

**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 June 30, 2019

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)

400 South Hope Street, 25th Floor

Los Angeles, California
(Address of principal executive offices)

(213) 613-3333

(Registrant's telephone number, including area code)

94-3391143
(I.R.S. Employer
Identification Number)

90071
(Zip Code)

Not applicable
(Former name, former address and
former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.01 par value per share	"CBRE"	New York Stock Exchange

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 every Interactive Data File required to be submitted 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 such files). Yes No

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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 July 31, 2019 was 336,335,679.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

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

	June 30, 2019	December 31, 2018
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 535,618	\$ 777,219
Restricted cash	77,607	86,725
Receivables, less allowance for doubtful accounts of \$ 68,991 and \$60,348 at June 30, 2019 and December 31, 2018, respectively	4,001,003	3,668,591
Warehouse receivables	1,365,928	1,342,468
Contract assets	323,247	307,020
Prepaid expenses	290,254	254,892
Income taxes receivable	53,764	71,684
Other current assets	237,796	245,611
Total Current Assets	6,885,217	6,754,210
Property and equipment, net	746,490	721,692
Goodwill	3,663,789	3,652,309
Other intangible assets, net of accumulated amortization of \$ 1,270,236 and \$1,180,393 at June 30, 2019 and December 31, 2018, respectively	1,331,281	1,441,308
Operating lease assets	949,216	—
Investments in unconsolidated subsidiaries	307,308	216,174
Deferred tax assets, net	83,015	51,703
Other assets, net	752,819	619,397
Total Assets	\$ 14,719,135	\$ 13,456,793
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 2,063,845	\$ 1,919,827
Compensation and employee benefits payable	1,086,973	1,121,179
Accrued bonus and profit sharing	704,730	1,189,395
Operating lease liabilities	173,496	—
Contract liabilities	109,511	82,227
Income taxes payable	37,735	68,100
Short-term borrowings:		
Warehouse lines of credit (which fund loans that U.S. Government Sponsored Enterprises have committed to purchase)	1,349,988	1,328,761
Revolving credit facility	230,000	—
Total short-term borrowings	1,579,988	1,328,761
Current maturities of long-term debt	2,258	3,146
Other current liabilities	128,913	90,745
Total Current Liabilities	5,887,449	5,803,380
Long-term debt, net of current maturities	1,766,564	1,767,260
Non-current operating lease liabilities	996,228	—
Non-current tax liabilities	178,990	172,626
Deferred tax liabilities, net	51,588	107,425
Other liabilities	447,786	596,200
Total Liabilities	9,328,605	8,446,891
Commitments and contingencies	—	—
Equity:		
CBRE Group, Inc. Stockholders' Equity:		
Class A common stock; \$0.01 par value; 525,000,000 shares authorized; 336,329,975 and 336,912,783 shares issued and outstanding at June 30, 2019 and December 31, 2018, respectively	3,363	3,369
Additional paid-in capital	1,162,002	1,149,013
Accumulated earnings	4,898,932	4,504,684
Accumulated other comprehensive loss	(717,660)	(718,269)
Total CBRE Group, Inc. Stockholders' Equity	5,346,637	4,938,797
Non-controlling interests	43,893	71,105
Total Equity	5,390,530	5,009,902
Total Liabilities and Equity	\$ 14,719,135	\$ 13,456,793

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Revenue	\$ 5,714,073	\$ 5,111,434	\$ 10,849,583	\$ 9,785,386
Costs and expenses:				
Cost of services	4,445,790	3,958,748	8,467,824	7,578,709
Operating, administrative and other	877,397	826,282	1,670,273	1,558,517
Depreciation and amortization	106,479	113,399	212,302	221,564
Intangible asset impairment	—	—	89,037	—
Total costs and expenses	<u>5,429,666</u>	<u>4,898,429</u>	<u>10,439,436</u>	<u>9,358,790</u>
Gain on disposition of real estate	10	12,311	19,257	12,329
Operating income	284,417	225,316	429,404	438,925
Equity income from unconsolidated subsidiaries	21,773	96,021	94,437	136,200
Other income (loss)	4,369	4,009	25,222	(271)
Interest expense, net of interest income	24,600	25,396	45,792	50,633
Write-off of financing costs on extinguished debt	—	—	2,608	27,982
Income before provision for income taxes	285,959	299,950	500,663	496,239
Provision for income taxes	62,521	70,319	106,399	116,483
Net income	223,438	229,631	394,264	379,756
Less: Net (loss) income attributable to non-controlling interests	(293)	964	6,124	801
Net income attributable to CBRE Group, Inc.	<u>\$ 223,731</u>	<u>\$ 228,667</u>	<u>\$ 388,140</u>	<u>\$ 378,955</u>
<i>Basic income per share:</i>				
Net income per share attributable to CBRE Group, Inc.	<u>\$ 0.67</u>	<u>\$ 0.67</u>	<u>\$ 1.15</u>	<u>\$ 1.12</u>
Weighted average shares outstanding for basic income per share	<u>336,222,471</u>	<u>339,081,556</u>	<u>336,122,100</u>	<u>338,986,354</u>
<i>Diluted income per share:</i>				
Net income per share attributable to CBRE Group, Inc.	<u>\$ 0.66</u>	<u>\$ 0.67</u>	<u>\$ 1.14</u>	<u>\$ 1.10</u>
Weighted average shares outstanding for diluted income per share	<u>340,508,931</u>	<u>343,471,513</u>	<u>340,334,315</u>	<u>343,031,189</u>

