents

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2016
(Dollars in thousands)

	Parent	CBRE	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Consolidated Total
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:	$ 38,715	$ (14,370)	$ (350,009)	$ (2,976)	$ (328,640)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Capital expenditures	—	—	(23,730)	(9,738)	(33,468)
Acquisition of GWS, including net assets acquired, intangibles and goodwill	—	—	(21,900)	—	(21,900)
Acquisition of businesses (other than GWS), including net assets acquired, intangibles and goodwill	—	—	(1,143)	(2,155)	(3,298)
Contributions to unconsolidated subsidiaries	—	—	(10,832)	(91)	(10,923)
Distributions from unconsolidated subsidiaries	—	—	54,420	1,151	55,571
Proceeds from the sale of servicing rights and other assets	—	—	3,739	1,864	5,603
Decrease in restricted cash	—	—	3,254	6,517	9,771
Purchase of available for sale securities	—	—	(7,716)	—	(7,716)
Proceeds from the sale of available for sale securities	—	—	9,969	—	9,969
Other investing activities, net	—	—	(2,303)	—	(2,303)
Net cash provided by (used in) investing activities	—	—	3,758	(2,452)	1,306
CASH FLOWS FROM FINANCING ACTIVITIES:					
Repayment of senior term loans	—	(5,625)	—	—	(5,625)
Proceeds from revolving credit facility	—	565,000	—	—	565,000
Repayment of revolving credit facility	—	(285,000)	—	—	(285,000)
Proceeds from notes payable on real estate held for sale and under development	—	—	—	12,427	12,427
Repayment of notes payable on real estate held for sale and under development	—	—	—	(4,102)	(4,102)
Shares repurchased for payment of taxes on equity awards	(4,252)	—	—	—	(4,252)
Non-controlling interest contributions	—	—	—	27	27
Non-controlling interest distributions	—	—	—	(1,138)	(1,138)
Payment of financing costs	—	(4,677)	—	(110)	(4,787)
(Increase) decrease in intercompany receivables, net	(34,640)	(260,391)	251,072	43,959	—
Other financing activities, net	177	—	—	(413)	(236)
Net cash (used in) provided by financing activities	(38,715)	9,307	251,072	50,650	272,314
Effect of currency exchange rate changes on cash and cash equivalents	—	—	—	3,846	3,846
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	—	(5,063)	(95,179)	49,068	(51,174)
CASH AND CASH EQUIVALENTS, AT BEGINNING OF PERIOD	5	8,479	147,410	384,509	540,403
CASH AND CASH EQUIVALENTS, AT END OF PERIOD	$ 5	$ 3,416	$ 52,231	$ 433,577	$ 489,229
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:					
Cash paid during the period for:					
Interest	$ —	$ 53,924	$ —	$ 281	$ 54,205
Income taxes, net	$ —	$ —	$ 63,648	$ 19,330	$ 82,978

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2015
(Dollars in thousands)

	Parent	CBRE	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Consolidated Total
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:	$ 22,240	$ 828	$ (296,579)	$ 93,661	$ (179,850)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Capital expenditures	—	—	(8,536)	(10,092)	(18,628)
Acquisition of businesses, including net assets acquired, intangibles and goodwill	—	—	(73,061)	(1,972)	(75,033)
Contributions to unconsolidated subsidiaries	—	—	(13,930)	(911)	(14,841)
Distributions from unconsolidated subsidiaries	—	—	22,865	1,557	24,422
Proceeds from the sale of servicing rights and other assets	—	—	2,410	2,531	4,941
Increase in restricted cash	—	—	(3,331)	(28,027)	(31,358)
Purchase of available for sale securities	—	—	(11,878)	—	(11,878)
Proceeds from the sale of available for sale securities	—	—	15,854	—	15,854
Other investing activities, net	—	—	358	(670)	(312)
Net cash used in investing activities	—	—	(69,249)	(37,584)	(106,833)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from senior term loans	—	500,000	—	—	500,000
Repayment of senior term loans	—	(645,613)	—	—	(645,613)
Proceeds from revolving credit facility	—	264,000	—	—	264,000
Repayment of revolving credit facility	—	(154,000)	—	(4,512)	(158,512)
Proceeds from notes payable on real estate held for sale and under development	—	—	—	746	746
Shares repurchased for payment of taxes on equity awards	(5,092)	—	—	—	(5,092)
Non-controlling interest contributions	—	—	—	4,192	4,192
Non-controlling interest distributions	—	—	—	(748)	(748)
Payment of financing costs	—	(21,183)	—	—	(21,183)
(Increase) decrease in intercompany receivables, net	(19,308)	43,359	25,379	(49,430)	—
Other financing activities, net	2,160	—	—	(385)	1,775
Net cash (used in) provided by financing activities	(22,240)	(13,437)	25,379	(50,137)	(60,435)
Effect of currency exchange rate changes on cash and cash equivalents	—	—	—	(14,738)	(14,738)
NET DECREASE IN CASH AND CASH EQUIVALENTS	—	(12,609)	(340,449)	(8,798)	(361,856)
CASH AND CASH EQUIVALENTS, AT BEGINNING OF PERIOD	5	18,262	374,103	348,514	740,884
CASH AND CASH EQUIVALENTS, AT END OF PERIOD	$ 5	$ 5,653	$ 33,654	$ 339,716	$ 379,028
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:					
Cash paid during the period for:					
Interest	$ —	$ 36,358	$ —	$ 805	$ 37,163
Income taxes, net	$ —	$ —	$ 34,160	$ 22,730	$ 56,890

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This Quarterly Report on Form 10-Q (Quarterly Report) for CBRE Group, Inc. for the three months ended March 31, 2016 represents an update to the more detailed and comprehensive disclosures included in our Annual Report on Form 10-K for the year ended December 31, 2015. Accordingly, you should read the following discussion in conjunction with the information included in our Annual Report on Form 10-K as well as the unaudited financial statements included elsewhere in this Quarterly Report.

In addition, the statements and assumptions in this Quarterly Report that are not statements of historical fact are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 or Section 21E of the Securities Exchange Act of 1934, each as amended, including, in particular, statements about our plans, strategies and prospects as well as estimates of industry growth for the next quarter and beyond. For important information regarding these forward-looking statements, please see the discussion below under the caption "Cautionary Note on Forward-Looking Statements."

Overview

We are the world's largest commercial real estate services and investment firm, based on 2015 revenue, with leading full-service operations in major metropolitan areas throughout the world. We offer a full range of services to occupiers, owners, lenders and investors in office, retail, industrial, multifamily and other types of commercial real estate. As of December 31, 2015, excluding independent affiliates, we operated in more than 400 offices worldwide with more than 70,000 employees providing commercial real estate services under the "CBRE" brand name, investment management services under the "CBRE Global Investors" brand name and development services under the "Trammell Crow Company" brand name. Our business is focused on several competencies, including commercial property, corporate facilities, project and transaction management, tenant/occupier and property/agency leasing, capital markets solutions (property sales, commercial mortgage origination, sales and servicing, and structured finance) real estate investment management, valuation, development services and proprietary research. We generate revenue from both management fees (large multi-year portfolio and per-project contracts) and from commissions on transactions. We have been included in the *Fortune* 500 since 2008 and among the *Fortune* Most Admired Companies in the real estate sector for four consecutive years. In 2015, we were ranked second among all companies on the *Barron's* 500, which evaluates companies on growth and financial performance. Additionally, the International Association of Outsourcing Professionals (IAOP) has ranked us among the top outsourcing service providers across all industries for five consecutive years, including in 2016. Also in 2016, CBRE was ranked by *Forbes* as the 15th best employer in America.

Critical Accounting Policies

Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States, which require us to make estimates and assumptions that affect reported amounts. The estimates and assumptions are based on historical experience and on other factors that we believe to be reasonable. Actual results may differ from those estimates. Critical accounting policies represent the areas where more significant judgments and estimates are used in the preparation of our consolidated financial statements. A discussion of such critical accounting policies, which include revenue recognition, goodwill and other intangible assets, and income taxes can be found in our Annual Report on Form 10-K for the year ended December 31, 2015. There have been no material changes to these policies as of March 31, 2016.

New Accounting Pronouncements

See Note 2 of the Notes to Consolidated Financial Statements (Unaudited) set forth in Item 1 of this Quarterly Report.

Seasonality

A significant portion of our revenue is seasonal, which an investor should keep in mind when comparing our financial condition and results of operations on a quarter-by-quarter basis. Historically, our revenue, operating income, net income and cash flow from operating activities tend to be lowest in the first calendar quarter, and highest in the fourth calendar quarter of each year. Earnings and cash flow have generally been concentrated in the fourth calendar quarter due to the focus on completing sales, financing and leasing transactions prior to calendar year-end.

Inflation

Our commissions and other variable costs related to revenue are primarily affected by real estate market supply and demand, which may be affected by general economic conditions including inflation. However, to date, we do not believe that general inflation has had a material impact upon our operations.

Items Affecting Comparability

When you read our financial statements and the information included in this Quarterly Report, you should consider that we have experienced, and continue to experience, several material trends and uncertainties that have affected our financial condition and results of operations that make it challenging to predict our future performance based on our historical results. We believe that the following material trends and uncertainties are crucial to an understanding of the variability in our historical earnings and cash flows and the potential for continued variability in the future.

Macroeconomic Conditions

Economic trends and government policies affect global and regional commercial real estate markets as well as our operations directly. These include: overall economic activity and employment growth; interest rate levels and changes in interest rates; the cost and availability of credit; and the impact of tax and regulatory policies. Periods of economic weakness or recession, significantly rising interest rates, fiscal uncertainty, declining employment levels, decreasing demand for commercial real estate, falling real estate values, disruption to the global capital or credit markets, or the public perception that any of these events may occur, will negatively affect the performance of our business.

Compensation is our largest expense and the sales and leasing professionals in our advisory services business generally are paid on a commission and/or bonus basis that correlates with their revenue production. As a result, the negative effect of difficult market conditions on our operating margins is partially mitigated by the inherent variability of our compensation cost structure. In addition, when negative economic conditions have been particularly severe, we have moved decisively to lower operating expenses to improve financial performance, and then have restored certain expenses as economic conditions improved. Nevertheless, adverse global and regional economic trends could pose significant risks to the performance of our operations and our financial condition.

Commercial real estate markets have recovered over the past several years, along with the steady improvement in global economic activity, most particularly in the United States. Since 2010, healthy U.S. property sales activity has been sustained by gradually improving market fundamentals, low-cost credit availability and increased global and domestic capital flows. During this time, U.S. leasing markets have been marked by increased demand for space, falling vacancies and higher rents.

European economies began to emerge from recession in 2013, with most countries returning to positive, albeit modest, economic growth. Reflecting the macro environment, leasing markets in Europe were slow to recover, but have improved significantly in many markets in 2015 and early 2016. Buoyed by low-cost credit and continued capital flows, Europe saw increased property sales activity in 2015. While activity waned in early 2016 in some markets, property sales remained active.

In Asia Pacific, the performance of real estate leasing and investment markets has varied from country to country amid slowing economic growth. In early 2016, investment market activity was led by India and South Korea while India and Southeast Asia exhibited strength in leasing. In addition, increasingly, local capital from the Asia-Pacific region has been migrating to other parts of the world.

Real estate investment management and property development markets have been generally favorable with abundant debt and equity capital flows into commercial real estate. Real estate equity securities markets were adversely affected by investor concerns about rising interest rates in 2015, but rebounded in the first quarter of 2016.

The performance of our global sales, leasing, investment management and development services operations depends on sustained economic growth and job creation; stable, healthy global credit markets; and continued positive business and investor sentiment.

Effects of Acquisitions

The Company historically has made significant use of strategic acquisitions to add new service competencies, to increase our scale within existing competencies and to expand our presence in various geographic regions around the world. On September 1, 2015, CBRE, Inc., our wholly-owned subsidiary, pursuant to a Stock and Asset Purchase Agreement (the Purchase Agreement) with Johnson Controls, Inc. (JCI), acquired JCI's Global Workplace Solutions (GWS) business (we refer to this transaction as the GWS Acquisition). The acquired GWS business is a market-leading provider of integrated facilities management solutions for major occupiers of commercial real estate and has significant operations around the world. The purchase price was $1.475 billion, paid in cash, with adjustments for working capital and other items. We completed the GWS Acquisition in order to advance our strategy of delivering globally integrated services to major occupiers in our Americas, EMEA and Asia Pacific segments. We merged the acquired GWS business with our existing occupier outsourcing business line, and the new combined business adopted the "Global Workplace Solutions" name.

Strategic in-fill acquisitions have also played a key role in expanding our geographic coverage and broadening and strengthening our service offerings. The companies we acquired have generally been regional or specialty firms that complement our existing platform, or independent affiliates in which, in some cases, we held a small equity interest. During 2015, we completed eight in-fill acquisitions, including a Seattle-based leader in capital markets services for affordable housing, a Texas-based commercial real estate firm specializing in retail services, an energy management specialist based in Brookfield, Wisconsin, a Chicago-based location data analytics firm, one of the leading retail real estate services firms in the midwestern United States, an advisory, consulting and research firm specializing in the Canadian hospitality and tourism industries and our former independent affiliate companies in Columbia, South Carolina, and Memphis, Tennessee. During the three months ended March 31, 2016, we announced that we had entered into an agreement to acquire our independent affiliate in Norway, and that transaction closed in April 2016.

Although we believe that strategic acquisitions can significantly decrease the cost, time and commitment of management resources necessary to attain a meaningful competitive position within targeted markets or to expand our presence within our current markets, in general, most acquisitions will initially have an adverse impact on our operating and net income. The adverse impact is a result of transaction-related expenditures, which include severance, lease termination, transaction and deferred financing costs, among others, and the charges and costs of integrating the acquired business and its financial and accounting systems into our own. In addition, our acquisition structures often include deferred and/or contingent purchase price payments in future periods that are subject to the passage of time or achievement of certain performance metrics and other conditions. As of March 31, 2016, we have accrued deferred consideration totaling $76.6 million, which is included in accounts payable and accrued expenses and in other long-term liabilities in the accompanying consolidated balance sheets set forth in Item 1 of this Quarterly Report.

International Operations

As we increase our international operations through either acquisitions or organic growth, fluctuations in the value of the U.S. dollar relative to the other currencies in which we may generate earnings could adversely affect our business, financial condition and operating results. Our Global Investment Management business has a significant amount of euro-denominated assets under management, or AUM, as well as associated revenue and earnings in Europe, which has recently seen more pronounced (and adverse) movement in the value of the euro against the U.S. dollar. Similarly, the GWS business also has a significant amount of its revenue and earnings denominated in foreign currencies, such as the British pound sterling and euro. Fluctuations in foreign currency exchange rates have resulted and may continue to result in corresponding fluctuations in our AUM, revenue and earnings.

During the three months ended March 31, 2016, approximately 46% of our business was transacted in non-U.S. dollar currencies, the majority of which included the Australian dollar, British pound sterling, Canadian dollar, Chinese yuan, euro, Hong Kong dollar, Indian rupee, Japanese yen, Mexican peso, Singapore dollar and Swiss franc. Although we operate globally, we report our results in U.S. dollars. As a result, the strengthening or weakening of the U.S. dollar may positively or negatively impact our reported results. The following table sets forth our revenue derived from our most significant currencies (dollars in thousands):

	Three Months Ended March 31,			
	2016		2015	
United States dollar	$1,541,436	54.1%	$1,204,395	58.6%
British pound sterling	471,928	16.6%	357,880	17.4%
euro	312,570	11.0%	154,768	7.5%
Australian dollar	65,419	2.3%	69,750	3.4%
Canadian dollar	55,956	2.0%	60,898	3.0%
Indian rupee	53,703	1.9%	34,125	1.7%
Japanese yen	47,423	1.7%	30,267	1.5%
Chinese yuan	46,569	1.6%	29,550	1.4%
Singapore dollar	36,226	1.3%	17,727	0.9%
Swiss franc	30,762	1.1%	6,791	0.3%
Hong Kong dollar	20,831	0.7%	15,564	0.8%
Mexican peso	17,078	0.6%	12,402	0.6%
Other currencies	146,833	5.1%	58,386	2.9%
Total revenue	$2,846,734	100.0%	$2,052,503	100.0%

For example, we estimate that had the British pound sterling-to-U.S. dollar exchange rates been 10% higher during the three months ended March 31, 2016, the net impact would have been an increase in pre-tax income of $0.4 million. We estimate that had the euro-to-U.S. dollar exchange rates been 10% higher during the three months ended March 31, 2016, the net impact would have been an increase in pre-tax income of $0.1 million. These hypothetical calculations estimate the impact of translating results into U.S. dollars and do not include an estimate of the impact that a 10% change in the U.S. dollar against other currencies would have had on our foreign operations.