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net income	\$ 223,438	\$ 229,631	\$ 394,264	\$ 379,756
Other comprehensive (loss) income:				
Foreign currency translation loss	(2,532)	(165,926)	(1,595)	(99,894)
Adoption of Accounting Standards Update 2016-01, net of tax	—	—	—	(3,964)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net of tax	425	628	835	1,383
Unrealized (losses) gains on interest rate swaps, net of tax	(52)	214	(111)	817
Unrealized holding gains (losses) on available for sale debt securities, net of tax	705	(122)	1,460	(627)
Other, net	—	—	1	5,528
Total other comprehensive (loss) income	(1,454)	(165,206)	590	(96,757)
Comprehensive income	221,984	64,425	394,854	282,999
Less: Comprehensive (loss) income attributable to non-controlling interests	(256)	480	6,105	122
Comprehensive income attributable to CBRE Group, Inc.	<u>\$ 222,240</u>	<u>\$ 63,945</u>	<u>\$ 388,749</u>	<u>\$ 282,877</u>

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

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

	Six Months Ended	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 394,264	\$ 379,756
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	212,302	221,564
Amortization and write-off of financing costs on extinguished debt	5,705	31,646
Gains related to mortgage servicing rights, premiums on loan sales and sales of other assets	(114,283)	(98,707)
Intangible asset impairment	89,037	—
Gains on disposition of real estate held for investment	—	(3,197)
Net realized and unrealized (gains) losses from investments	(25,222)	271
Provision for doubtful accounts	11,438	11,809
Compensation expense for equity awards	65,580	61,675
Equity income from unconsolidated subsidiaries	(94,437)	(136,200)
Distribution of earnings from unconsolidated subsidiaries	97,561	131,395
Proceeds from sale of mortgage loans	10,099,268	7,019,614
Origination of mortgage loans	(10,090,347)	(7,552,229)
Increase in warehouse lines of credit	21,227	560,825
Tenant concessions received	12,931	16,130
Purchase of equity securities	(70,221)	(41,389)
Proceeds from sale of equity securities	38,495	37,715
Increase in receivables, prepaid expenses and other assets (including contract and lease assets)	(462,346)	(197,768)
Increase in accounts payable and accrued expenses and other liabilities (including contract and lease liabilities)	163,502	9,543
Decrease in compensation and employee benefits payable and accrued bonus and profit sharing	(552,302)	(496,292)
Increase in income taxes receivable/payable	(97,260)	(41,830)
Other operating activities, net	(21,724)	(6,393)
Net cash used in operating activities	(316,832)	(92,062)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(100,674)	(107,482)
Acquisition of businesses, including net assets acquired, intangibles and goodwill, net of cash acquired	(2,142)	(264,702)
Contributions to unconsolidated subsidiaries	(35,187)	(21,042)
Distributions from unconsolidated subsidiaries	10,273	28,235
Net proceeds from disposition of real estate held for investment	—	14,174
Purchase of equity securities	(5,601)	(13,718)
Proceeds from sale of equity securities	9,869	8,889
Purchase of available for sale debt securities	(2,812)	(18,723)
Proceeds from the sale of available for sale debt securities	1,466	4,121
Other investing activities, net	224	(6,384)
Net cash used in investing activities	(124,584)	(376,632)

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

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

	Six Months Ended	
	2019	2018
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from senior term loans	300,000	550,000
Repayment of senior term loans	(300,000)	—
Proceeds from revolving credit facility	1,596,000	2,000,000
Repayment of revolving credit facility	(1,366,000)	(1,402,000)
Repayment of 5.00% senior notes (including premium)	—	(820,000)
Proceeds from notes payable on real estate	4,165	1,153
Repayment of notes payable on real estate	—	(16,019)
Repurchase of common stock	(45,088)	—
Acquisition of businesses (cash paid for acquisitions more than three months after purchase date)	(28,517)	(11,183)
Repayment of debt assumed in acquisition of FacilitySource	—	(26,295)
Units repurchased for payment of taxes on equity awards	(9,565)	(4,630)
Non-controlling interest contributions	41,977	2,744
Non-controlling interest distributions	(2,563)	(7,652)
Other financing activities, net	(4,435)	(76)
Net cash provided by financing activities	185,974	266,042
Effect of currency exchange rate changes on cash and cash equivalents and restricted cash	4,723	(18,821)
NET DECREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	(250,719)	(221,473)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, AT BEGINNING OF PERIOD	863,944	824,819
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, AT END OF PERIOD	\$ 613,225	\$ 603,346
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	\$ 46,525	\$ 59,337
Income taxes, net	\$ 208,876	\$ 159,833

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

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

	CBRE Group, Inc. Shareholders				Non-controlling interests	Total
	Class A common stock	Additional paid-in capital	Accumulated earnings	Accumulated other comprehensive loss		
Balance at March 31, 2019	\$ 3,363	\$ 1,126,984	\$ 4,675,201	\$ (716,169)	\$ 114,837	\$ 5,204,216
Net income (loss)	—	—	223,731	—	(293)	223,438
Compensation expense for equity awards	—	36,309	—	—	—	36,309
Units repurchased for payment of taxes on equity awards	—	(379)	—	—	—	(379)
Foreign currency translation (loss) gain	—	—	—	(2,569)	37	(2,532)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net of tax	—	—	—	425	—	425
Unrealized losses on interest rate swaps, net of tax	—	—	—	(52)	—	(52)
Unrealized holding gains on available for sale debt securities, net of tax	—	—	—	705	—	705
Contributions from non-controlling interests	—	—	—	—	1,203	1,203
Distributions to non-controlling interests	—	—	—	—	(1,216)	(1,216)
Deconsolidation of investment	—	—	—	—	(67,641)	(67,641)
Other	—	(912)	—	—	(3,034)	(3,946)
Balance at June 30, 2019	<u>\$ 3,363</u>	<u>\$ 1,162,002</u>	<u>\$ 4,898,932</u>	<u>\$ (717,660)</u>	<u>\$ 43,893</u>	<u>\$ 5,390,530</u>

	CBRE Group, Inc. Shareholders				Non-controlling interests	Total
	Class A common stock	Additional paid-in capital	Accumulated earnings	Accumulated other comprehensive loss		
Balance at March 31, 2018	\$ 3,397	\$ 1,246,251	\$ 3,591,753	\$ (483,770)	\$ 61,043	\$ 4,418,674
Net income	—	—	228,667	—	964	229,631
Compensation expense for equity awards	—	32,105	—	—	—	32,105
Units repurchased for payment of taxes on equity awards	—	(80)	—	—	—	(80)
Foreign currency translation loss	—	—	—	(165,442)	(484)	(165,926)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net of tax	—	—	—	628	—	628
Unrealized gains on interest rate swaps, net of tax	—	—	—	214	—	214
Unrealized holding losses on available for sale debt securities, net of tax	—	—	—	(122)	—	(122)
Contributions from non-controlling interests	—	—	—	—	1,149	1,149
Distributions to non-controlling interests	—	—	—	—	(6,627)	(6,627)
Other	1	(25)	—	—	7,249	7,225
Balance at June 30, 2018	<u>\$ 3,398</u>	<u>\$ 1,278,251</u>	<u>\$ 3,820,420</u>	<u>\$ (648,492)</u>	<u>\$ 63,294</u>	<u>\$ 4,516,871</u>

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

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

	CBRE Group, Inc. Shareholders				Non-controlling interests	Total
	Class A common stock	Additional paid-in capital	Accumulated earnings	Accumulated other comprehensive loss		
Balance at December 31, 2018	\$ 3,369	\$ 1,149,013	\$ 4,504,684	\$ (718,269)	\$ 71,105	\$ 5,009,902
Net income	—	—	388,140	—	6,124	394,264
Compensation expense for equity awards	—	65,580	—	—	—	65,580
Units repurchased for payment of taxes on equity awards	—	(9,565)	—	—	—	(9,565)
Repurchase of common stock	(11)	(45,077)	—	—	—	(45,088)
Foreign currency translation loss	—	—	—	(1,576)	(19)	(1,595)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net of tax	—	—	—	835	—	835
Unrealized losses on interest rate swaps, net of tax	—	—	—	(111)	—	(111)
Unrealized holding gains on available for sale debt securities, net of tax	—	—	—	1,460	—	1,460
Contributions from non-controlling interests	—	—	—	—	41,977	41,977
Distributions to non-controlling interests	—	—	—	—	(2,563)	(2,563)
Deconsolidation of investment	—	—	—	—	(67,641)	(67,641)
Other	5	2,051	6,108	1	(5,090)	3,075
Balance at June 30, 2019	<u>\$ 3,363</u>	<u>\$ 1,162,002</u>	<u>\$ 4,898,932</u>	<u>\$ (717,660)</u>	<u>\$ 43,893</u>	<u>\$ 5,390,530</u>