We enter into derivative financial instruments to attempt to protect the value or fix the amount of certain obligations in terms of our reporting currency, the U.S. dollar. In March 2014, we began a foreign currency exchange forward hedging program by entering into foreign currency exchange forward contracts, including agreements to buy U.S. dollars and sell Australian dollars, British pound sterling, Canadian dollars, euros and Japanese yen. The purpose of these forward contracts is to attempt to mitigate the risk of fluctuations in foreign currency exchange rates that would adversely impact some of our foreign currency denominated EBITDA. Hedge accounting was not elected for any of these contracts. As such, changes in the fair values of these contracts are recorded directly in earnings. Included in the consolidated statement of operations set forth in

Item 1 of this Quarterly Report were net losses (gains) of $7.5 million and ($18.4) million from foreign currency exchange forward contracts for the three months ended March 31, 2016 and 2015, respectively. As of March 31, 2016, we had 60 foreign currency exchange forward contracts outstanding covering a notional amount of $353.9 million.

Due to the constantly changing currency exposures to which we are subject and the volatility of currency exchange rates, we cannot predict the effect of exchange rate fluctuations upon future operating results. 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. Our international operations also are subject to, among other things, political instability and changing regulatory environments, which affects the currency markets and which as a result may adversely affect our future financial condition and results of operations. We routinely monitor these risks and related costs and evaluate the appropriate amount of oversight to allocate towards business activities in foreign countries where such risks and costs are particularly significant.

Results of Operations

The following table sets forth items derived from our consolidated statements of operations for the three months ended March 31, 2016 and 2015 (dollars in thousands):

	Three Months Ended March 31,			
	2016		2015	
Revenue	$ 2,846,734	100.0%	$ 2,052,503	100.0%
Costs and expenses:				
Cost of services	2,013,613	70.7%	1,290,777	62.9%
Operating, administrative and other	643,366	22.6%	531,775	25.9%
Depreciation and amortization	86,994	3.1%	69,846	3.4%
Total costs and expenses	2,743,973	96.4%	1,892,398	92.2%
Gain on disposition of real estate	4,819	0.2%	—	0.0%
Operating income	107,580	3.8%	160,105	7.8%
Equity income from unconsolidated subsidiaries	57,301	2.0%	15,451	0.8%
Other income	3,215	0.1%	1,087	0.1%
Interest income	1,459	0.1%	2,297	0.1%
Interest expense	34,790	1.3%	26,214	1.4%
Write-off of financing costs on extinguished debt	—	0.0%	2,685	0.1%
Income before provision for income taxes	134,765	4.7%	150,041	7.3%
Provision for income taxes	50,125	1.7%	56,903	2.8%
Net income	84,640	3.0%	93,138	4.5%
Less: Net income attributable to non-controlling interests	2,473	0.1%	201	0.0%
Net income attributable to CBRE Group, Inc.	$ 82,167	2.9%	$ 92,937	4.5%
EBITDA	$ 252,617	8.9%	$ 246,288	12.0%
EBITDA, as adjusted	$ 282,683	9.9%	$ 246,729	12.0%

EBITDA represents earnings before net interest expense, write-off of financing costs on extinguished debt, income taxes, depreciation and amortization. Amounts shown for EBITDA, as adjusted (which we also refer to as “Normalized EBITDA”), further remove (from EBITDA) the impact of certain cash and non-cash charges related to acquisitions, cost containment expenses as well as certain carried interest incentive compensation expense. Neither EBITDA nor EBITDA, as adjusted, is a recognized measurement under U.S. generally accepted accounting principles, or GAAP, and when analyzing our operating performance, investors should use them in

addition to, and not as an alternative for, net income as determined in accordance with GAAP. Because not all companies use identical calculations, our presentation of these measures may not be comparable to similarly titled measures of other companies.

We generally use these non-GAAP financial measures to evaluate operating performance and for other discretionary purposes, and we believe that these measures provide a more complete understanding of ongoing operations, enhance comparability of current results to prior periods and may be useful for investors to analyze our financial performance because they eliminate the impact of selected charges that may obscure trends in the underlying performance of our business. We further believe that investors may find these measures useful in evaluating our operating performance compared to that of other companies in our industry because their calculations generally eliminate the effects of acquisitions, which would include impairment charges of goodwill and intangibles created from acquisitions, the effects of financings and income taxes and the accounting effects of capital spending. EBITDA and EBITDA, as adjusted, may vary for different companies for reasons unrelated to overall operating performance.

These measures are not intended to be measures of free cash flow for our discretionary use because they do not consider certain cash requirements such as tax and debt service payments. These measures may also differ from the amounts calculated under similarly titled definitions in our debt instruments, which amounts are further adjusted to reflect certain other cash and non-cash charges and are used by us to determine compliance with financial covenants therein and our ability to engage in certain activities, such as incurring additional debt and making certain restricted payments. We also use EBITDA, as adjusted, as a significant component when measuring our operating performance under our employee incentive compensation programs.

EBITDA and EBITDA, as adjusted, are calculated as follows (dollars in thousands):

	Three Months Ended March 31,	
	2016	**2015**
Net income attributable to CBRE Group, Inc.	$ 82,167	$ 92,937
Add:		
Depreciation and amortization	86,994	69,846
Interest expense	34,790	26,214
Write-off of financing costs on extinguished debt	—	2,685
Provision for income taxes	50,125	56,903
Less:		
Interest income	1,459	2,297
EBITDA	252,617	246,288
Adjustments:		
Integration and other acquisition related costs	17,173	3,213
Cost containment expenses	12,403	—
Carried interest incentive compensation expense (reversal) to align with the timing of associated revenue	490	(2,772)
EBITDA, as adjusted	$ 282,683	$ 246,729

Three Months Ended March 31, 2016 Compared to the Three Months Ended March 31, 2015

We reported consolidated net income of $82.2 million for the three months ended March 31, 2016 on revenue of $2.8 billion as compared to consolidated net income of $92.9 million on revenue of $2.1 billion for the three months ended March 31, 2015.

Our revenue on a consolidated basis for the three months ended March 31, 2016 increased by $794.2 million, or 38.7%, as compared to the three months ended March 31, 2015. This increase was largely due to

contributions from the GWS Acquisition, which added $654.1 million of revenue to the current-year quarter. Additionally, the revenue increase reflects strong organic growth, fueled by higher worldwide property, facilities and project management fees (excluding the impact of the GWS Acquisition, up 10.8%), as well as increased sales (up 9.5%) and leasing (up 17.5%) activity. Foreign currency translation had a $68.3 million negative impact on total revenue during the three months ended March 31, 2016, primarily driven by weakness in the Australian dollar, Brazilian real, British pound sterling, Canadian dollar and euro during the three months ended March 31, 2016 versus the same period in 2015.

Our cost of services on a consolidated basis increased by $722.8 million, or 56.0%, during the three months ended March 31, 2016 as compared to same period in 2015. This increase was primarily due to higher costs associated with our global property and facilities management businesses, particularly due to the GWS Acquisition. In addition, our sales professionals generally are paid on a commission basis, which substantially correlates with our transaction revenue performance. Accordingly, the increase in sales and lease transaction revenue led to a corresponding increase in commission expense. These increases were partially offset by foreign currency translation, which had a $46.9 million positive impact on cost of services during the three months ended March 31, 2016. Cost of services as a percentage of revenue increased from 62.9% for the three months ended March 31, 2015 to 70.7% for the three months ended March 31, 2016, largely due to the GWS Acquisition. Excluding activity associated with the acquired GWS business, cost of services as a percentage of revenue was 64.5% for the three months ended March 31, 2016, compared to 62.9% for the three months ended March 31, 2015, partly driven by our mix of revenue, with a higher composition of revenue being non-commissionable in the prior year.

Our operating, administrative and other expenses on a consolidated basis increased by $111.6 million, or 21.0%, during the three months ended March 31, 2016 as compared to the three months ended March 31, 2015. The increase was partly driven by costs associated with the GWS Acquisition. Also contributing to the variance were higher worldwide payroll-related costs (particularly bonuses largely attributable to improved results, most notably in our Development Services segment). Foreign currency translation had a $19.4 million positive impact on total operating expenses during the three months ended March 31, 2016, which was largely offset by a decline of $18.4 million in foreign currency transaction activity over the same period last year, much of which related to hedging activities. Operating expenses as a percentage of revenue decreased from 25.9% for the three months ended March 31, 2015 to 22.6% for the three months ended March 31, 2016, primarily due to the GWS Acquisition. Excluding activity associated with the acquired GWS business, operating expenses as a percentage of revenue was 26.9% for the three months ended March 31, 2016 as compared to 25.8% for the same period in 2015, mainly driven by increased bonus expense in the current year associated with gains in our Development Services segment reflected outside of revenue (in equity income from unconsolidated subsidiaries and gain on disposition of real estate).

Our depreciation and amortization expense on a consolidated basis increased by $17.1 million, or 24.6%, during the three months ended March 31, 2016 as compared to the same period in 2015. This increase was primarily attributable to higher amortization expense relative to intangibles acquired in the GWS Acquisition.

Our gain on disposition of real estate on a consolidated basis was $4.8 million for the three months ended March 31, 2016, which resulted from activity within our Development Services segment.

Our equity income from unconsolidated subsidiaries on a consolidated basis increased by $41.9 million, or 270.9%, for the three months ended March 31, 2016 as compared to the same period in 2015, primarily driven by higher equity earnings associated with gains on property sales reported in our Development Services segment.

Our other income on a consolidated basis was $3.2 million for the three months ended March 31, 2016 as compared to $1.1 million for the three months ended March 31, 2015. This activity primarily relates to net realized and unrealized gains and losses attributable to co-investments in our real estate securities business.

Our consolidated interest expense increased by $8.6 million, or 32.7%, for the three months ended March 31, 2016 as compared to the three months ended March 31, 2015. This increase was primarily driven by higher interest expense in the current year associated with $600.0 million of 4.875% senior notes issued in August 2015.

Our write-off of financing costs on extinguished debt on a consolidated basis was $2.7 million for the three months ended March 31, 2015. These costs included the write-off of $1.7 million of unamortized deferred financing costs associated with our prior credit agreement dated March 28, 2013, as amended, and $1.0 million of fees incurred in connection with our amended and restated credit agreement dated January 9, 2015, as amended (our 2015 Credit Agreement).

Our provision for income taxes on a consolidated basis was $50.1 million for the three months ended March 31, 2016 as compared to $56.9 million for the same period in 2015. This decrease was driven by the decline in pre-tax income during the three months ended March 31, 2016. Our effective tax rate, after adjusting pre-tax income to remove the portion attributable to non-controlling interests, was consistent at 37.9% for the three months ended March 31, 2016 compared to 38.0% for the three months ended March 31, 2015. We experienced a favorable change in earnings mix, with 58% of our earnings, after removing the portion attributable to non-controlling interests, forecasted from the United States for 2016 as of the first quarter of 2016 as compared to 69% forecasted for 2015 as of the prior-year first quarter, largely due to the impact of the GWS Acquisition. However, this favorable change in our projected mix was mostly offset by an increase in discrete items recorded in the current-year period.

Segment Operations

We report our operations through the following segments: (1) Americas; (2) Europe, Middle East and Africa (EMEA); (3) Asia Pacific; (4) Global Investment Management; and (5) Development Services. The Americas consists of operations located in the United States, Canada and key markets in Latin America. EMEA mainly consists of operations in Europe, while Asia Pacific includes operations in Asia, Australia and New Zealand. The Global Investment Management business consists of investment management operations in North America, Europe and Asia Pacific. The Development Services business consists of real estate development and investment activities primarily in the United States.

The following table summarizes our revenue, costs and expenses and operating income (loss) by our Americas, EMEA, Asia Pacific, Global Investment Management and Development Services operating segments for the three months ended March 31, 2016 and 2015 (dollars in thousands):

	Three Months Ended March 31,			
	2016		2015 (1)	
Americas				
Revenue	$1,583,559	100.0%	$1,227,616	100.0%
Costs and expenses:				
Cost of services	1,099,391	69.4%	787,117	64.1%
Operating, administrative and other	317,183	20.0%	275,421	22.4%
Depreciation and amortization	60,600	3.9%	42,950	3.6%
Operating income	$ 106,385	6.7%	$ 122,128	9.9%
EBITDA (2)	$ 173,338	10.9%	$ 170,062	13.9%

Table of Contents

	Three Months Ended March 31,			
	2016		2015 (1)	
EMEA				
Revenue	$847,498	100.0%	$494,024	100.0%
Costs and expenses:				
Cost of services	683,678	80.7%	362,503	73.4%
Operating, administrative and other	149,315	17.6%	114,290	23.1%
Depreciation and amortization	15,005	1.8%	14,792	3.0%
Operating (loss) income	$ (500)	(0.1%)	$ 2,439	0.5%
EBITDA (2)	$ 15,214	1.8%	$ 18,183	3.7%
Asia Pacific				
Revenue	$308,524	100.0%	$208,366	100.0%
Costs and expenses:				
Cost of services	230,544	74.7%	141,157	67.7%
Operating, administrative and other	67,281	21.8%	52,747	25.3%
Depreciation and amortization	4,181	1.4%	3,846	1.9%
Operating income	$ 6,518	2.1%	$ 10,616	5.1%
EBITDA (2)	$ 10,654	3.5%	$ 14,462	6.9%
Global Investment Management				
Revenue	$ 90,380	100.0%	$110,224	100.0%
Costs and expenses:				
Operating, administrative and other	72,390	80.1%	70,753	64.2%
Depreciation and amortization	6,620	7.3%	7,611	6.9%
Operating income	$ 11,370	12.6%	$ 31,860	28.9%
EBITDA (2)	$ 21,536	23.8%	$ 38,045	34.5%
Development Services				
Revenue	$ 16,773	100.0%	$ 12,273	100.0%
Costs and expenses:				
Operating, administrative and other	37,197	221.8%	18,564	151.3%
Depreciation and amortization	588	3.4%	647	5.2%
Gain on disposition of real estate	4,819	28.7%	—	—
Operating loss	$ (16,193)	(96.5%)	$ (6,938)	(56.5%)
EBITDA (2)	$ 31,875	190.0%	$ 5,536	45.1%

(1) During 2016, we changed our methodology for allocating certain costs to our reporting segments, including stock compensation, currency hedging and certain intercompany transactions. Prior year amounts have been reclassified to conform with the current year presentation. Such changes had no impact on our consolidated results.

(2) See Note 10 of the Notes to Consolidated Financial Statements (Unaudited) set forth in Item 1 of this Quarterly Report for a reconciliation of segment EBITDA to the most directly comparable financial measure calculated and presented in accordance with GAAP (which is segment net income (loss) attributable to CBRE Group, Inc.), as well as for an explanation of this non-GAAP financial measure.

Three Months Ended March 31, 2016 Compared to the Three Months Ended March 31, 2015

Americas

Revenue increased by $355.9 million, or 29.0%, for the three months ended March 31, 2016 compared to the three months ended March 31, 2015. This increase was in part due to contributions from the GWS Acquisition, which added $241.6 million of revenue to the current-year quarter. Additionally, the revenue increase reflects strong organic growth, fueled by higher property, facilities and project management fees (excluding the impact of the GWS Acquisition, up 7.1%), as well as improved sales and leasing activity. Foreign currency translation had a $14.9 million negative impact on revenue during the three months ended March 31, 2016, primarily driven by weakness in the Brazilian real and Canadian dollar when converting to U.S. dollars during the three months ended March 31, 2016 versus the same period in 2015.

Cost of services increased by $312.3 million, or 39.7%, for the three months ended March 31, 2016 as compared to the same period in 2015, primarily due to higher costs associated with our global property and facilities management businesses, particularly due to the GWS Acquisition. This increase was also due to higher commission expense resulting from improved sales and lease transaction revenue. Foreign currency translation had a $9.9 million positive impact on cost of services during the three months ended March 31, 2016. Cost of services as a percentage of revenue increased to 69.4% for the three months ended March 31, 2016 compared to 64.1% for the same period in 2015, largely due to the GWS Acquisition. Excluding activity associated with the acquired GWS business, cost of services as a percentage of revenue was 65.5% for the three months ended March 31, 2016, compared to 64.1% for the three months ended March 31, 2015, partly driven by our mix of revenue, with a higher composition of revenue being non-commissionable in the prior year.

Operating, administrative and other expenses increased by $41.8 million, or 15.2%, for the three months ended March 31, 2016 as compared to the three months ended March 31, 2015. The increase was partly driven by costs associated with the GWS Acquisition. Also contributing to the variance were higher payroll-related costs, including higher bonuses, cost containment expenses and an increase in 401(k) contributions in the United States. Higher software license and maintenance contract costs also contributed to the increase. Foreign currency translation had a $4.3 million positive impact on total operating expenses during the three months ended March 31, 2016, but was largely offset by the negative impact of foreign currency transaction activity, mostly hedging related, of $3.9 million.