	CBRE Group, Inc. Shareholders				Non-controlling interests	Total
	Class A common stock	Additional paid-in capital	Accumulated earnings	Accumulated other comprehensive loss		
Balance at December 31, 2017	\$ 3,395	\$ 1,220,508	\$ 3,443,007	\$ (552,414)	\$ 60,118	\$ 4,174,614
Net income	—	—	378,955	—	801	379,756
Adoption of Accounting Standards Update 2016-01, net of tax	—	—	3,964	(3,964)	—	—
Compensation expense for equity awards	—	61,675	—	—	—	61,675
Units repurchased for payment of taxes on equity awards	—	(4,630)	—	—	—	(4,630)
Foreign currency translation loss	—	—	—	(99,215)	(679)	(99,894)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net of tax	—	—	—	1,383	—	1,383
Unrealized gains on interest rate swaps, net of tax	—	—	—	817	—	817
Unrealized holding losses on available for sale debt securities, net of tax	—	—	—	(627)	—	(627)
Contributions from non-controlling interests	—	—	—	—	2,744	2,744
Distributions to non-controlling interests	—	—	—	—	(7,652)	(7,652)
Other	3	698	(5,506)	5,528	7,962	8,685
Balance at June 30, 2018	<u>\$ 3,398</u>	<u>\$ 1,278,251</u>	<u>\$ 3,820,420</u>	<u>\$ (648,492)</u>	<u>\$ 63,294</u>	<u>\$ 4,516,871</u>

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, 2018, which are included in our [2018 Annual Report on Form 10-K \(2018 Annual Report\)](#), 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 [2018 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 (U.S.), or 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, contract assets, operating lease assets, 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 2018 financial statements to conform with the 2019 presentation.

2. New Accounting Pronouncements

Recently Adopted Accounting Pronouncements

The Financial Accounting Standards Board (FASB) previously issued six Accounting Standards Updates (ASUs) related to leases. The ASUs issued were: (1) in February 2016, ASU 2016-02, “*Leases (Topic 842)*”, (2) in January 2018, ASU 2018-01, “*Leases (Topic 842): Land Easement Practical Expedient for Transition to Topic 842*”, (3) in July 2018, ASU 2018-10, “*Codification Improvements to Topic 842, Leases*”, (4) in July 2018, ASU 2018-11, “*Targeted Improvements*”, (5) in December 2018, ASU 2018-20, “*Leases (Topic 842): Narrow-Scope Improvements for Lessors*” and (6) in March 2019, ASU 2019-01, “*Leases (Topic 842): Codification Improvements*.” ASU 2016-02 requires lessees to recognize most leases on the balance sheet as liabilities, with corresponding right-of-use assets. For income statement recognition purposes, leases will be classified as either a finance or operating lease in a manner similar to the requirements under the previous lease accounting literature, but without relying upon the bright-line tests. The amendments in ASU 2018-01 specify how land easements are within the scope of Accounting Standards Codification (ASC) 842 and permit a practical expedient to not assess whether expired or existing land easements that were not previously accounted for as leases are leases under ASC 842. The amendments in ASU 2018-10 affect narrow aspects of the guidance issued in the amendments in ASU 2016-02. The amendments in ASU 2018-11 provide an optional method for adopting the new leasing guidance and provide lessors with a practical expedient to combine lease and associated non-lease components by class of underlying asset in contracts that meet certain criteria. The amendments in ASU 2018-20 provide an accounting policy election permitting lessors to treat certain sales and other similar taxes incurred as lessee costs, guidance on the treatment of certain lessor costs and guidance on recognizing variable payments for contracts with a lease and non-lease component. The amendments in ASU 2019-01 affect narrow aspects of the guidance issued in the amendments in ASU 2016-02. These ASUs are effective for annual periods in fiscal years beginning after December 15, 2018.

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

We adopted these ASUs in the first quarter of 2019 by using the optional transitional method associated with no adjustment to comparative period financial statements presented for prior periods. We elected certain practical expedients, including the package of transition practical expedients and the practical expedient to forego separating lease and non-lease components in our lessee contracts. We also made an accounting policy election to exempt short-term leases of 12 months or less from balance sheet recognition requirements associated with the new standard; fixed rental payments for short-term leases will be recognized as a straight-line expense over the lease term.

As a result of the adoption of the leasing guidance, the consolidated balance sheet as of January 1, 2019 reflected \$1.2 billion of additional lease liabilities, along with corresponding right-of-use assets of \$1.0 billion, reflecting adjustments for items such as prepaid and deferred rent, unamortized initial direct costs, and unamortized lease incentive balances. The adoption of the leasing guidance did not have a material impact on our consolidated statements of operations.

As of January 1, 2019, we account for leases in accordance with ASC Topic 842, "Leases." The present value of lease payments, which are either fixed payments, in-substance fixed payments, or variable payments tied to an index or rate are recognized on the balance sheet with corresponding lease liabilities and right-of-use assets upon the commencement of the lease. These lease costs are expensed over the respective lease term in accordance with the classification of the lease (i.e. operating versus finance classification). Variable lease payments not tied to an index or rate are expensed as incurred and not subject to capitalization.

In August 2018, the FASB issued ASU 2018-13, "*Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement.*" This ASU eliminates, adds and modifies certain disclosure requirements for fair value measurements. This ASU is effective for fiscal years beginning after December 15, 2019, with early adoption permitted. We elected to early adopt ASU 2018-13 in the second quarter of 2019. As this ASU only revises disclosure requirements, it did not have any impact on our consolidated financial statements. The adoption of ASU 2018-13 did not have a material impact on our disclosures.

In October 2018, the FASB issued ASU 2018-17, "*Consolidation (Topic 810): Targeted Improvements to Related Party Guidance for Variable Interest Entities.*" This ASU amends the guidance for determining whether a decision-making fee is a variable interest and requires organizations to consider indirect interests held through related parties under common control on a proportional basis rather than as the equivalent of a direct interest in its entirety (as currently required in GAAP). This ASU is effective for fiscal years beginning after December 15, 2019, and interim periods within those years, with early adoption permitted. We elected to early adopt ASU 2018-17 in the second quarter of 2019. The adoption of ASU 2018-17 did not have any impact on our consolidated financial statements and related disclosures.

Recent Accounting Pronouncements Pending Adoption

The FASB issued three ASUs related to financial instruments – credit losses. The ASUs issued were: (1) in June 2016, ASU 2016-13, "*Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*", (2) in November 2018, ASU 2018-19 "*Codification Improvements to Topic 326, Financial Instruments—Credit Losses*" and (3) in May 2019, ASU 2019-05, "*Financial Instruments – Credit Losses (Topic 326): Targeted Transition Relief.*" ASU 2016-13 is intended to improve financial reporting by requiring timelier recording of credit losses on loans and other financial instruments held by financial institutions and other organizations. Additionally, ASU 2019-04, discussed further below, also includes amendments to ASU 2016-13. ASU 2018-19 clarifies that receivables arising from operating leases are not within the scope of the credit losses standard, but rather, should be accounted for in accordance with the leasing standard. ASU 2019-05 provide entities that have certain instruments within the scope of Subtopic 326-20, *Financial Instruments—Credit Losses—Measured at Amortized Cost*, with an option to irrevocably elect the fair value option in Subtopic 825-10, *Financial Instruments—Overall*. These ASUs are effective for fiscal years beginning after December 15, 2019, and interim periods within those years, with early adoption permitted. We are evaluating the effect that ASU 2016-13, ASU 2018-19 and ASU 2019-05 will have on our consolidated financial statements and related disclosures.

In August 2018, the FASB issued ASU 2018-14, "*Compensation—Retirement Benefits—Defined Benefit Plans—General (Subtopic 715-20): Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans.*" This ASU makes minor changes to the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. This ASU is effective for fiscal years ending after December 15, 2020, with early adoption permitted. As ASU 2018-14 only revises disclosure requirements, it will not have any impact on our consolidated financial statements. We are evaluating the effect, if any, that ASU 2018-14 will have on our disclosures.

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In November 2018, the FASB issued ASU 2018-18, “*Collaborative Arrangements (Topic 808): Clarifying the Interaction Between Topic 808 and Topic 606.*” This ASU provides guidance on how to assess whether certain transactions between collaborative arrangement participants should be accounted for within the revenue recognition standard and provides more comparability in the presentation of revenue for certain transactions between collaborative arrangement participants. This ASU is effective for fiscal years beginning after December 15, 2019, and interim periods within those years, with early adoption permitted. We are evaluating the effect that ASU 2018-18 will have on our consolidated financial statements and related disclosures.