EMEA

Revenue increased by $353.5 million, or 71.6%, for the three months ended March 31, 2016 as compared to the three months ended March 31, 2015. This increase was largely due to contributions from the GWS Acquisition, which added $327.5 million of revenue to the current-year quarter. In addition, the revenue increase also reflects strong organic growth, fueled by higher property, facilities and project management fees (excluding the impact of the GWS Acquisition, up 14.7%) as well as improved sales and leasing activity. The increase in revenue was partially offset by foreign currency translation, which had a $36.6 million negative impact on total revenue during the three months ended March 31, 2016, primarily driven by weakness in the British pound sterling and euro when converting to U.S. dollars during the three months ended March 31, 2016 versus the same period in 2015.

Cost of services increased by $321.2 million, or 88.6%, for the three months ended March 31, 2016 as compared to the same period in 2015. This increase was primarily due to higher costs associated with our global property and facilities management businesses, particularly due to the GWS Acquisition. These increases were partially reduced by foreign currency translation, which had a $27.0 million positive impact on cost of services during the three months ended March 31, 2016. Cost of services as a percentage of revenue increased to 80.7% for the three months ended March 31, 2016 from 73.4% for the three months ended March 31, 2015, largely due to the GWS Acquisition. Excluding activity associated with the acquired GWS business, cost of services as a percentage of revenue was consistent at 73.4% for both the three months ended March 31, 2016 and 2015.

Operating, administrative and other expenses increased by $35.0 million, or 30.6%, for the three months ended March 31, 2016 as compared to the three months ended March 31, 2015, primarily driven by higher costs associated with the GWS Acquisition. Higher payroll-related costs (including bonuses) in the current year also contributed to the variance. These items were partially offset by foreign currency translation, which had a $8.5 million positive impact on total operating expenses during the three months ended March 31, 2016, but was partially mitigated by the negative impact of foreign currency transaction activity, mostly hedging related, of $3.4 million.

Asia Pacific

Revenue increased by $100.2 million, or 48.1%, for the three months ended March 31, 2016 as compared to the three months ended March 31, 2015. Contributions from the GWS Acquisition, which added $85.0 million of revenue to the current-year quarter, drove the increase. The revenue increase also reflects strong organic growth, fueled by higher property, facilities and project management fees (excluding the impact of the GWS Acquisition, up 18.7%) as well as improved sales and leasing activity. The overall increase was partly muted by foreign currency translation, which had a $13.2 million negative impact on total revenue during the three months ended March 31, 2016, primarily driven by weakness in the Australian dollar when converting to U.S. dollars during the three months ended March 31, 2016 versus the same period in 2015.

Cost of services increased by $89.4 million, or 63.3%, for the three months ended March 31, 2016 as compared to the same period in 2015, driven by higher costs associated with our property and facilities management businesses, including the acquired GWS business. These increases were partially offset by foreign currency translation, which had a $10.0 million positive impact on cost of services during the three months ended March 31, 2016. Cost of services as a percentage of revenue increased to 74.7% for the three months ended March 31, 2016 as compared to 67.7% for the same period in 2015, primarily due to the GWS Acquisition. Excluding activity associated with the acquired GWS business, cost of services as a percentage of revenue was 68.5% for the three months ended March 31, 2016, compared to 67.7% for the same period in 2015, primarily driven by our revenue mix, with outsourcing revenue, which has a lower margin than sales and lease revenue, being a higher percentage of revenue than in the prior year period.

Operating, administrative and other expenses increased by $14.5 million, or 27.6%, for the three months ended March 31, 2016 as compared to the three months ended March 31, 2015, partly driven by costs associated with the GWS Acquisition. Additionally, foreign currency activity contributed to the current year variance with a negative impact of foreign currency transaction activity, mostly hedging related, of $7.6 million partially offset by foreign currency translation, which had a $3.7 million positive impact on total operating expenses during the three months ended March 31, 2016. Higher payroll-related costs (including bonuses) in the current year also contributed to the variance.

Global Investment Management

Revenue decreased by $19.8 million, or 18.0%, for the three months ended March 31, 2016 as compared to the three months ended March 31, 2015. This decrease was primarily driven by lower carried interest revenue as well as lower asset management and acquisition fees in the current year. Foreign currency translation had a $3.6 million negative impact on total revenue during the three months ended March 31, 2016, primarily driven by weakness in the British pound sterling and euro when converting to U.S. dollars during the three months ended March 31, 2016 versus the same period in 2015.

Operating, administrative and other expenses increased by $1.6 million, or 2.3%, for the three months ended March 31, 2016 as compared to the same period in 2015, primarily driven by higher consulting costs, partially offset by lower bonus expense. Additionally, foreign currency activity contributed to the current year variance with a negative impact of foreign currency transaction activity, mostly hedging related, of $4.1 million partially offset by foreign currency translation, which had a $2.9 million positive impact on total operating expenses during the three months ended March 31, 2016.

Table of Contents

A rollforward of our AUM by product type for the three months ended March 31, 2016 is as follows (dollars in billions):

	Funds	Separate Accounts	Securities	Total
Balance at December 31, 2015	$28.3	$ 39.9	$ 20.8	$89.0
Inflows	0.8	1.2	0.9	2.9
Outflows	(0.2)	(1.8)	(1.6)	(3.6)
Market appreciation (depreciation)	0.9	(0.3)	0.8	1.4
Balance at March 31, 2016	$29.8	$ 39.0	$ 20.9	$89.7

AUM generally refers to the properties and other assets with respect to which we provide (or participate in) oversight, investment management services and other advice, and which generally consist of real estate properties or loans, securities portfolios and investments in operating companies and joint ventures. Our AUM is intended principally to reflect the extent of our presence in the real estate market, not the basis for determining our management fees. Our assets under management consist of:

- the total fair market value of the real estate properties and other assets either wholly-owned or held by joint ventures and other entities in which our sponsored funds or investment vehicles and client accounts have invested or to which they have provided financing. Committed (but unfunded) capital from investors in our sponsored funds is not included in this component of our AUM. The value of development properties is included at estimated completion cost. In the case of real estate operating companies, the total value of real properties controlled by the companies, generally through joint ventures, is included in AUM; and
- the net asset value of our managed securities portfolios, including investments (which may be comprised of committed but uncalled capital) in private real estate funds under our fund of funds program.

Our calculation of AUM may differ from the calculations of other asset managers, and as a result, this measure may not be comparable to similar measures presented by other asset managers.

Development Services

Revenue increased by $4.5 million, or 36.7%, for the three months ended March 31, 2016 as compared to the three months ended March 31, 2015, primarily driven by higher development fees in the current year.

Operating, administrative and other expenses increased by $18.6 million, or 100.4%, for the three months ended March 31, 2016 as compared to the same period in 2015. This increase was primarily driven by higher bonuses in the current year as a result of significantly improved operating performance due to property sales (reflected in equity income from unconsolidated subsidiaries and gain on disposition of real estate).

As of March 31, 2016, development projects in process totaled $7.1 billion, up $1.6 billion from the first quarter of 2015 and $400 million from year-end 2015. The pipeline inventory totaled $3.1 billion, down $500 million from both last quarter and a year ago.

Liquidity and Capital Resources

We believe that we can satisfy our working capital requirements and funding of investments with internally generated cash flow and, as necessary, borrowings under our revolving credit facility. Our expected capital requirements for 2016 include up to approximately $195 million of anticipated capital expenditures, net of tenant concessions. During the three months ended March 31, 2016, we incurred $31.7 million of capital expenditures,

net of tenant concessions received. As of March 31, 2016, we are committed to fund $30.1 million of additional capital to unconsolidated subsidiaries within our Development Services business, which we may be required to fund at any time. Additionally, as of March 31, 2016, we had aggregate commitments of $13.5 million to fund future co-investments in our Global Investment Management business, $8.0 million of which is expected to be funded in 2016. As of March 31, 2016, we had $2.5 billion of borrowings available under our $2.8 billion revolving credit facility.

We have historically relied on our internally generated cash flow and our revolving credit facility to fund our working capital, capital expenditure and investment requirements (including strategic in-fill acquisitions) and have not sought other external sources of financing to help fund these requirements. In the absence of extraordinary events or a large strategic acquisition, we anticipate that our cash flow from operations and our revolving credit facility would be sufficient to meet our anticipated cash requirements for the foreseeable future, and at a minimum for the next 12 months. We may seek to take advantage of market opportunities to refinance existing debt instruments, as we have done in the past, with new debt instruments at interest rates, maturities and terms we deem attractive.

As noted above, we believe that any future significant acquisitions that we may make could require us to obtain additional debt or equity financing. In the past, we have been able to obtain such financing for material transactions on terms that we believed to be reasonable. However, it is possible that we may not be able to find acquisition financing on favorable terms, or at all, in the future if we decide to make any further significant acquisitions.

Our long-term liquidity needs, other than those related to ordinary course obligations and commitments such as operating leases, are generally comprised of two elements. The first is the repayment of the outstanding and anticipated principal amounts of our long-term indebtedness. We are unable to project with certainty whether our long-term cash flow from operations will be sufficient to repay our long-term debt when it comes due. If our cash flow is insufficient, then we expect that we would need to refinance such indebtedness or otherwise amend its terms to extend the maturity dates. We cannot make any assurances that such refinancing or amendments would be available on attractive terms, if at all.

The second long-term liquidity need is the payment of obligations related to acquisitions. Our acquisition structures often include deferred and/or contingent purchase price payments in future periods that are subject to the passage of time or achievement of certain performance metrics and other conditions. As of March 31, 2016 and December 31, 2015, we had accrued $76.6 million and $79.7 million, respectively, of deferred purchase consideration, which was included in accounts payable and accrued expenses and in other long-term liabilities in the accompanying consolidated balance sheets set forth in Item 1 of this Quarterly Report.

Historical Cash Flows

Operating Activities

Net cash used in operating activities totaled $328.6 million for the three months ended March 31, 2016, an increase of $148.8 million as compared to the three months ended March 31, 2015. The increase in cash used in operating activities was primarily due to increased bonuses and income taxes paid as well as higher net payments to vendors in the current year. These items were partially offset by higher commissions accrued in the current year.

Investing Activities

Net cash provided by investing activities totaled $1.3 million for the three months ended March 31, 2016, as compared to net cash used in investing activities of $106.8 million for the three months ended March 31, 2015. This variance was primarily driven by a greater amount paid for acquisitions in the prior year, higher

distributions received from investments in unconsolidated subsidiaries in the current year and a decrease in restricted cash in the first quarter of 2016 versus an increase in restricted cash in the first quarter of 2015. These items were partially offset by an increase in capital expenditures in the current year.

Financing Activities

Net cash provided by financing activities totaled $272.3 million for the three months ended March 31, 2016, as compared to net cash used in financing activities of $60.4 million for the same period in 2015. This variance was primarily due to greater net borrowings under our revolving credit facility in the current year as well as higher net repayments of term loans under our credit agreement in the prior year.

Indebtedness

Our level of indebtedness increases the possibility that we may be unable to pay the principal amount of our indebtedness and other obligations when due. In addition, we 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 our indebtedness. If we incur additional debt, the risks associated with our leverage, including our ability to service our debt, would increase.

Long-Term Debt

We maintain credit facilities with third-party lenders, which we use for a variety of purposes. On January 9, 2015, we entered into an amended and restated credit agreement (the 2015 Credit Agreement) with a syndicate of banks jointly led by Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC and Credit Suisse AG. On March 21, 2016, we executed an amendment to our 2015 Credit Agreement that, among other things, extended the maturity on our revolving credit facility to March 2021 and increased the borrowing capacity under our revolving credit facility by $200.0 million.

The 2015 Credit Agreement is an unsecured credit facility that is jointly and severally guaranteed by us and substantially all of our material domestic subsidiaries. The 2015 Credit Agreement currently provides for the following: (1) a $2.8 billion revolving credit facility, which includes the capacity to obtain letters of credit and swingline loans and matures on March 21, 2021; (2) a $500.0 million tranche A term loan facility requiring quarterly principal payments, which began on June 30, 2015 and continue through maturity on January 9, 2020; (3) a $270.0 million tranche B-1 term loan facility requiring quarterly principal payments, which began on December 31, 2015 and continue through maturity on September 3, 2020; and (4) a $130.0 million tranche B-2 term loan facility requiring quarterly principal payments, which began on December 31, 2015 and continue through maturity on September 3, 2022. In prior years, we also issued 5.00%, 4.875% and 5.25% senior notes that are due in 2023, 2026 and 2025, respectively. For additional information on all of our long-term debt, see Note 10 of the Notes to Consolidated Financial Statements set forth in Item 8 included in our Annual Report on Form 10-K for the year ended December 31, 2015 and Note 7 of the Notes to Consolidated Financial Statements (Unaudited) set forth in Item 1 of this Quarterly Report.

Short-Term Borrowings

We maintain a $2.8 billion revolving credit facility under our 2015 Credit Agreement and warehouse lines of credit with certain third-party lenders. For additional information on all of our short-term borrowings, see Note 10 of the Notes to Consolidated Financial Statements set forth in Item 8 included in our Annual Report on Form 10-K for the year ended December 31, 2015 and Note 7 of the Notes to Consolidated Financial Statements (Unaudited) set forth in Item 1 of this Quarterly Report.

Interest Rate Swap Agreements

In March 2011, we entered into five interest rate swap agreements, all with effective dates in October 2011, and immediately designated them as cash flow hedges in accordance with Financial Accounting Standards Boards (FASB) Accounting Standards Codification (ASC) Topic 815, *"Derivatives and Hedging."* The purpose of these interest rate swap agreements is to attempt to hedge potential changes to our cash flows due to the variable interest nature of our senior term loan facilities. The total notional amount of these interest rate swap agreements is $400.0 million, with $200.0 million expiring in October 2017 and $200.0 million expiring in September 2019. As of March 31, 2016 and December 31, 2015, the fair values of such interest rate swap agreements were reflected as a $23.6 million liability and $21.5 million liability, respectively, and were included in other long-term liabilities in the accompanying consolidated balance sheets set forth in Item 1 of this Quarterly Report.

In July 2015, we entered into three interest rate swap agreements with an aggregate notional amount of $300.0 million, all with effective dates in August 2015, and designated them as cash flow hedges in accordance with FASB ASC Topic 815. In August 2015, we elected to terminate these agreements and paid a $6.2 million cash settlement, which has been recorded to accumulated other comprehensive loss in the accompanying consolidated balance sheets set forth in Item 1 of this Quarterly Report. This settlement fee is being amortized to interest expense throughout the remaining term of the terminated hedge transaction until August 2025.

Off –Balance Sheet Arrangements

Our off-balance sheet arrangements are described in Note 8 of the Notes to Consolidated Financial Statements (Unaudited) set forth in Item 1 of this Quarterly Report and are incorporated by reference herein.

Cautionary Note on Forward-Looking Statements

This Quarterly Report includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The words "anticipate," "believe," "could," "should," "propose," "continue," "estimate," "expect," "intend," "may," "plan," "predict," "project," "will" and similar terms and phrases are used in this Quarterly Report to identify forward-looking statements. Except for historical information contained herein, the matters addressed in this Quarterly Report are forward-looking statements. These statements relate to analyses and other information based on forecasts of future results and estimates of amounts not yet determinable. These statements also relate to our future prospects, developments and business strategies.

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

The following factors are among those, but are not only those, that may cause actual results to differ materially from the forward-looking statements:

- disruptions in general economic and business conditions, particularly in geographies where our business may be concentrated;
- volatility and disruption of the securities, capital and credit markets, interest rate increases, the cost and availability of capital for investment in real estate, clients' willingness to make real estate or long-term contractual commitments and other factors affecting the value of real estate assets, inside and outside the United States;
- foreign currency fluctuations;

- increases in unemployment and general slowdowns in commercial activity;
- trends in pricing and risk assumption for commercial real estate services;
- the effect of significant movements in average cap rates across different property types;
- a reduction by companies in their reliance on outsourcing for their commercial real estate needs, which would affect our revenues and operating performance;
- client actions to restrain project spending and reduce outsourced staffing levels;
- declines in lending activity of Government Sponsored Enterprises, regulatory oversight of such activity and our mortgage servicing revenue from the U.S. commercial real estate mortgage market;
- our ability to diversify our revenue model to offset cyclical economic trends in the commercial real estate industry;
- our ability to attract new user and investor clients;
- our ability to retain major clients and renew related contracts;
- our ability to leverage our global services platform to maximize and sustain long-term cash flow;
- our ability to maintain EBITDA margins that enable us to continue investing in our platform and client service offerings;
- our ability to control costs relative to revenue growth;
- variations in historically customary seasonal patterns that cause our business not to perform as expected;
- changes in domestic and international law and regulatory environments (including relating to anti-corruption, anti-money laundering, trade sanctions, currency controls and other trade control laws), particularly in Russia, Eastern Europe and the Middle East, due to the rising level of political instability in those regions;
- our ability to identify, acquire and integrate synergistic and accretive businesses;
- costs and potential future capital requirements relating to businesses we may acquire;
- integration challenges arising out of companies we may acquire;
- our ability to retain and incentivize producers;
- the ability of our Global Investment Management business to maintain and grow assets under management and achieve desired investment returns for our investors, and any potential related litigation, liabilities or reputational harm possible if we fail to do so;
- our ability to manage fluctuations in net earnings and cash flow, which could result from poor performance in our investment programs, including our participation as a principal in real estate investments;
- our leverage under our debt instruments as well as the limited restrictions therein on our ability to incur additional debt, and the potential increased borrowing costs to us from a credit-ratings downgrade;
- litigation and its financial and reputational risks to us;
- the ability of CBRE Capital Markets to periodically amend, or replace, on satisfactory terms, the agreements for its warehouse lines of credit;
- our exposure to liabilities in connection with real estate advisory and property management activities and our ability to procure sufficient insurance coverage on acceptable terms;
- liabilities under guarantees, or for construction defects, that we incur in our Development Services business;

- our ability to compete globally, or in specific geographic markets or business segments that are material to us;
- our and our employees' ability to execute on, and adapt to, information technology strategies and trends;
- our ability to comply with laws and regulations related to our global operations, including real estate licensure, tax, labor and employment laws and regulations, as well as the anti-corruption laws and trade sanctions of the U.S. and other countries;
- our ability to maintain our effective tax rate at or below current levels;
- the effect of implementation of new accounting rules and standards; and
- the other factors described elsewhere in this Quarterly Report, included under the headings "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies," "Quantitative and Qualitative Disclosures About Market Risk" and Part II, Item 1A, "Risk Factors" or as described in our Annual Report on Form 10-K for the year ended December 31, 2015, in particular in Part II, Item 1A, "Risk Factors", or as described in the other documents and reports we file with the Securities and Exchange Commission.

Forward-looking statements speak only as of the date the statements are made. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. Additional information concerning these and other risks and uncertainties is contained in our other periodic filings with the Securities and Exchange Commission.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The information in this section should be read in connection with the information on market risk related to changes in interest rates and non-U.S. currency exchange rates in Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" in our Annual Report on Form 10-K for the year ended December 31, 2015.

Our exposure to market risk primarily consists of foreign currency exchange rate fluctuations related to our international operations and changes in interest rates on debt obligations. We manage such risk primarily by managing the amount, sources, and duration of our debt funding and by using derivative financial instruments. We apply Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 815, *"Derivatives and Hedging,"* when accounting for derivative financial instruments. In all cases, we view derivative financial instruments as a risk management tool and, accordingly, do not use derivatives for trading or speculative purposes.

Exchange Rates

Our foreign operations expose us to fluctuations in foreign exchange rates. These fluctuations may impact the value of our cash receipts and payments in terms of our functional (reporting) currency, which are U.S. dollars. See the discussion of international operations, which is included in Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations" under the caption "Items Affecting Comparability—International Operations" and is incorporated by reference herein.

Interest Rates

We manage our interest expense by using a combination of fixed and variable rate debt. We enter into interest rate swap agreements to attempt to hedge the variability of future interest payments due to changes in

interest rates. See discussion of our interest rate swap agreements, which is included in Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations" under the caption "Liquidity and Capital Resources—Indebtedness—Interest Rate Swap Agreements" and is incorporated by reference herein.

The estimated fair value of our senior term loans was approximately $873.1 million at March 31, 2016. Based on dealers' quotes, the estimated fair values of our 5.00% senior notes, 4.875% senior notes and 5.25% senior notes were $824.0 million, $608.5 million and $438.2 million, respectively, at March 31, 2016.

We utilize sensitivity analyses to assess the potential effect of our variable rate debt. If interest rates were to increase 100 basis points on our outstanding variable rate debt at March 31, 2016, excluding notes payable on real estate, the net impact of the additional interest cost would be a decrease of $1.9 million on pre-tax income and an increase of $1.9 million in cash used in operating activities for the three months ended March 31, 2016.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Rule 13a-15 of the Securities and Exchange Act of 1934, as amended, requires that we conduct an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report, and we have a disclosure policy in furtherance of the same. This evaluation is designed to ensure that all corporate disclosure is complete and accurate in all material respects. The evaluation is further designed to ensure that all information required to be disclosed in our SEC reports is accumulated and communicated to management to allow timely decisions regarding required disclosures and recorded, processed, summarized and reported within the time periods and in the manner specified in the SEC's rules and forms. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Our Chief Executive Officer and Chief Financial Officer supervise and participate in this evaluation, and they are assisted by our Deputy Chief Financial Officer and Chief Accounting Officer and other members of our Disclosure Committee. In addition to our Deputy Chief Financial Officer and Chief Accounting Officer, our Disclosure Committee consists of our General Counsel, our chief communication officer, our corporate controller, our head of Global Internal Audit, our senior officers of significant business lines and other select employees.

We conducted the required evaluation, and our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined by Securities Exchange Act Rule 13a-15(e)) were effective as of the end of the period covered by this Quarterly Report to accomplish their objectives at the reasonable assurance level.

Changes in Internal Controls Over Financial Reporting

No changes in our internal control over financial reporting occurred during the fiscal quarter ended March 31, 2016 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

There have been no material changes to our legal proceedings as previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Item 1A. Risk Factors

There have been no material changes to our risk factors as previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Table of Contents

Item 6. Exhibits

Exhibit No.	Exhibit Description	Incorporated by Reference Form	SEC File No.	Exhibit	Filing Date	Filed Herewith
2.1	Stock and Asset Purchase Agreement, dated as of March 31, 2015, by and between CBRE, Inc. and Johnson Controls, Inc.	8-K	001-32205	2.1	4/3/2015	
3.1	Restated Certificate of Incorporation of CBRE Group, Inc. filed on June 16, 2004, as amended by the Certificate of Amendment filed on June 4, 2009 and the Certificate of Ownership and Merger filed on October 3, 2011	10-Q	001-32205	3.1	11/9/2011	
3.2	Amended and Restated By-Laws of CBRE Group, Inc.	8-K	001-32205	3.1	12/23/2015	
4.1	Form of Class A common stock certificate of CB Richard Ellis Group, Inc.	S-1/A#2	333-112867	4.1	4/30/2004	
4.2(a)	Securityholders' Agreement, dated as of July 20, 2001 ("Securityholders' Agreement"), by and among, CB Richard Ellis Group, Inc., CB Richard Ellis Services, Inc., Blum Strategic Partners, L.P., Blum Strategic Partners II, L.P., Blum Strategic Partners II GmbH & Co. KG, FS Equity Partners III, L.P., FS Equity Partners International, L.P., Credit Suisse First Boston Corporation, DLJ Investment Funding, Inc., The Koll Holding Company, Frederic V. Malek, the management investors named therein and the other persons from time to time party thereto	SC-13D	005-61805	3	7/30/2001	
4.2(b)	Amendment and Waiver to Securityholders' Agreement, dated as of April 14, 2004, by and among, CB Richard Ellis Group, Inc., CB Richard Ellis Services, Inc. and the other parties to the Securityholders' Agreement	S-1/A	333-112867	4.2(b)	4/30/2004	
4.2(c)	Second Amendment and Waiver to Securityholders' Agreement, dated as of November 24, 2004, by and among CB Richard Ellis Group, Inc., CB Richard Ellis Services, Inc. and certain of the other parties to the Securityholders' Agreement	S-1/A	333-120445	4.2(c)	11/24/2004	

Exhibit No.	Exhibit Description	Form	SEC File No.	Incorporated by Reference Exhibit	Filing Date	Filed Herewith
4.2(d)	Third Amendment and Waiver to Securityholders' Agreement, dated as of August 1, 2005, by and among CB Richard Ellis Group, Inc., CB Richard Ellis Services, Inc. and certain of the other parties to the Securityholders' Agreement	8-K	001-32205	4.1	8/2/2005	
4.3(a)	Indenture, dated as of March 14, 2013, among CBRE Group, Inc., CBRE Services, Inc., certain subsidiaries of CBRE Services, Inc. and Wells Fargo Bank, National Association, as trustee	10-Q	001-32205	4.4(a)	5/10/2013	
4.3(b)	First Supplemental Indenture, dated as of March 14, 2013, among CBRE Group, Inc., CBRE Services, Inc., certain subsidiaries of CBRE Services, Inc. and Wells Fargo Bank, National Association, as trustee, for the 5.00% Senior Notes Due 2023	10-Q	001-32205	4.4(b)	5/10/2013	
4.3(c)	Second Supplemental Indenture, dated as April 10, 2013 among CBRE/LJM-Nevada, Inc., CBRE Consulting, Inc., CBRE Services, Inc. and Wells Fargo Bank, National Association, as trustee, for the 5.00% Senior Notes due 2023	S-3ASR	333-201126	4.3(c)	12/19/2014	
4.3(d)	Form of 5.00% Senior Notes due 2023 (included in Exhibit 4.3(b))	10-Q	001-32205	4.4(b)	5/10/2013	
4.3(e)	Form of Supplemental Indenture among certain U.S. subsidiaries from time-to-time, CBRE Services, Inc. and Wells Fargo Bank, National Association, as trustee, for the 5.00% Senior Notes due 2023	8-K	001-32205	4.3	4/16/2013	
4.3(f)	Second Supplemental Indenture, dated as of September 24, 2014, among CBRE Group, Inc., CBRE Services, Inc., certain subsidiaries of CBRE Services, Inc. and Wells Fargo Bank, National Association, as trustee, for the 5.25% Senior Notes due 2025	8-K	001-32205	4.1	9/26/2014	
4.3(g)	Form of 5.25% Senior Notes due 2025 (included in Exhibit 4.3(f))	8-K	001-32205	4.2	9/26/2014	

Table of Contents

Exhibit No.	Exhibit Description	Form	SEC File No.	Incorporated by Reference Exhibit	Filing Date	Filed Herewith
4.3(h)	Form of Supplemental Indenture among certain subsidiary guarantors of CBRE Services, Inc., CBRE Services, Inc. and Wells Fargo Bank, National Association, as trustee, for the 5.25% Senior Notes due 2025	S-3ASR	333-201126	4.3(h)	12/19/2014	
4.3(i)	Third Supplemental Indenture, dated as of December 12, 2014, among CBRE Group, Inc., CBRE Services, Inc., certain subsidiaries of CBRE Services, Inc. and Wells Fargo Bank, National Association, as trustee, for the additional issuance of 5.25% Senior Notes due 2025	8-K	001-32205	4.1	12/12/2014	
4.3(j)	Fourth Supplemental Indenture, dated as of August 13, 2015, among CBRE Group, Inc., CBRE Services, Inc., certain subsidiaries of CBRE Services, Inc. and Wells Fargo Bank, National Association, as trustee, for the issuance of 4.875% Senior Notes due 2026	8-K	001-32205	4.2	8/13/2015	
4.3(k)	Form of 4.875% Senior Notes due 2026 (included in Exhibit 4.3(j))	8-K	001-32205	4.3	8/13/2015	
4.3(l)	Fifth Supplemental Indenture, dated as of September 25, 2015, among CBRE GWS LLC, CBRE Services, Inc. and Wells Fargo Bank, National Association, as trustee, relating to the 5.00% Senior Notes due 2023, 5.25% Senior Notes due 2025 and 4.875% Senior Notes due 2026.	8-K	001-32205	4.1	9/25/2015	
10.1	Second Amendment, dated as of March 21, 2016, among CBRE Group, Inc., CBRE Services, Inc., certain subsidiaries of CBRE Services, Inc., the lenders party thereto, and Credit Suisse AG, as Administrative Agent.	8-K	001-32205	10.1	3/25/2016	
10.2	Amended and Restated Employment Agreement, dated January 1, 2016, between CBRE Global Investors L.L.C. and T. Ritson Ferguson. +					X
10.3	Form of Indemnification Agreement for Directors and Officers. +					X

Table of Contents

Exhibit No.	Exhibit Description	Form	SEC File No.	Incorporated by Reference Exhibit	Filing Date	Filed Herewith
11	Statement concerning Computation of Per Share Earnings (filed as Note 9 of the Consolidated Financial Statements)					X
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to §302 of the Sarbanes-Oxley Act of 2002					X
32	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document					X
101.SCH	XBRL Taxonomy Extension Schema Document					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					X

In the foregoing Exhibit Index, (1) references to CB Richard Ellis Group, Inc. are now to CBRE Group, Inc., (2) references to CB Richard Ellis Services, Inc. are now to CBRE Services, Inc., and (3) references to CB Richard Ellis, Inc. are now to CBRE, Inc.

\+ If used in this Exhibit Index, denotes a management contract or compensatory arrangement.

Table of Contents

SIGNATURES

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 thereunto duly authorized.

CBRE GROUP, INC.

Date: May 10, 2016

/s/ JAMES R. GROCH
James R. Groch
Chief Financial Officer (principal financial officer)

Date: May 10, 2016

/s/ GIL BOROK
Gil Borok
Chief Accounting Officer (principal accounting officer)

Exhibit 10.2

AMENDED AND RESTATED
EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is dated as of January 1, 2016, by and between of CBRE Global Investors L.L.C., a Delaware limited liability company (the "Company") and T. Ritson Ferguson (the "Executive").

WHEREAS, the Executive currently serves as Chief Investment Officer of the Company and Chief Executive Officer and co-Chief Investment Officer of CBRE Clarion Securities Holdings LLC, a Delaware limited liability company ("Clarion"); and

WHEREAS, the Executive and Clarion are parties to an Employment Agreement, dated February 15, 2011 (the "Prior Employment Agreement");

WHEREAS, on the terms and subject to the conditions hereof, the Company desires to employ the Executive and the Executive desires to be so employed by the Company on the terms and conditions contained in this Agreement, which shall, effective as of the date hereof, replace and supersede the Prior Employment Agreement;

NOW, THEREFORE, in consideration of these premises, the parties hereto hereby agree as follows:

1. Employment.

(a) The Executive shall be employed on the terms and conditions set forth in this Agreement as the Chief Investment Officer of the Company commencing on January 1, 2016 (the "Effective Date"), and the Executive hereby accepts such employment effective as of the Effective Date and continuing up to December 31, 2019 (the "Employment Term"), subject to the provisions of Section 3 of this Agreement, and shall be extended thereafter on each January 1, commencing with January 1, 2020, for successive terms of one year, unless the Company or the Executive provides written notice of non-renewal (a "Notice of Non-Renewal") to the other party at least 90 days prior to each such January 1st. If the term expires because the Company has given the Executive a Notice of Non-Renewal, then the termination of the Executive's employment at the end of the term of this Agreement shall be treated the same under this Agreement as a termination by the Company other than for Cause. Subject to, and contingent upon the occurrence of the Effective Date, Executive shall continue to hold the positions of Chief Executive Officer and co-Chief Investment Officer of Clarion, continue to be a Managing Member of Clarion and continue to provide services to Clarion, but shall no longer be directly compensated by Clarion (other than the continuing right to receive payments under Deferred Compensation Plans prior to and including 2015); provided, however, that such change in employment status shall not trigger any provision of the Subscription Agreement relating to Executive's continued employment status. The parties agree that, for purposes relating to tenure, retirement, pension or benefits qualification, Executive's service with the Company began in 1992.

(b) The Executive shall be employed by the Company on a full-time basis and agrees to perform such lawful duties and services as may from time to time be assigned or delegated to him by the Chief Executive Officer of the Company or the Board of Directors of the Company (the "Board") and reasonably consistent with the Executive's position as the Chief Investment Officer of the Company. Such duties and services shall be performed by the Executive in a businesslike and careful manner in accordance with both the spirit and the letter of the Standards of Business Conduct of CBRE and its contractual responsibilities and standing in the business community. Executive shall report solely to the Board and the Chief Executive Officer of the Company.

2. Compensation.

(a) Base Salary. Subject to the provisions of Sections 3 and 4 of this Agreement, the Company will pay or cause to be paid to the Executive so long as the Executive is employed hereunder a base salary equal to $800,000 per annum (the "Base Salary"). Base Salary may be adjusted to reflect any changes made to the Executive's Base Salary in the payroll records of the Company and agreed to by the Company and the Executive, and the Executive's Base Salary, as so adjusted. The timing of payments pursuant to this Section 2(a) will be made on a basis consistent with CBRE's general payroll practices.

(b) Annual Bonus. During each fiscal year of the Employment Term, Executive shall be eligible to earn an annual bonus award (an "Annual Bonus") with a target equal to $1,200,000 if target performance objectives are achieved (such amount, the "Target Bonus"), and with no Annual Bonus payable if specified minimum performance objectives are not achieved. The performance objectives shall consist of objective financial metrics with respect to the Company (39% of the Target Bonus), objective financial metrics with respect to CBRE Group, Inc. ("CBRE") (15% of the Target Bonus), objective financial metrics with respect to Trammell Crow Company, LLC (6% of the Target Bonus) and personal objectives determined in the discretion of the Board (40%) (provided, that the achievement of financial performance objectives is determined consistently with the determination for other senior managers at the same level as Executive). No Annual Bonus shall be payable in respect of any fiscal year in which Executive's employment is terminated, unless otherwise determined by the Board in its sole discretion.