In April 2019, the FASB issued ASU 2019-04, “*Codification Improvements to Topic 326, Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments.*” The amendments in ASU 2019-04 clarify and improve areas of guidance related to the recently issued standards on financial instruments – credit losses, derivatives and hedging, and financial instruments. The amendments in this ASU that are related to financial instruments – credit losses are effective at the same time as the effective date of ASU 2016-13. The amendments in this ASU that are related to derivatives and hedging are effective for fiscal years beginning after April 25, 2019, and interim periods within those years, with early adoption permitted. The amendments in this ASU that are related to financial instruments are effective for fiscal years beginning after December 15, 2019, and interim periods within those years, with early adoption permitted. We are evaluating the effect that the amendments in this ASU that are related to financial instruments – credit losses will have on our consolidated financial statements and related disclosures. We elected to early adopt the amendments in this ASU that are related to derivatives and hedging and financial instruments in the second quarter of 2019 and the adoption of these amendments did not have any impact on our consolidated financial statements and related disclosures.

3. FacilitySource Acquisition

On June 12, 2018, CBRE Jason Acquisition LLC (Merger Sub), our wholly-owned subsidiary, and FacilitySource Holdings, LLC (FacilitySource), WP X Finance, LP and Warburg Pincus X Partners, LP (collectively, the Stockholders) entered into a stock purchase agreement and plan of merger (the Merger Agreement). As part of the Merger Agreement, (i) we purchased from the Stockholders all the outstanding shares of capital stock of FS WP Holdco, Inc (Blocker Corp), which owned 1,686,013 Class A units (the Blocker Units) and (ii) immediately following the acquisition of Blocker Corp, Merger Sub merged with FacilitySource, with FacilitySource continuing as the surviving company and our wholly-owned subsidiary within our Global Workplace Solutions segment (the FacilitySource Acquisition), with the remaining Blocker Units not held by Blocker Corp. canceled and converted into the right to receive cash consideration as set forth in the Merger Agreement. The final net purchase price was approximately \$266.5 million paid in cash, with \$263.0 million paid in 2018 and \$3.5 million paid in 2019. We financed the transaction with cash on hand and borrowings under our revolving credit facility. We completed the FacilitySource Acquisition to help us (i) build a tech-enabled supply chain capability for the occupier outsourcing industry and (ii) drive meaningfully differentiated outcomes for leading occupiers of real estate.

The purchase accounting related to the FacilitySource Acquisition has been finalized (with no changes made in 2019 to the preliminary purchase accounting recorded in 2018). The excess purchase price over the estimated fair value of net assets acquired has been recorded to goodwill. The goodwill arising from the FacilitySource Acquisition consists largely of the synergies and economies of scale expected from combining the operations acquired from FacilitySource with ours. The goodwill recorded in connection with the FacilitySource Acquisition that is deductible for tax purposes was not significant.

4. Warehouse Receivables & Warehouse Lines of Credit

Our wholly-owned subsidiary CBRE Capital Markets, Inc. (CBRE Capital Markets) is a Federal Home Loan Mortgage Corporation (Freddie Mac) approved Multifamily Program Plus Seller/Servicer and an approved Federal National Mortgage Association (Fannie Mae) Aggregation and Negotiated Transaction Seller/Servicer. In addition, CBRE Capital Markets’ wholly-owned subsidiary CBRE Multifamily Capital, Inc. (CBRE MCI) is an approved Fannie Mae Delegated Underwriting and Servicing (DUS) Seller/Servicer and CBRE Capital Markets’ wholly-owned subsidiary CBRE HMF, Inc. (CBRE HMF) is a U.S. Department of Housing and Urban Development (HUD) approved Non-Supervised Federal Housing Authority (FHA) Title II Mortgagee, an approved Multifamily Accelerated Processing (MAP) lender and an approved Government National Mortgage Association (Ginnie Mae) issuer of mortgage-backed securities (MBS). Under these arrangements, before loans are originated through

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proceeds from warehouse lines of credit, we obtain either a contractual loan purchase commitment from either Freddie Mac or Fannie Mae or a confirmed forward trade commitment for the issuance and purchase of a Fannie Mae or Ginnie Mae MBS that will be secured by the loans. The warehouse lines of credit are generally repaid within a one-month period when Freddie Mac or Fannie Mae buys the loans or upon settlement of the Fannie Mae or Ginnie Mae MBS, while we retain the servicing rights. Loans are funded at the prevailing market rates. We elect the fair value option for all warehouse receivables. At June 30, 2019 and December 31, 2018, all of the warehouse receivables included in the accompanying consolidated balance sheets were either under commitment to be purchased by Freddie Mac or had confirmed forward trade commitments for the issuance and purchase of Fannie Mae or Ginnie Mae mortgage-backed securities that will be secured by the underlying loans.