(c) Deferral of Compensation Amounts. The Executive shall be entitled to make voluntary elections to defer all or a portion of his Annual Bonus pursuant to the terms of such deferred compensation plan or plans that may be established from time to time by CBRE in accordance with its terms, including without limitation, CBRE Deferred Compensation Plan, so long as the Executive is employed hereunder.

(d) Signing Bonus. In satisfaction of Executive's prior service as Chief Investment Officer of the Company, Executive acknowledges he has received a cash bonus amount equal to $250,000 (the "Signing Bonus").

(e) Initial Equity Incentive Award. Subject to and contingent upon the Effective Date, the Company will recommend to the Compensation Committee (the "Committee" of the Board of Directors (the "CBRE Board") of CBRE, a grant of an award of restricted stock units of CBRE under the CBRE Group, Inc. 2012 Equity Incentive Plan (or any successor equity plan adopted by the CBRE Board, the "Equity Plan") with a target value as of the grant date of $3,000,000 (the "Initial Equity Award"), and subject to the terms set forth in this Section 2(e) and such other terms applicable to senior executives of the Company and CBRE. The Initial Equity Award shall be granted to Executive one business day after the approval of the Committee. One quarter of the Initial Equity Award (the "Time-based Initial Grant") will vest in three equal annual installments, with the first installment vesting on December 31, 2016, and the remaining installments vesting on the first and second anniversaries of such date, subject to Executive's continued employment through each such date. Three-quarters of the Initial Equity Award will vest on in three equal annual installments, with the first installment vesting on December 31, 2016, and the remaining installments vesting on the first and second anniversaries of such date, subject to Executive's continued employment through each such date. The number of shares that are delivered upon each vesting date shall be determined by the Committee in its discretion, following receipt of a written appraisal of Executive's overall performance (including effort expended and outcomes achieved) by the Chief Executive Officer of CBRE.

(f) Annual Equity Incentive Awards. During the Employment Term, Executive will be eligible to receive annual equity awards in amounts, and on such terms, as determined by the CBRE Board in its sole discretion; provided, that subject to Executive's continued employment through the date annual awards are made to other senior executives of the Company and CBRE, Executive shall be entitled to receive a grant of restricted stock units of CBRE with a target value of $1,600,000, two-thirds of which shall vest based on continued employment with the Company and its affiliates, and one-third of which shall vest based on achievement against adjusted earnings per share performance targets, and other terms applicable to senior executives of the Company and CBRE.

(g) Changes to Status. If at any time Executive is, or is likely to become, an "officer" for purposes of Section 16(a) of the Securities Exchange Act of 1934 (a "Section 16 Officer"), or a "covered employee" for purposes of Section 162(m), payment of the Annual Bonus and the Initial Equity Incentive Award shall be subject to approval by the Committee, and achievement of performance criteria shall be determined and certified by the Committee, in accordance with the review and approval procedures applicable to other Section 16 Officers and senior employees of CBRE.

(h) Paid Time Off. In addition to time off for legal holidays and sick days and personal days consistent with the Company's policies, the Executive shall be entitled to annual vacation of five (5) weeks per year.

(i) Business Expenses. So long as the Executive is employed hereunder, the Executive shall be reimbursed for all reasonable business-related expenses incurred by the Executive at the request of or on behalf of the Company or the Company's affiliates in connection with the performance of the Executive's duties and responsibilities hereunder, consistent with, and subject to, the Company's policies for expense reimbursement, as well as such travel, conferences, memberships and professional associations as are currently being paid by the Company.

3. Termination of Agreement. Executive's employment under this Agreement may be terminated prior to the expiration of its term upon the earliest to occur of:

(a) The termination of the Executive's employment by the Company for Cause subject to prior written notice to the Executive setting forth in reasonable detail the nature of such Cause;

(b) The termination of the Executive's employment by the Company other than for Cause and Disability subject to prior written notice of 30 days (provided that the Company may, in lieu of providing such notice, pay Executive's Base Salary for such notice period);

(c) The Executive's voluntary termination of employment for Constructive Termination;

(d) The Executive's voluntary termination of employment for any reason other than Constructive Termination, subject however to prior written notice of 30 days (provided that the Company may waive such notice period, in which case the Termination Date shall be any date selected by the Company during such period);

(e) The death of the Executive;

(f) The termination of Executive's employment by the Company as a result of the Disability of the Executive; and

(g) The termination of the Executive's employment upon the expiration of this Agreement following delivery of a Notice of Non-Renewal by the Executive or the Company.

The date on which Executive's employment under this Agreement terminates shall be referred to herein as the "Termination Date."

4. Payments following Termination. Upon the Executive's Termination of Employment for any reason, the Executive shall be entitled to the following payments and benefits, in the following respective circumstances:

(a) Accrued Benefits. In the event of the Executive's termination of employment for any reason, the Company shall pay or provide to the Executive (or in the event of the Executive's death, the Executive's designated beneficiary or, if no beneficiary has been designated by the Executive in a written notice executed by the Executive, in a form satisfactory to the Company and received by the Company, to his estate):

(i) any Base Salary earned but not paid during or prior to the final payroll period of the Executive's employment through the Termination Date;

(ii) any unpaid Annual Bonus that the Executive otherwise would have been eligible to receive under the terms of the Incentive Plan in relation to the fiscal year prior to the fiscal year in which the Termination Date occurs;

(iii) pay for any accrued vacation time earned but not used during the fiscal year in which the Termination Date occurs;

(iv) any business expenses that are reimbursable under this Agreement or otherwise that are incurred by the Executive but unreimbursed on the date of the Executive's termination of employment, subject to the submission of any required substantiation and documentation as specified pursuant to the Company's business reimbursement policies; and

(v) any payments or benefits to which the Executive or his beneficiary or estate is entitled under the terms of any of the Company's applicable employee benefit plans, including any amount of the Executive's Annual Bonus that the Executive voluntarily deferred, but excluding any severance pay or similar plan and excluding any payments or benefits that would be duplicative of any payments of benefits specifically provided hereunder (all of the foregoing, "Accrued Benefits").

(b) Termination by the Company Without Cause; Termination for Constructive Termination If the Executive's employment hereunder (x) is terminated by the Company other than for Cause (excluding a termination following Disability), including a termination of the Executive's employment upon the expiration of this Agreement following delivery of a Notice of Non-Renewal by the Company or (y) by the Executive voluntarily for Constructive Termination, the Executive shall be entitled to receive:

(i) the Accrued Benefits;

(ii) an amount equal to 200% of the sum of (x) the Executive's then Base Salary (in effect immediately prior to the Executive's termination of employment) plus (y) the Executive's actual Annual Bonus earned under the cash bonus plan of the Company (or, if applicable, Clarion) in respect of the immediately preceding fiscal year (including any amounts deferred (voluntarily or mandatorily from such Annual Bonus), with such amount paid in equal monthly installments over a period of 24 months, commencing upon the first regular payroll date following the Executive's termination of employment; and

(iii) full vesting in any amounts of Annual Bonus previously deferred (whether mandatorily or voluntarily), and payment in accordance with the terms of the applicable deferred compensation plans or agreements of CBRE or its subsidiaries (including Clarion);

(iv) immediate acceleration and vesting of the Initial Equity Award; provided, however, that (A) with respect to the Time-based Initial Grant, all shares will be delivered on the termination date, and (B) with respect to the remainder of the Initial Equity Award, the number of shares to be delivered shall be determined in the manner described in the last sentence of Section 2(e); and

(v) the vesting of any unvested Annual Equity Award and any other stock or cash incentive awards, bonuses that would otherwise not vest or be paid, and any other benefits, shall be determined in accordance with the CBRE plan or policy applicable to similarly situated senior executives of CBRE (e.g., continued or accelerated vesting provided for under the Change in Control and Severance Plan for Senior Management, effective as of March 24, 2015, and any successor plan);

provided that the foregoing payments and benefits (other than Accrued Benefits) scheduled to be made after the Executive's termination of employment and the vesting in any amounts of the Annual Bonus and the Time-based Initial Grant shall be conditioned upon both (x) the execution (and non-revocation) by the Executive of a general release of claims (the "Release") against the Company and its affiliates in a form attached hereto as Appendix B on or prior to the 37th day following the Termination Date, the execution of which release is not revoked within the Revocation Period therein defined, and (y) Executive's continued compliance with the terms and conditions of Appendix A.

(c) Termination by the Company with Cause. If the Executive's employment is terminated (i) by the Company with Cause or (ii) by Executive when grounds for Cause exist (and the Company delivers to the Executive a Finding of Cause within 180 days following the Termination Date), no further payments will be made pursuant to this Agreement, except for the Accrued Benefits.

(d) Voluntary Resignation; Retirement. If the Executive's employment is terminated by Executive when grounds for Cause do not exist and in the absence of Constructive Termination, no further payments will be made pursuant to this Agreement, except the Accrued Benefits; *provided, however*, if such termination occurs following December 31, 2019 and executive has given 12-months' notice of retirement, then the Executive shall be entitled to receive:

(i) the Accrued Benefits;

(ii) the Executive's actual Annual Bonus earned (but yet unpaid) under the cash bonus plan of the Company in respect of the immediately preceding fiscal year (including any amounts deferred (voluntarily or mandatorily from such Annual Bonus);

(iii) full vesting in any amounts of Annual Bonus previously deferred (whether mandatorily or voluntarily), and payment in accordance with the terms of the applicable deferred compensation plans or agreements of CBRE or its subsidiaries (including Clarion); and

(iv) continued or accelerated vesting of any equity awards then held by Executive pursuant to the terms of the Equity Plan and/or related resolutions or policies applicable to retirements of senior executives of qualifying age and tenure.

(e) Termination by the Company for Disability. If the Executive's employment is terminated by the Company as a result of Executive's Disability, the Executive will be entitled to receive:

(i) the Accrued Benefits;

(ii) the Executive's Base Salary for the period from the Termination Date until the Executive begins receiving compensation pursuant to the Company's then applicable long term disability insurance program, but in no event for a period of greater than six months; and

(iii) full vesting in any amounts of Annual Bonus previously deferred (whether mandatory or voluntarily) and payment in accordance with the terms of the applicable deferred compensation plans or agreements of CBRE or its subsidiaries (including Clarion).

(f) Termination as a Result of Death. If the Executive dies, no further payments will be made pursuant to this Agreement, except for the Accrued Benefits and Executive shall be entitled to full vesting in any amounts of Annual Bonus previously deferred (whether mandatory or voluntarily) and payment in accordance with the terms of the applicable deferred compensation plans or agreements of CBRE or its subsidiaries (including Clarion).

(g) Exclusive Rights. Except as expressly provided in this Section 4, no further payments will be made pursuant to this Agreement or under any severance pay or similar plan, including any payments or benefits that would be duplicative of any payments of benefits hereunder.

(h) Cause. As used in this Agreement, "Cause" shall mean the occurrence of any one or more of the following events: (1) the Executive's gross neglect of Executive's duties for which he is employed or refusal or failure to follow the lawful material directives of the Board or the Chief Executive Officer of the Company, in either case, where such neglect, refusal or failure is not due to the Executive's physical or mental incapacity (and, solely in the case of the Executive's refusal or failure to follow lawful material directives, the adverse consequences of which are not cured within 30 days after written notice to the Executive (or any shorter notice period reasonably necessary to avoid material harm to the Company) that identifies with reasonable specificity such refusal or failure); (2) the Board (excluding, if applicable, the Executive, if applicable) finds that, in the good faith opinion of the Board, Executive has engaged in any act or acts constituting (x) a felony or (y) any other crime (whether or not a felony) involving fraud, misappropriation or embezzlement; provided that, in each case, the Board shall be required to provide the Executive with a written description in reasonable detail of the specific facts upon which it based its opinion; (3) an intentional breach by the Executive of a material provision of this Agreement or policies established by the Board or CBRE (to the extent any such policies of the Board or CBRE do not conflict with this Agreement or, with respect to any subject matter addressed by Appendix A, impose requirements on Executive in excess of those provided in Appendix A); or (4) the Executive's (x) breach of any provision of Section 1 of Appendix A to this Agreement or (y) material breach of any provision of Section 2 of Appendix A to this Agreement; provided that none of the foregoing events under clause (3) or (4)(y) shall constitute Cause unless the Executive fails to cure the adverse consequences to the Company and its affiliates (if any) of such event within five days after receipt from the Company of written notice of the event which constitutes Cause, and the Company provides the Executive with a written notice of its good-faith determination that Cause exists (a "Finding of Cause") and further provided that, any act, or failure to act, based upon the express written direction of the Board, the Company, or CBRE with respect to such act or omission shall be presumed to be done, or omitted to be done, by the Executive in good faith and in the best interests of the Company, and shall not constitute Cause. Cause shall cease to exist for an event 180 days after the later of its occurrence or the actual knowledge by any member of the Board (other than the Executive) of such event, unless the Board has given the Executive a Finding of Cause or other written notice thereof prior to such date.

(i) Constructive Termination. As used in this Agreement, "Constructive Termination" shall mean CBRE takes action to cause the occurrence of any one or more of the following events without the consent of the Executive: (1) the removal of the Executive from the position of Chief Investment Officer of the Company (or any more senior position to which he is appointed); (2) the diminution in the position, duties, authority and/or reporting requirements of the Executive in a manner that materially and adversely impacts the Executive's position, duties, authority and/or reporting requirements in the aggregate (it being understood that changes in the Company's business, assets under management and workforce and similar matters shall not be deemed to diminish the position, duties, authority and/or reporting requirements of the Executive); (3) a material diminution in the Executive's Base Salary; provided that a reduction in the Executive's Base Salary by up to 20% from the Executive's highest Base Salary if so determined by the unanimous approval of the Board and if a similar percentage reduction is made with respect to the base salaries of substantially all of the Company's senior executives, such reduction shall not constitute Constructive Termination and provided further that such reduction so approved shall not constitute a breach of any other section of this Agreement; (4) a change in the geographic location of the Executive's principal place of employment outside the greater Philadelphia metropolitan area; or (5) the Company's material breach of its economic obligations under this Agreement; provided that none of the foregoing events shall constitute Constructive Termination unless the Company fails to cure such event within 30 days after receipt from the Executive of written notice of the event which constitutes Constructive Termination; provided further that "Constructive Termination" shall cease to exist for an event on the 45th day following the later of its occurrence or the Executive's actual knowledge thereof, unless the Executive has given the Board written notice thereof prior to such date.

(j) Disability. As used in this Agreement, "Disability" shall mean a physical or mental incapacitation such that: (i) the Executive is unable to engage in the activities for which the Executive is employed by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or (ii) the Executive is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company. Any question as to the existence of the Executive's physical or mental incapacitation as to which the Executive or his representative and the Board cannot agree shall be determined in writing by a qualified independent physician mutually acceptable to the Executive and the Company. If the 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 physician who shall make such determination in writing.

(k) Nothing in this Section 4 shall be deemed to add to, limit, modify or supersede any irrevocably vested rights of the Executive pursuant to any compensation plan now or hereafter adopted and in which the Executive may participate, nor in any other entity related to or affiliated with the Company (excluding any severance plan, which shall not apply to the Executive).

5. Benefits. During the term of the Executive's employment hereunder, the Executive shall be entitled to participate in all group life, health, medical, dental, disability insurance, retirement, pension, and other similar employee benefit plans, now in effect or hereafter adopted, to the same extent as other executive employees of the Company. The Company reserves the right to adjust these benefit levels from time to time, and to offer any perquisites as the Company may determine from time to time so long as such adjustment is generally applicable to the senior executives of the Company.

6. Full Working Time. During the term of the Executive's employment, the Executive will devote his full working time to the business and affairs of the Company and its subsidiaries in accordance with Section 1 hereof and shall engage in no other business activity (other than personal investment for his own account) without the prior written consent of Parent. All services performed by the Executive relating to real estate investment management or in any manner relating to the business of the Company shall be performed on behalf and for the account of the Company. Notwithstanding the foregoing, the Executive shall be entitled to perform charitable and civic duties from time to time in a manner that does not conflict with the Executive's duties hereunder and shall, subject to CBRE's generally applicable policies from time to time with respect thereto, be permitted to serve on boards of directors of for-profit businesses that are not publicly-traded.

7. Restrictive Covenants. The Executive acknowledges and recognizes the highly competitive nature of the businesses of Parent, the Company and their respective subsidiaries and accordingly agrees, in the Executive's capacity as an employee of the Company and an investor and equity holder in the Company, to the provisions of Appendix A to this Agreement. The Executive acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of Appendix A would be inadequate and the Company and its affiliates would suffer irreparable damages as a result of such breach or threatened breach. In recognition of this fact, the Executive agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law or equity, 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.

8. Indemnification.

(a) To the fullest extent permitted under applicable law, the Company hereby agrees to indemnify and to hold harmless the Executive from and against all losses, damages, liabilities, costs and expenses, including reasonable attorney's fees, incurred by the Executive in his capacity as such, by reason of or arising out of the performance by the Executive of services on behalf of Parent hereunder, provided that in the performance of such services the Executive has acted in good faith on behalf of the Company and that the action or claim giving rise to the indemnification is not the direct result of an intentional breach of the Executive's material obligations under this Agreement. In addition, the Company agrees to continue and maintain, or cause the continuation, at its expense, a directors' and officers' liability insurance policy covering the Executive both during and, while potential liability exists, after employment that is no less favorable than any policy covering active directors and senior officers of the Company from time to time.

(b) Promptly after receipt by the Executive of notice of any action or claim with respect to which indemnification is to be made against the Company under this Section 8, the Executive shall notify the Company of the commencement or existence thereof. The Company shall have the right to participate in, and to the extent that it may wish, to assume the defense thereof, at its sole expense, and after notice from the Company to the Executive of its election to do so. Thereafter, the Company will bear the costs of such litigation, and will not be liable to the Executive for any legal or other expense subsequently incurred by the Executive in connection with the defense thereof, so long as the Company continues diligently to pursue such defense, provided that nothing in this Section 8(b) is intended to limit or increase either party's rights under Section 8(a), except as specifically provided with respect to such legal or other expenses.

9. Notices. Any notice to the Company or the Executive hereunder will be in writing and hand delivered or sent by registered or certified mail, return receipt requested, postage prepaid addressed as follows:

If to Executive, to:	At the address on the personnel records of the Company from time to time.
If to the Company:	CBRE Global Investors, L.L.C 400 S. Hope Street, 25th Floor Los Angeles, California 90071 Fax: (213) 613-3735 Attention: General Counsel

A notice given by mail shall be deemed to have been given three days after mailing in accordance with the foregoing.

10. Assignment. A party hereto may not assign the rights or obligations hereunder without the consent of the other party hereto, except that the Company may assign its rights and obligations hereunder to any legal entity that acquires (by itself or with its affiliates) all or substantially all of the business of Company or the line of business in which the Executive is engaged). The provisions of this Agreement are binding upon and, to the extent applicable, inure to the benefit of the heirs of the Executive (except with respect to performance of employment services) and upon the successors and assigns of the parties hereto.

11. Integration; Other Agreements. This Agreement constitutes the entire understanding between the Company and the Executive relating to the subject matter hereof, and commencing on the date hereof all prior term sheets, understandings or agreements with respect to the subject matter hereof shall be of no further force or effect (including the Prior Agreement) Moreover, to the extent this Agreement provides Executive with any right or benefit not otherwise provided in, or otherwise in contravention of, any employee compensation or benefit plan of CBRE and its Affiliates (including the CBRE Deferred Compensation Plan, the Equity Plan or any annual cash bonus plan), the terms of this Agreement shall control. Neither this Agreement nor any provision hereof can be changed orally. Executive hereby consents to the changes to the terms of Executive's employment and compensation set forth in this Agreement, and the parties agree that the terms set forth herein shall not constitute a "Constructive Termination" (or any event with similar meaning) under any agreement entered into with CBRE or any subsidiary, including the Subscription Agreement entered into with CBRE Clarion Securities LLC (as amended from time to time) as of July 1, 2011. The parties have no intention to adversely impact the compensation arrangements of CBRE Clarion Securities LLC.

12. Savings Clause. In the event any provision of this Agreement is determined to be invalid or void under any applicable law, the remaining provisions hereof will not be affected thereby and shall continue in full force and effect.

13. Choice of Law. This Agreement has been executed in the State of New York and will be interpreted under the internal laws of the State of New York.

14. Withholding. All payments made by the Company under this Agreement shall be reduced by any tax or other amounts required to be withheld by the Company under applicable law.

15. Section 409A. Notwithstanding anything herein to the contrary, (i) if at the time of the Executive's termination of employment with the Company Executive is a "specified employee" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and the deferral of the commencement of any payments or benefits otherwise payable hereunder as a result of such termination of employment is necessary in order to prevent any accelerated or additional tax under Section 409A of the Code, then the Company will defer the commencement of the payment of any such payments or benefits hereunder (without any reduction in such payments or benefits ultimately paid or provided to Executive) until the date that is six months following Executive's termination of employment with the Company (or the earliest date as is permitted under Section 409A of the Code without any accelerated or additional tax) and (ii) if any other payments of money or other benefits due to Executive hereunder could cause the application of an accelerated or additional tax under Section 409A of the Code, such payments or other benefits shall be deferred if deferral will make such payment or other benefits compliant under Section 409A of the Code, or otherwise such payment or other benefits shall be restructured, to the extent possible, in a manner, determined by the Board, that is reasonably expected not to cause such an accelerated or additional tax. For purposes of Section 409A of the Code, each payment made under this Agreement shall be designated as a "separate payment" within the meaning of the Section 409A of the Code, and references herein to Executive's "termination of employment" or words of similar meaning shall refer to Executive's separation from service with the Company within the meaning of Section 409A of the Code. To the extent any reimbursements or in-kind benefits due to Executive under this Agreement constitute "deferred compensation" subject to Section 409A of the Code, any such reimbursements or in-kind benefits shall be paid to Executive in a manner consistent with Treas. Reg. Section 1.409A-3(i)(1)(iv). Additionally, to the extent that Executive's receipt of any in-kind benefits from the Company or its affiliates must be delayed pursuant to this Section 15 due to Executive's status as a "specified employee," Executive may elect to instead purchase and receive such benefits during the period in which the provision of benefits would otherwise be delayed by paying the Company (or its affiliates) for the fair market value of such benefits (as determined by the Company in good faith) during such period. Any amounts paid by Executive pursuant to the preceding sentence shall be reimbursed to Executive as described above on the date that is six months following Executive's separation from service. In any case where a Termination Date and the last date on which the Release may be delivered occur in different taxable years, any payments of "nonqualified deferred compensation" (within the meaning of Section 409A) required to be made to Executive that are conditioned on the execution and non-revocation of the Release shall be made in the later taxable year. The Company shall consult with Executive in good faith regarding the implementation of the provisions of this Section 15; provided that neither the Company nor any of its employees or representatives shall have any liability to Executive with respect thereto.

16. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of either party to require the performance of any term or obligation of this Agreement, or the waiver by either party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

17. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by an expressly authorized representative of the Company.

18. Headings. The headings and captions in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement.

19. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have hereunto executed or caused this Agreement to be executed as of the day and year first above written.

Executive

/s/ T. Ritson Ferguson
T. Ritson Ferguson

CBRE Global Investors, L.L.C.

/s/ L. H. Midler
By: Laurence Midler
Title: EVP and Assistant Secretary

Restrictive Covenants

1. Non-Competition; Non-Solicitation/Pooling.

(a) Executive acknowledges and recognizes the highly competitive nature of the businesses of the Company and its Subsidiaries. Accordingly, Executive agrees as follows:

(i) During Executive's employment with the Company or its affiliates (the 'Employment Term") and for a period of two years following the date Executive ceases to be so employed (the "Restricted Period"), Executive will not, whether on Executive's own behalf or on behalf of or in conjunction with any person, firm, partnership, joint venture, association, corporation or other business organization, entity or enterprise whatsoever ("Person"), directly or indirectly solicit or assist in soliciting in competition with the Restricted Group (as defined below) in a Competitive Business (as defined below), the business of any of the Restricted Group's then-active or prospective investors, clients or customers with whom Executive (or Executive's direct reports) had personal contact or dealings on behalf of the Company during the one-year period preceding Executive's termination of employment.

(ii) During the Restricted Period, Executive will not directly or indirectly:

(A) engage in any business in any location globally that competes with the business of the Restricted Group, as such business was conducted by the Restricted Group in the two years immediately preceding the Termination Date and as otherwise specifically contemplated by the business plans of the Restricted Group (a "Competitive Business") and including any Core Competitor (unless Executive is engaged solely in activities unrelated to the Competitive Businesses of the Core Competitor);

(B) enter the employ of, or render any services to, any Person (or any division or controlled or controlling affiliate of any Person) who or which engages in a Competitive Business, including any Core Competitor (unless Executive is engaged solely in activities unrelated to the Competitive Businesses);

(C) acquire a financial interest in, or otherwise become actively involved with, any Person engaged in a Competitive Business, directly or indirectly, as an individual, partner, shareholder, officer, director, principal, agent, trustee or consultant; or

(D) knowingly and adversely interfere with, or attempt to adversely interfere with, business relationships between the members of the Restricted Group and any of their clients, customers, suppliers, partners, members or investors.

(iii) Notwithstanding anything to the contrary in this Appendix A, Executive may, directly or indirectly own, solely as an investment, securities of any Person engaged in a Competitive Business (including, without limitation, a Core Competitor) 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.

(iv) During the Restricted Period, Executive will not, whether on Executive's own behalf or on behalf of or in conjunction with any Person, directly or indirectly:

(A) solicit or encourage any employee of the Restricted Group to leave the employment of the Restricted Group;

(B) hire any executive-level employee who was employed by the Restricted Group as of the date of Executive's termination of employment with the Company or who left the employment of the Restricted Group coincident with, or within one year prior to or after, the termination of Executive's employment with the Company;

(C) encourage any consultant of the Restricted Group to cease working with the Restricted Group; or

(D) enter into employment, partnership or association with any entity engaged in a Competitive Business with whom any other employees of the Company and its subsidiaries have become employed by, associated with, or a member of during the one year periods preceding and subsequent to Executive's termination of employment (unless Executive is engaged solely in activities unrelated to the Competitive Businesses) (the intention of the parties being to prevent the irreparable harm to the Restricted Group that would occur from the pooling of information that two or more former such employees can provide to a competing entity or the misuse of Confidential Information (as defined below)).

(v) For purposes of this Agreement:

(A) "Restricted Group" shall mean, collectively, the Company and its subsidiaries from time to time.

(B) "Core Competitor" shall mean real estate securities groups at Cohen & Steers, Morgan Stanley, RREEF, Invesco, European Investors and LaSalle and each of their respective affiliates.

(b) The Executive acknowledges and agrees (a) that the covenants contained herein are reasonable and lawful under the circumstances, (b) he has consulted with counsel of his choosing, and based upon such counsel's advice, the covenants contained herein constitute a valid and enforceable agreement under applicable law, and (c) he will not contest the validity or enforceability of this Agreement during the Restricted Period. It is expressly understood and agreed that although the Executive and the Company consider the restrictions contained in this Agreement to be reasonable and lawful, 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 Appendix A is an unenforceable restriction against the Executive, the provisions of this Appendix A 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 Appendix A 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.

(c) The provisions of Section 1 hereof shall survive the termination of Executive's employment for any reason, including but not limited to, any termination other than for Cause.

2. Confidentiality; Intellectual Property.

(a) Confidentiality.

(i) Executive acknowledges that all forms, documents, papers, records, files, computer software, application systems and programs, and other materials prepared or received by Executive which pertain to Company's business, including letters to Executive and copies of letters sent by Executive, are the property of the Restricted Group, and unless otherwise authorized by Company, shall at all times remain in the Restricted Group's possession and on the Restricted Group's premises. Executive further acknowledges that all information, including information in machine readable form (e.g., magnetic disk, magnetic tape, etc.), disclosed to or developed by Executive during Executive's employment by Company relating to the Restricted Group's business, including without limitation, the Restricted Group's listings, the identity of and information concerning potential or actual investors, clients, customers and specialized techniques developed or used by the Restricted Group (other than disclosure of specific listings in the ordinary course of business) are the exclusive property of the Restricted Group. Executive further acknowledges that such information constitutes valuable, special and unique assets of the Restricted Group, access to and knowledge of which are essential to the performance of Executive's duties to Company under this Agreement.

(ii) Executive will not at any time (whether during or after Executive's employment with the Company) (x) retain or use for the benefit, purposes or account of Executive or any other Person; or (y) disclose, divulge, reveal, communicate, share, transfer or provide access to any Person outside the Restricted Group (other than its professional advisers who are bound by confidentiality obligations or otherwise in performance of Executive's duties under Executive's employment and pursuant to customary industry practice), any non-public, proprietary or confidential information — including without limitation trade secrets, know-how, research and development, software, databases, inventions, processes, formulae, technology, designs and other intellectual property, information concerning finances, investments, profits, pricing, costs, products, services, vendors, customers, clients, partners, investors, personnel, compensation, recruiting, training, advertising, sales, marketing, promotions, government and regulatory activities and approvals — concerning the past, current or future business, activities and operations of the Restricted Group and/or any third party that has disclosed or provided any of same to the Restricted Group on a confidential basis ("Confidential Information") without the prior written authorization of the Board.

(iii) "Confidential Information" shall not include any information that is (a) generally known to the industry or the public other than as a result of Executive's breach of this covenant; (b) made legitimately available to Executive by a third party without breach of any confidentiality obligation of which Executive has knowledge; or (c) required by law to be disclosed; provided that with respect to subsection (c) Executive shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and reasonably cooperate with any attempts by the Restricted Group to obtain a protective order or similar treatment.

(iv) Upon termination of Executive's employment with the Company for any reason, Executive shall (x) cease and not thereafter commence use of any Confidential Information or intellectual property (including without limitation, any patent, invention, copyright, trade secret, trademark, trade name, logo, domain name or other source indicator) owned or used by the Restricted Group; and (y) immediately destroy, delete, or return to the Restricted Group, at the Company's option, all originals and copies in any form or medium (including memoranda, books, papers, plans, computer files, letters and other data) in Executive's possession or control (including any of the foregoing stored or located in Executive's office, home, laptop or other computer, whether or not Restricted Group property) that contain Confidential Information, except that Executive may retain only those portions of any personal notes, notebooks and diaries that do not contain any Confidential Information.

(b) Intellectual Property.

(i) If Executive creates, invents, designs, develops, contributes to or improves any works of authorship, inventions, intellectual property, materials, documents or other work product (including without limitation, research, reports, software, databases, systems, applications, presentations, textual works, content, or audiovisual materials) ("Works"), either alone or with third parties, at any time during Executive's employment by the Company and within the scope of such employment and with the use of any the Company resources ("Company Works"), Executive shall promptly and fully disclose same to the Company and hereby irrevocably assigns, transfers and conveys, to the maximum extent permitted by applicable law, all rights and intellectual property rights therein (including rights under patent, industrial property, copyright, trademark, trade secret, unfair competition and related laws) to the Restricted Group to the extent ownership of any such rights does not vest originally in the Restricted Group.

(ii) Executive shall take all reasonably requested actions and execute all reasonably requested documents (including any licenses or assignments required by a government contract) at the Company's expense (but without further remuneration) to assist the Restricted Group in validating, maintaining, protecting, enforcing, perfecting, recording, patenting or registering any of the Restricted Group's rights in the Company Works. If the Restricted Group is unable for any other reason, after reasonable attempt, to secure Executive's signature on any document for this purpose, then Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney in fact, to act for and in Executive's behalf and stead to execute any documents and to do all other lawfully permitted acts required in connection with the foregoing.

(iii) Executive shall not improperly use for the benefit of, bring to any premises of, divulge, disclose, communicate, reveal, transfer or provide access to, or share with the Company any confidential, proprietary or non-public information or intellectual property relating to a former employer or other third party without the prior written permission of such third party. Executive shall comply with all relevant policies and guidelines of the Company that are from time to time previously disclosed to Executive, including regarding the protection of Confidential Information and intellectual property and potential conflicts of interest to the extent that such policies and guidelines do not conflict with this Agreement and do not impose unreasonable duties, obligations or restrictions on Executive relative to executives generally of the Company and its affiliates. Executive acknowledges that the Restricted Group may amend any such policies and guidelines from time to time, and that Executive remains at all times bound by their most current version from time to time previously disclosed or made available to Executive.

(iv) The provisions of Section 2 hereof shall survive the termination of Executive's employment for any reason.

Form of General Release

WHEREAS, CBRE Global Investors L.L.C., a Delaware limited liability company ("CBRE" or the "Company") and T. Ritson Ferguson ("Employee") are parties to an Employment Agreement dated as of December __, 2015 (the "Employment Agreement");

WHEREAS, the Employment Agreement provides for certain separation payments to be made to the Employee upon the occurrence of certain circumstances, on the terms therein specified; and

WHEREAS, as a condition precedent to the Company performing certain of its obligations as provided for in the Agreement, the Employee has agreed that he will execute this instrument (the "Release");

1. Employee does hereby, and for Employee's heirs, legal representatives, agents, successors in interest, and assigns, irrevocably and unconditionally release, acquit, and forever discharge CBRE and all of its respective subsidiaries, affiliates, divisions, predecessors, successors, officers, directors, shareholders, employees, representative, employee benefit plans or agents (the "Released Parties") of and from all claims, actions, causes of action, rights, demands, debts, obligations, damages, or accounts of whatever nature arising through the date hereof (whether or not known on the date hereof) which Employee has against Released Parties by reason of or arising out of Employee's employment with CBRE, whether known or unknown, and including but not limited to any and all claims under the Employment Agreement except as expressly excluded in Section 4 of this Release ("Released Claims").