A rollforward of our warehouse receivables is as follows (dollars in thousands):

Beginning balance at December 31, 2018	\$ 1,342,468
Origination of mortgage loans	10,090,347
Gains (premiums on loan sales)	29,784
Proceeds from sale of mortgage loans:	
Sale of mortgage loans	(10,069,484)
Cash collections of premiums on loan sales	(29,784)
Proceeds from sale of mortgage loans	<u>(10,099,268)</u>
Net increase in mortgage servicing rights included in warehouse receivables	2,597
Ending balance at June 30, 2019	<u>\$ 1,365,928</u>

The following table is a summary of our warehouse lines of credit in place as of June 30, 2019 and December 31, 2018 (dollars in thousands):

Lender	Current Maturity	Pricing	June 30, 2019		December 31, 2018	
			Maximum Facility Size	Carrying Value	Maximum Facility Size	Carrying Value
JP Morgan Chase Bank, N.A. (JP Morgan)	10/21/2019	daily one-month LIBOR plus 1.30%	\$ 985,000	\$ 890,625	\$ 985,000	\$ 871,680
JP Morgan	10/21/2019	daily one-month LIBOR plus 2.75%	15,000	—	15,000	—
Capital One, N.A. (Capital One) (1)	7/27/2019	daily one-month LIBOR plus 1.35%	200,000	132,205	325,000	120,195
Fannie Mae Multifamily As Soon As Pooled Plus Agreement and Multifamily As Soon As Pooled Sale Agreement (ASAP) Program	Cancelable anytime	daily one-month LIBOR plus 1.35%, with a LIBOR floor of 0.35%	450,000	186,423	450,000	149,089
TD Bank, N.A. (TD Bank) (2)	6/30/2019	daily one-month LIBOR plus 1.20%	400,000	60,990	400,000	165,945
Bank of America, N.A. (BofA)	5/27/2020	daily one-month LIBOR plus 1.20%	350,000	79,745	—	—
BofA	5/27/2020	daily one-month LIBOR plus 1.15%	250,000	—	200,000	—
BofA	6/4/2019	daily one-month LIBOR plus 1.30%	—	—	225,000	21,852
MUFG Union Bank, N.A. (Union Bank)	6/28/2020	daily one-month LIBOR plus 1.20%	200,000	—	—	—
			<u>\$ 2,850,000</u>	<u>\$ 1,349,988</u>	<u>\$ 2,600,000</u>	<u>\$ 1,328,761</u>

(1) During 2018, the maximum facility size was temporarily increased to \$ 325.0 million and reverted to \$ 200.0 million on January 31, 2019. The line was then temporarily increased from \$ 200.0 million to \$700.0 million effective February 27, 2019. The maximum facility size reverted to \$ 200.0 million on April 1, 2019. In July 2019, this \$ 200.0 million line of credit was renewed with terms that included an interest rate of daily one-month LIBOR plus 1.25% and a maturity date of July 27, 2020.

(2) Effective July 1, 2019, this facility was amended with a revised interest rate of daily one-month LIBOR plus 1.15% and a maturity date of June 30, 2020. Effective August 1, 2019, this facility was temporarily increased to \$800.0 million, and will revert back to \$ 400.0 million on February 1, 2020.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
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During the six months ended June 30, 2019, we had a maximum of \$2.5 billion of warehouse lines of credit principal outstanding.

5. Variable Interest Entities (VIEs)

We hold variable interests in certain VIEs in our Real Estate Investments segment 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 June 30, 2019 and December 31, 2018, our maximum exposure to loss related to VIEs which are not consolidated was as follows (dollars in thousands):

	June 30, 2019	December 31, 2018
Investments in unconsolidated subsidiaries	\$ 27,059	\$ 23,266
Other current assets	4,058	3,827
Co-investment commitments	20,384	22,363
Maximum exposure to loss	<u>\$ 51,501</u>	<u>\$ 49,456</u>

6. Fair Value Measurements

Topic 820 of the FASB Accounting Standards Codification 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 have been no significant changes to the valuation techniques and inputs used to develop the recurring fair value measurements from those disclosed in our 2018 Annual Report.