Notwithstanding any other provision of this Release to the contrary, this Release does not release any rights or claims of Employee against any of the Released Parties arising under, or with respect to, the Amended and Restated Limited Liability Company Agreement of CBRE Clarion Securities LLC, dated as of July 1, 2011 (the "LLC Agreement"), including any related subscription agreement, or related to the Employee holding Units in the Company and being a member of the Company, including without limitation, the right of Employee to sell, and the obligation of certain Released Parties to purchase, any Units owned by Employee pursuant to a subscription agreement or any distributions payable with respect to Units pursuant to the LLC Agreement or related subscription agreement held by Employee.

2. The Released Claims include, without limitation, any and all rights and claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, the Civil Rights Act of 1866 and 1991, the Equal Pay Act, the Employee Retirement Income Security Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Labor-Management Relations Act, the Worker Adjustment and Retraining Notification Act, and any other state or local laws where applicable, in each case, as amended.

3. Notwithstanding anything to the contrary, and for the purpose of implementing a full and complete release and discharge of Released Parties, this Agreement contemplates the extinguishment of, and the term "Released Claims" includes, all claims which Employee does not know or expect to exist in Employee's favor at the time of the execution hereof, which may have arisen through the date hereof (whether or not known on the date hereof), in connection with Employee's employment with CBRE, as well as those injuries, debts, claims, or damages now known or disclosed which may have arisen through the date hereof (whether or not known on the date hereof), from said employment or termination of employment as described above.

4. CBRE and Employee both understand that this Release does not release any rights or claims of Employee against any of the Released Parties that arise after the date this Release is signed by Employee. CBRE and Employee further understand that this Release does not release any rights or claims of Employee against any of the Released Parties that cannot be released as a matter of law, that this Release does not release any claims by Employee based upon the non-payment or provision by the Company of the Accrued Benefits as defined in Section 4(a) and any other compensation or benefits to be paid pursuant to the Agreement or the terms of any employee benefit plan, and that this Release does not release any rights or claims of Employee against any of the Released Parties arising under, or with respect to, the LLC Agreement, including any related subscription agreement, or related to the Employee holding Units in the Company and being a member of the Company.

5. ***{Applicable to California Employees Only.}*** Employee expressly waives the benefit of Section 1542 of the Civil Code of the State of California, which provides:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

6. Employee hereby acknowledges that Employee has been informed that Employee may take up to twenty-one (21) days to consider this Release, if Employee so desires. Employee acknowledges that Employee has carefully reviewed and fully understands all of the provisions of this Release, and is entering into this Release voluntarily and of Employee's own free will.

7. Employee hereby acknowledges that Employee has seven (7) days from the date Employee signs this Release to revoke the Release (the "Revocation Period"). Such revocation shall be effective only upon written notice to CBRE, within seven days of Employee's execution of this Release. If Employee revokes this Release within the Revocation Period, the Company will not make any payments or provide any benefits that are conditioned in the Employment Agreement upon the Employee's execution of this Release. This Release shall not become effective until the 8th day after Employee executes the Release.

8. Severability. Should any of the provisions in this Release be declared or be determined to be illegal or invalid, all remaining parts, terms or provisions shall be valid, and the illegal or invalid part, term or provision shall be deemed not to be a part of this Release.

9. Legal Counsel. CBRE strongly recommends that Employee seek independent legal counsel to advise Employee regarding Employee's rights and obligations contained in this Release and the advisability of executing this Release. In executing this Release, Employee hereby acknowledges that CBRE made the recommendation contained in the prior sentence. Employee also represents that Employee has been given sufficient time to consult with independent counsel of Employee's selection regarding the advisability of executing this Release.

EMPLOYEE:

By: ____________________________

Dated: ____________________________

Exhibit 10.3

CBRE GROUP, INC.

INDEMNIFICATION AGREEMENT

This Agreement is made as of , 2016, by and between CBRE Group, Inc., a Delaware corporation (the "Corporation"), and (the "Indemnitee"), a director or officer of the Corporation.

WHEREAS, it is essential to the Corporation to retain and attract as directors and officers the most capable persons available;

WHEREAS, the increase in corporate litigation subjects directors and officers to expensive litigation risks;

WHEREAS, it is now and has always been the policy of the Corporation to indemnify its directors and officers; and

WHEREAS, the Corporation desires the Indemnitee to serve, or continue to serve, as a director or officer of the Corporation.

NOW THEREFORE, the Corporation and the Indemnitee do hereby agree as follows:

1. Definitions. As used in this Agreement:

(a) The term "Board" shall mean the Board of Directors of the Corporation.

(b) The term "Change in Control" shall mean the occurrence of any one of the following:

(i) individuals who, on the date of this Agreement, constitute the Board (the "Incumbent Directors") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the date of this Agreement whose election or nomination for election was approved by a vote of at least a majority of the Directors then on the Board (either by a specific vote or by approval of the proxy statement of the Corporation in which such person is named as a nominee for director, without written objection to such nomination) shall be an Incumbent Director; provided, however, that no individual initially elected or nominated as a director of the Corporation as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board shall be deemed to be an Incumbent Director;

(ii) any "person" (as such term is defined in the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act) is or becomes a "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing 50% or more of the combined voting power of the Corporation's then outstanding securities eligible to vote for the election of the Board (the "Corporation Voting Securities"); provided, however, that the event described in this paragraph (ii) shall not be deemed to be a Change in Control by virtue of any of the following acquisitions: (A) by the Corporation or any subsidiary, (B) by any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any subsidiary, (C) by any underwriter temporarily holding securities pursuant to an offering of such securities, (D) pursuant to a Non-Qualifying Transaction, as defined in paragraph (iii), or (E) by any person of Voting Securities from the Corporation, if a majority of the Incumbent Board approves in advance the acquisition of beneficial ownership of 50% or more of Corporation Voting Securities by such person;

(iii) the consummation of a merger, consolidation, statutory share exchange, reorganization or similar form of corporate transaction involving the Corporation or any of its subsidiaries that requires the approval of the Corporation's stockholders, whether for such transaction or

the issuance of securities in the transaction (a "Business Combination"), unless immediately following such Business Combination: (A) more than 50% of the total voting power of (x) the corporation resulting from such Business Combination (the "Surviving Corporation"), or (y) if applicable, the ultimate parent corporation that directly or indirectly has beneficial ownership of 100% of the voting securities eligible to elect directors of the Surviving Corporation (the "Parent Corporation"), is represented by Corporation Voting Securities that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Corporation Voting Securities were converted pursuant to such Business Combination), and such voting power among the holders thereof is in substantially the same proportion as the voting power of such Corporation Voting Securities among the holders thereof immediately prior to the Business Combination, (B) no person (other than any employee benefit plan (or related trust) sponsored or maintained by the Surviving Corporation or the Parent Corporation), is or becomes the beneficial owner, directly or indirectly, of 35% or more of the total voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) and (C) at least half of the members of the board of directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) following the consummation of the Business Combination were Incumbent Directors at the time of the Board's approval of the execution of the initial agreement providing for such Business Combination (any Business Combination which satisfies all of the criteria specified in (A), (B) and (C) above shall be deemed to be a "Non-Qualifying Transaction");

(iv) the stockholders of the Corporation approve a plan of complete liquidation or dissolution of the Corporation;

(v) the consummation of a sale of all or substantially all of the Corporation's assets; or

(vi) the occurrence of any other event that the Board determines by a duly approved resolution constitutes a Change in Control.

(c) The term "Corporate Status" shall mean the status of a person who is or was, or has agreed to become, a director or officer of the Corporation, or is or was serving, or has agreed to serve, at the request of the Corporation, as a director, officer, fiduciary, partner, trustee, member, employee or agent of, or in a similar capacity with, another corporation, partnership, joint venture, trust, limited liability company or other enterprise, including, without limitation, subsidiaries of the Corporation.

(d) The term "Expenses" shall include, without limitation, reasonable attorneys' fees, retainers, court costs, transcript costs, fees and expenses of experts, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and other disbursements or expenses of the types customarily incurred in connection with investigations, judicial or administrative proceedings or appeals and which are consistent with those paid by the Corporation in accordance with its Billing, Staffing and Reporting Guidelines for Outside Counsel (which upon request will be provided to the Indemnitee), but shall not include the amount of judgments, fines or penalties against Indemnitee or amounts paid in settlement in connection with such matters.

(e) The term "Independent Counsel" shall mean a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither currently is, nor in the past five years has been, retained to represent: (i) the Corporation or the Indemnitee in any matter material to either such party or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Corporation or the Indemnitee in an action to determine the Indemnitee's rights under this Agreement. The Corporation agrees to pay the Expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(f) References to “other enterprise” shall include employee benefit plans; references to “fines” shall include any excise tax assessed with respect to any employee benefit plan; references to “serving at the request of the Corporation” shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner “not opposed to the best interests of the Corporation” as referred to in this Agreement.

(g) The term “Proceeding” shall include any threatened, pending or completed action, suit, arbitration, alternative dispute resolution proceeding, administrative hearing or other proceeding, whether brought by or in the right of the Corporation or otherwise and whether of a civil, criminal, administrative or investigative nature, and any appeal therefrom.

(h) The term “Indemnitee-related entities” means any corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise (other than the Corporation or any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise Indemnitee has agreed, on behalf of the Corporation or at the Corporation’s request, to serve as a director, officer, employee or agent and which service is covered by the indemnity described in this Agreement) from whom an Indemnitee may be entitled to indemnification or advancement of expenses with respect to which, in whole or in part, the Corporation may also have an indemnification or advancement obligation (other than as a result of obligations under an insurance policy).

(i) The term “jointly indemnifiable claims” shall be broadly construed and shall include, without limitation, any action, suit or proceeding for which the Indemnitee shall be entitled to indemnification or advancement of expenses from both the Indemnitee-related entities and the Corporation pursuant to the DGCL, any agreement or the certificate of incorporation, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or comparable organizational documents of the Corporation or the Indemnitee-related entities, as applicable.

2. Indemnity of Indemnitee. The Corporation shall indemnify the Indemnitee in connection with any Proceeding as to which the Indemnitee is, was or is threatened to be made a party (or is otherwise involved) by reason of the Indemnitee’s Corporate Status, to the fullest extent permitted by law (as such may be amended from time to time). In furtherance of the foregoing and without limiting the generality thereof:

(a) Indemnification in Third-Party Proceedings. The Corporation shall indemnify the Indemnitee in accordance with the provisions of this Section 2(a) if the Indemnitee was or is a party to or threatened to be made a party to or otherwise involved in any Proceeding (other than a Proceeding by or in the right of the Corporation to procure a judgment in its favor or a Proceeding referred to in Section 5 below) by reason of the Indemnitee’s Corporate Status or by reason of any action alleged to have been taken or omitted in connection therewith, against all Expenses, judgments, fines, penalties and amounts paid in settlement actually and reasonably incurred by or on behalf of the Indemnitee in connection with such Proceeding, if the Indemnitee acted in good faith and in a manner which the Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal Proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

(b) Indemnification in Proceedings by or in the Right of the Corporation. The Corporation shall indemnify the Indemnitee in accordance with the provisions of this Section 2(b) if the Indemnitee was or is a party to or threatened to be made a party to or otherwise involved in any Proceeding by or in the right of the Corporation to procure a judgment in its favor by reason of the Indemnitee’s Corporate Status or by reason of any action alleged to have been taken or omitted in connection therewith, against all Expenses and, to the extent permitted by law, amounts paid in settlement actually and reasonably incurred by or on behalf of the Indemnitee in connection with such Proceeding, if the Indemnitee acted in good faith and in a manner which the Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Corporation, except that, if applicable law so requires, no

indemnification shall be made under this Section 2(b) in respect of any claim, issue or matter as to which the Indemnitee shall have been adjudged to be liable to the Corporation, unless, and only to the extent, that the Court of Chancery of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of such liability but in view of all the circumstances of the case, the Indemnitee is fairly and reasonably entitled to indemnity for such Expenses as the Court of Chancery or such other court shall deem proper.

(c) Jointly Indemnifiable Claims. Given that certain jointly indemnifiable claims may arise due to the service of the Indemnitee as a director and/or officer of the Corporation at the request of the Indemnitee-related entities, the Corporation acknowledges and agrees that the Corporation shall be fully and primarily responsible for the payment to the Indemnitee in respect of indemnification or advancement of expenses in connection with any such jointly indemnifiable claim, pursuant to and in accordance with the terms of this Agreement, irrespective of any right of recovery the Indemnitee may have from the Indemnitee-related entities. Under no circumstance shall the Corporation be entitled to any right of subrogation or contribution by the Indemnitee-related entities and no right of advancement or recovery the Indemnitee may have from the Indemnitee-related entities shall reduce or otherwise alter the rights of the Indemnitee or the obligations of the Corporation hereunder. In the event that any of the Indemnitee-related entities shall make any payment to the Indemnitee in respect of indemnification or advancement of expenses with respect to any jointly indemnifiable claim, the Indemnitee-related entity making such payment shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee against the Corporation, and Indemnitee shall execute all papers reasonably required and shall do all things that may be reasonably necessary to secure such rights, including the execution of such documents as may be necessary to enable the Indemnitee-related entities effectively to bring suit to enforce such rights. The Corporation and Indemnitee agree that each of the Indemnitee-related entities shall be third-party beneficiaries with respect to this Section 2(c), entitled to enforce this Section 2(c) as though each such Indemnitee-related entity were a party to this Agreement.

3. Indemnification of Expenses of Successful Party. Notwithstanding any other provision of this Agreement, to the extent that the Indemnitee has been successful, on the merits or otherwise, in defense of any Proceeding or in defense of any claim, issue or matter therein (other than a Proceeding referred to in Section 5), the Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by or on behalf of the Indemnitee in connection therewith. In the event any attorneys' fees, costs or expenses are awarded to the Indemnitee in the successful defense of any Proceeding or in defense of any claim, issue or matter, the Indemnitee will promptly reimburse the Corporation for such fees, costs or expenses as awarded.

4. Indemnification for Expenses of a Witness. To the extent that the Indemnitee is, by reason of the Indemnitee's Corporate Status, a witness in any Proceeding to which the Indemnitee is not a party, the Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by or on behalf of the Indemnitee in connection therewith.

5. Exceptions to Right of Indemnification. Notwithstanding anything to the contrary to this Agreement:

(a) Except as set forth in Section 9, the Corporation shall not indemnify the Indemnitee under this Agreement in connection with a Proceeding (or part thereof) initiated by the Indemnitee unless (i) the initiation thereof was approved by the Board of Directors of the Corporation or (ii) the Proceeding was commenced following a Change in Control;

(b) Except as set forth in Section 9, the Corporation shall not indemnify the Indemnitee to the extent the Indemnitee is reimbursed from the proceeds of insurance, and in the event the Corporation makes any indemnification payments to the Indemnitee and the Indemnitee is subsequently reimbursed from the proceeds of insurance, the Indemnitee shall promptly refund such indemnification payments to the Corporation to the extent of such insurance reimbursement;

(c) The Corporation shall not be obligated to indemnify Indemnitee on account of (i) any Proceeding with respect to which final judgment is rendered against Indemnitee for payment or an accounting of profits arising from the purchase or sale by Indemnitee of securities in violation of Section 16(b) of the Exchange Act, or any similar successor statute, (ii) any reimbursement of the Corporation by the Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by the Indemnitee from the sale of securities of the Corporation, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Corporation pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), or the payment to the Corporation of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act) or (iii) any reimbursement of the Corporation by the Indemnitee of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board or the compensation committee of the Board, including, but not limited to, any such policy adopted to comply with stock exchange listing requirements implementing Section 10D of the Exchange Act;

(d) The Corporation shall not be obligated to indemnify Indemnitee in connection with Proceedings involving the enforcement of non-compete, non-solicit and/or non-disclosure agreements, or the non-compete, non-solicit and/or non-disclosure provisions of employment, consulting or similar agreements the Indemnitee may be a party to with the Corporation, or any subsidiary of the Corporation or any other applicable foreign or domestic corporation, partnership, joint venture, trust or other enterprise, if any; and

(e) The Corporation shall not be obligated to indemnify Indemnitee or advance expenses to Indemnitee in any circumstance where such indemnification has been determined to be prohibited by law by a final (not interlocutory) judgment or other adjudication of a court or arbitration or administrative body of competent jurisdiction as to which there is no further right or option of appeal or the time within which an appeal must be filed has expired without such filing.

6. Notification and Defense of Claim.

(a) The Indemnitee shall notify the Corporation in writing as soon as practicable of any Proceeding for which indemnity will or could be sought and provide the Corporation with a copy of any summons, citation, subpoena, complaint, indictment, information or other document relating to such Proceeding with which Indemnitee is served. The failure to so notify the Corporation will not relieve the Corporation from any liability that it may have to Indemnitee (i) except to the extent the failure adversely affects the Corporation's rights, legal position, ability to defend or ability to obtain insurance coverage with respect to such proceeding or (ii) otherwise than under the Corporation's Certificate of Incorporation. With respect to any Proceeding of which the Corporation is so notified, the Corporation will be entitled to participate therein at its own expense and/or to assume the defense thereof at its own expense, with legal counsel reasonably acceptable to the Indemnitee (which may be regular outside counsel to the Corporation). After notice from the Corporation to the Indemnitee of its election so to assume such defense, the Corporation shall not be liable to the Indemnitee for any legal or other expenses subsequently incurred by the Indemnitee in connection with such Proceeding, other than as provided below in this Section 6. The Indemnitee shall have the right to employ his or her own counsel in connection with such Proceeding, but the Expenses of such counsel incurred after notice from the Corporation of its assumption of the defense thereof shall be at the expense of the Indemnitee unless (i) the employment of counsel by the Indemnitee has been authorized by the Corporation, (ii) counsel to the Indemnitee shall have reasonably determined that there may be a conflict of interest or position on any significant issue between the Corporation and the Indemnitee in the conduct of the defense of such Proceeding or (iii) the Corporation shall not in fact have employed counsel to assume the defense of such Proceeding, in each of which cases the Expenses of counsel for the Indemnitee shall be at the expense of the Corporation, except as otherwise expressly provided by this Agreement, and provided that Indemnitee's counsel shall cooperate reasonably with the Corporation's counsel to minimize the cost of defending claims against the Corporation and the Indemnitee. The Corporation shall not be entitled, without the consent of the Indemnitee, to assume the defense of any claim brought by or in the right of the Corporation or as to which counsel for the Indemnitee shall have reasonably made the determination provided for in clause (ii) above.

(b) The Corporation shall not be required to indemnify the Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected without its written consent. The Corporation shall not settle any Proceeding in any manner that would impose any penalty or limitation on the Indemnitee without the Indemnitee's written consent. Neither the Corporation nor the Indemnitee will unreasonably withhold or delay their consent to any proposed settlement.

7. Advancement of Expenses. Subject to the provisions of Section 8, in the event that (a) the Corporation does not assume the defense pursuant to Section 6 of any Proceeding of which the Corporation receives notice under this Agreement or (b) the Corporation assumes such defense but Indemnitee is, pursuant to Section 6, entitled to have the Expenses of Indemnitee's own counsel paid for by the Corporation, any Expenses actually and reasonably incurred by or on behalf of the Indemnitee in connection with a Proceeding for which indemnity will or could be sought under this Agreement shall be paid by the Corporation in advance of the final disposition of such Proceeding; provided, however, that the payment of such Expenses incurred by or on behalf of the Indemnitee in advance of the final disposition of such Proceeding shall be made only upon receipt of an undertaking by or on behalf of the Indemnitee to repay all amounts so advanced in the event that it shall ultimately be determined, after the conclusion of such Proceeding, that the Indemnitee is not entitled to be indemnified by the Corporation as authorized in this Agreement. Such undertaking shall be accepted without reference to the financial ability of the Indemnitee to make repayment. Any advances and undertakings to repay pursuant to this Section 7 shall be unsecured and interest-free.

8. Procedures.

(a) In order to obtain indemnification or advancement of Expenses pursuant to this Agreement, the Indemnitee shall submit to the Corporation a written request, including in such request such documentation and information as is reasonably available to the Indemnitee and is reasonably necessary to determine whether and to what extent the Indemnitee is entitled to indemnification or advancement of Expenses. Any such indemnification or advancement of Expenses shall be made promptly, and in any event within (i) in the case of advancement of Expenses under Section 7, thirty (30) calendar days after receipt by the Corporation of the written request of the Indemnitee, or (ii) in the case of all other indemnification, sixty (60) calendar days after receipt by the Corporation of the written request of the Indemnitee, subject to the provisions of Sections 8(b) and 8(c) below.

(b) With respect to requests for indemnification under Section 2, indemnification shall be made unless the Corporation determines that Indemnitee has not met the applicable standard of conduct set forth in Section 2. Any determination as to whether Indemnitee has met the applicable standard of conduct set forth in Section 2, and any determination that advanced Expenses must be subsequently repaid to the Corporation, shall be made, in the discretion of the Board of Directors of the Corporation, (1) by a majority vote of the directors of the Corporation consisting of persons who are not at that time parties to the Proceeding ("disinterested directors"), whether or not a quorum, (2) by a committee of disinterested directors designated by a majority vote of disinterested directors, whether or not a quorum, (3) if there are no disinterested directors, or if the disinterested directors so direct, by Independent Counsel in a written opinion to the Board, or (4) by the stockholders of the Corporation. Any such determination with respect to requests under Section 2 shall be made within the 60-day period referred to in clause (ii) of Section 8(a) (unless extended by mutual agreement by the Corporation and Indemnitee). For the purpose of the foregoing determination with respect to requests under Section 2 or repayment of advanced Expenses, the Indemnitee shall be entitled to a presumption that he or she has met the applicable standard of conduct set forth in Section 2 and is entitled to indemnification.

(c) Notwithstanding anything to the contrary set forth in this Agreement, if a request for indemnification is made after a Change in Control, at the election of the Indemnitee made in writing to the Corporation, any determination required to be made pursuant to Section 8(b) above as to whether the Indemnitee has met the applicable standard of conduct or is required to repay advanced Expenses shall be made by Independent Counsel selected as provided in this Section 8(c). The Independent Counsel shall be selected by the Indemnitee, unless the Indemnitee shall request that such selection be

made by the Board of Directors of the Corporation. The party making the determination shall give written notice to the other party advising it of the identity of the Independent Counsel so selected. The party receiving such notice may, within seven (7) days after such written notice of selection shall have been given, deliver to the other party a written objection to such selection. Such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 1, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is made, the Independent Counsel so selected may not serve as Independent Counsel unless and until a court has determined that such objection is without merit. If, within twenty (20) days after submission by the Indemnitee of a written request for indemnification, no Independent Counsel shall have been selected or if selected, shall have been objected to, in accordance with this paragraph either the Corporation or the Indemnitee may petition the Court of Chancery of the State of Delaware or other court of competent jurisdiction for resolution of any objection which shall have been made by the Corporation or the Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom an objection is favorably resolved or the person so appointed shall act as Independent Counsel. The Corporation shall pay the reasonable Expenses of Independent Counsel incurred in connection with its acting in such capacity. The Corporation shall pay any and all reasonable and necessary Expenses incident to the procedures of this paragraph, regardless of the manner in which such Independent Counsel was selected or appointed.

(d) 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 Indemnitee did not act in good faith and in a manner that the Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal Proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(e) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Corporation or its affiliates, including financial statements, or on information supplied to Indemnitee by the officers of the Corporation or its affiliates in the course of their duties, or on the advice of legal counsel for the Corporation or its affiliates or on information or records given or reports made to the Corporation or its affiliates by an independent certified public accountant or by an appraiser or other expert selected with the reasonable care by the Corporation or its affiliates. The provisions of this Section 8(e) shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(f) The knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Corporation or its affiliates shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

(g) The Indemnitee shall cooperate with the person, persons or entity making such determination with respect to the Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to the Indemnitee and reasonably necessary to such determination. Any Expenses actually and reasonably incurred by the Indemnitee in so cooperating shall be borne by the Corporation (irrespective of the determination as to the Indemnitee's entitlement to indemnification) and the Corporation hereby indemnifies the Indemnitee therefrom.

9. Remedies.

(a) The right to indemnification and advancement of Expenses as provided by this Agreement shall be enforceable by Indemnitee in any court of competent jurisdiction. Any such judicial proceeding shall be conducted in all respects as a de novo trial on the merits.

(b) In connection with any determination as to whether the Indemnitee is entitled to be indemnified under this Agreement, the court shall presume that the Indemnitee has met the applicable standard of conduct and is entitled to indemnification, and, unless otherwise required by law, the burden of proof shall be on the Corporation to establish that the Indemnitee is not so entitled. Neither the failure of the Board of Directors (or other person or body appointed pursuant to Section 8) to have made a determination that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination pursuant to Section 8 that Indemnitee has not met such applicable standard of conduct, shall be a defense to an action brought to enforce this Agreement or create a presumption that Indemnitee has not met the applicable standard of conduct.

(c) The Corporation shall indemnify Indemnitee against any and all Expenses that are incurred by Indemnitee in connection with any action brought by Indemnitee for (i) indemnification or advancement of Expenses by the Corporation under this Agreement or under applicable law or the Corporation's Certificate of Incorporation or Bylaws now or hereafter in effect relating to indemnification, and/or (ii) recovery under directors' and officers' liability insurance policies maintained by the Corporation, but only in the event that Indemnitee ultimately is determined to be entitled to such indemnification or insurance recovery, as the case may be. The Corporation shall, if so requested by Indemnitee, advance the foregoing Expenses to Indemnitee, subject to and in accordance with Section 7.

10. Partial Indemnification. If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Corporation for some or a portion of the Expenses, judgments, fines, penalties or amounts paid in settlement actually and reasonably incurred by or on behalf of the Indemnitee in connection with any Proceeding but not, however, for the total amount thereof, the Corporation shall nevertheless indemnify the Indemnitee for the portion of such Expenses, judgments, fines, penalties or amounts paid in settlement to which the Indemnitee is entitled.

11. Insurance and Subrogation.

(a) The Corporation may purchase and maintain a policy or policies of insurance, providing Indemnitee with coverage for any liability asserted against, and incurred by, Indemnitee or on Indemnitee's behalf by reason of the fact that Indemnitee is or was or has agreed to serve as a director, officer, employee or agent of the Corporation, or while serving as a director or officer of the Corporation, is or was serving or has agreed to serve at the request of the Corporation as a director, officer, employee or agent (which, for purposes hereof, shall include a trustee, fiduciary, partner or manager or similar capacity) of another corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, or arising out of Indemnitee's status as such, whether or not the Corporation would have the power to indemnify Indemnitee against such liability under the provisions of this Agreement. If the Corporation has such insurance in effect at the time the Corporation receives from Indemnitee any notice of the commencement of an action, suit or proceeding, the Corporation shall give prompt notice of the commencement of such action, suit or proceeding to the insurers in accordance with the procedures set forth in the policy. The Corporation shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policy.

(b) Subject to Section 2(c), in the event of any payment by the Corporation under this Agreement, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee with respect to any insurance policy. Indemnitee shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Corporation to bring suit to enforce such rights in accordance with the terms of such insurance policy. The Corporation shall pay or reimburse all expenses actually and reasonably incurred by Indemnitee in connection with such subrogation.

(c) Subject to Section 2(c), the Corporation shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (including, but not limited to, judgments, fines and amounts paid in settlement, and ERISA excise taxes or penalties) if and to the extent that Indemnitee has otherwise actually received such payment under this Agreement or any insurance policy, contract, agreement or otherwise.

12. Term of Agreement. This Agreement shall continue until and terminate upon the later of (a) ten years after the date that the Indemnitee shall have ceased to serve as a director or officer of the Corporation or, at the request of the Corporation, as a director, officer, partner, trustee, member, employee or agent of another corporation, partnership, joint venture, trust, limited liability company or other enterprise or (b) the final termination of all Proceedings pending on the date set forth in clause (a) in respect of which the Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding commenced by the Indemnitee pursuant to Section 9 of this Agreement relating thereto.

13. Indemnification Hereunder Not Exclusive. The indemnification and advancement of Expenses provided by this Agreement shall not be deemed exclusive of any other rights to which the Indemnitee may be entitled under the Certification of Incorporation, the By-Laws, any other agreement, any vote of stockholders or disinterested directors, the General Corporation Law of Delaware, any other law (common or statutory), or otherwise, both as to action in the Indemnitee's official capacity and as to action in another capacity while holding office for the Corporation. Nothing contained in this Agreement shall be deemed to prohibit the Corporation from purchasing and maintaining insurance, at its expense, to protect itself or the Indemnitee against any expense, liability or loss incurred by it or the Indemnitee in any such capacity, or arising out of the Indemnitee's status as such, whether or not the Indemnitee would be indemnified against such expense, liability or loss under this Agreement.

14. No Special Rights. Nothing herein shall confer upon the Indemnitee any right to continue to serve as an officer or director of the Corporation for any period of time or at any particular rate of compensation.

15. Savings Clause. If this Agreement or any portion thereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify the Indemnitee as to Expenses, judgments, fines, penalties and amounts paid in settlement with respect to any Proceeding to the full extent permitted by any applicable portion of this Agreement that shall not have been invalidated and to the fullest extent permitted by applicable law.

16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute the original.

17. Successors and Assigns. This Agreement shall be binding upon the Corporation and its successors and assigns and shall inure to the benefit of the estate, heirs, executors, administrators and personal representatives of the Indemnitee.

18. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

19. Modification and Waiver. This Agreement may be amended from time to time to reflect changes in Delaware law or for other reasons. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof nor shall any such waiver constitute a continuing waiver.

20. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been given (i) when delivered by hand, (ii) if mailed by certified or registered mail with postage prepaid, on the third day after the date on which it is so mailed, or (iii) if sent by telecopy, on the next business day after electronic confirmation of delivery:

(a) if to the Indemnitee, to:

(b) if to the Corporation, to: CBRE Group, Inc.
400 South Hope Street, 25th Floor
Los Angeles, CA 90071
Attention: General Counsel

or to such other address as may have been furnished to the Indemnitee by the Corporation or to the Corporation by the Indemnitee, as the case may be.

21. Applicable Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware. The Indemnitee may elect to have the right to indemnification or reimbursement or advancement of Expenses interpreted on the basis of the applicable law in effect at the time of the occurrence of the event or events giving rise to the applicable Proceeding, to the extent permitted by law, or on the basis of the applicable law in effect at the time such indemnification or reimbursement or advancement of Expenses is sought. Such election shall be made, by a notice in writing to the Corporation, at the time indemnification or reimbursement or advancement of Expenses is sought; provided, however, that if no such notice is given, and if the General Corporation Law of Delaware is amended, or other Delaware law is enacted, to permit further indemnification of the directors and officers, then the Indemnitee shall be indemnified to the fullest extent permitted under the General Corporation Law, as so amended, or by such other Delaware law, as so enacted.

22. Enforcement. The Corporation expressly confirms and agrees that it has entered into this Agreement in order to induce the Indemnitee to continue to serve as an officer or director of the Corporation, and acknowledges that the Indemnitee is relying upon this Agreement in continuing in such capacity.

23. Entire Agreement. This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supercedes all prior agreements with the Corporation or any of its subsidiaries, whether oral or written, by any officer, employee or representative of any party hereto in respect of the subject matter contained herein; and any prior agreement of the parties hereto in respect of the subject matter contained herein is hereby terminated and cancelled. For avoidance of doubt, the parties confirm that the foregoing does not apply to or limit the Indemnitee's rights under Delaware law or the Corporation's Certificate of Incorporation or By-Laws.

24. Consent to Suit. In the case of any dispute under or in connection with this Agreement, the Indemnitee may only bring suit against the Corporation in the Court of Chancery of the State of Delaware. The Indemnitee hereby consents to the exclusive jurisdiction and venue of the courts of the State of Delaware, and the Indemnitee hereby waives any claim the Indemnitee may have at any time as to forum non conveniens with respect to such venue. The Corporation shall have the right to institute any legal action arising out of or relating to this Agreement in any court of competent jurisdiction. Any judgment entered against either of the parties in any proceeding hereunder may be entered and enforced by any court of competent jurisdiction.

25. Contribution. To the fullest extent permissible by applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Corporation, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Corporation and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Corporation (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

[*Signature Page Immediately Follows*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

CBRE GROUP, INC.

By: ______________________________
Name:
Title:

INDEMNITEE:

____

EXHIBIT 31.1

Certification of Chief Executive Officer Pursuant to
Rule 13a-14(a) Under the Securities Exchange Act of 1934, as Amended

I, Robert E. Sulentic, certify that:

1) I have reviewed this quarterly report on Form 10-Q of CBRE Group, Inc.;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5) The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 10, 2016

/S/ ROBERT E. SULENTIC
Robert E. Sulentic
President and Chief Executive Officer

EXHIBIT 31.2

Certification of Chief Financial Officer Pursuant to
Rule 13a-14(a) Under the Securities Exchange Act of 1934, as Amended

I, James R. Groch, certify that:

1) I have reviewed this quarterly report on Form 10-Q of CBRE Group, Inc.;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2016

/S/ JAMES R. GROCH
James R. Groch
Chief Financial Officer

EXHIBIT 32

Certifications of Chief Executive Officer and Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act Of 2002

The undersigned, Robert E. Sulentic, Chief Executive Officer, and James R. Groch, Chief Financial Officer of CBRE Group, Inc. (the "Company"), hereby certify as of the date hereof, solely for the purposes of 18 U.S.C. §1350, that:

(i) the Quarterly Report on Form 10-Q for the period ended March 31, 2016, of the Company (the "Report") fully complies with the requirements of Section 13(a) and 15(d), as applicable, of the Securities Exchange Act of 1934; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

Date: May 10, 2016

/S/ ROBERT E. SULENTIC
Robert E. Sulentic
President and Chief Executive Officer

/S/ JAMES R. GROCH
James R. Groch
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.