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The following tables present the fair value of assets and liabilities measured at fair value on a recurring basis as of June 30, 2019 and December 31, 2018 (dollars in thousands):

	As of June 30, 2019			
	Fair Value Measured and Recorded Using			Total
	Level 1	Level 2	Level 3	
Assets				
Available for sale securities:				
Debt securities:				
U.S. treasury securities	\$ 5,664	\$ —	\$ —	\$ 5,664
Debt securities issued by U.S. federal agencies	—	11,191	—	11,191
Corporate debt securities	—	27,290	—	27,290
Asset-backed securities	—	5,129	—	5,129
Collateralized mortgage obligations	—	2,256	—	2,256
Total available for sale debt securities	5,664	45,866	—	51,530
Equity securities	70,487	—	—	70,487
Warehouse receivables	—	1,365,928	—	1,365,928
Total assets at fair value	\$ 76,151	\$ 1,411,794	\$ —	\$ 1,487,945
Liabilities				
Interest rate swaps	\$ —	\$ 377	\$ —	\$ 377
Total liabilities at fair value	\$ —	\$ 377	\$ —	\$ 377

	As of December 31, 2018			
	Fair Value Measured and Recorded Using			Total
	Level 1	Level 2	Level 3	
Assets				
Available for sale securities:				
Debt securities:				
U.S. treasury securities	\$ 3,138	\$ —	\$ —	\$ 3,138
Debt securities issued by U.S. federal agencies	—	11,196	—	11,196
Corporate debt securities	—	27,201	—	27,201
Asset-backed securities	—	5,017	—	5,017
Collateralized mortgage obligations	—	2,224	—	2,224
Total available for sale debt securities	3,138	45,638	—	48,776
Equity securities	153,762	—	—	153,762
Warehouse receivables	—	1,342,468	—	1,342,468
Total assets at fair value	\$ 156,900	\$ 1,388,106	\$ —	\$ 1,545,006
Liabilities				
Interest rate swaps	\$ —	\$ 1,070	\$ —	\$ 1,070
Securities sold, not yet purchased	3,133	—	—	3,133
Total liabilities at fair value	\$ 3,133	\$ 1,070	\$ —	\$ 4,203

There were no significant non-recurring fair value measurements recorded during the three months ended June 30, 2019. The following non-recurring fair value measurement was recorded for the six months ended June 30, 2019 (dollars in thousands):

	Net Carrying Value as of June 30, 2019	Fair Value Measured and Recorded Using			Total Impairment Charges for the Six Months Ended June 30, 2019
		Level 1	Level 2	Level 3	
		Other intangible assets	\$ 16,000	\$ —	

During the six months ended June 30, 2019, we recorded an intangible asset impairment of \$9.0 million in our Real Estate Investments segment. Such impairment charge was included as a separate line item in the accompanying consolidated statements of operations.

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This non-cash write-off resulted from a review of the anticipated cash flows and the decrease in assets under management in our public securities business driven in part by continued industry-wide shift in investor preference for passive investment programs. The fair value measurements employed for our impairment evaluation was generally based upon a discounted cash flow approach. Inputs used in such evaluation included risk-free rates of return, estimated risk premiums as well as other economic variables.

There were no significant non-recurring fair value measurements recorded during the three and six months ended June 30, 2018.

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. The primary source of value is either a contractual purchase commitment from Freddie Mac or a confirmed forward trade commitment for the issuance and purchase of a Fannie Mae or Ginnie Mae MBS (see Note 4).
- *Available for Sale Debt Securities* – These investments are carried at their fair value.
- *Equity Securities* – These investments are carried at their fair value.
- *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, and our revolving credit facility. Due to the short-term nature and variable interest rates of these instruments, fair value approximates carrying value (see Notes 4 and 8).
- *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 \$740.4 million at June 30, 2019 and \$757.0 million at December 31, 2018. Their actual carrying value, net of unamortized debt issuance costs, totaled \$750.3 million and \$751.3 million at June 30, 2019 and December 31, 2018, respectively (see Note 8).
- *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 4.875% senior notes and 5.25% senior notes were \$652.3 million and \$467.8 million, respectively, at June 30, 2019 and \$616.4 million and \$443.7 million, respectively, at December 31, 2018. The actual carrying value of our 4.875% senior notes and 5.25% senior notes, net of unamortized debt issuance costs as well as unamortized discount or premium, if applicable, totaled \$593.2 million and \$422.8 million, respectively, at June 30, 2019 and \$592.8 million and \$422.7 million, respectively, at December 31, 2018.

7. 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 50.0%.

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2019	2018	2019	2018
Revenue	\$ 342,822	\$ 445,030	\$ 707,947	\$ 788,229
Operating income	97,202	236,181	191,823	372,389
Net income	50,549	161,828	99,477	255,824

8. Long-Term Debt and Short-Term Borrowings

Long-Term Debt

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

	June 30, 2019	December 31, 2018
Senior term loans, with interest ranging from 0.75% to 3.44%, due quarterly through 2024	\$ 754,752	\$ 758,452
4.875% senior notes due in 2026, net of unamortized discount	596,850	596,653
5.25% senior notes due in 2025, net of unamortized premium	426,043	426,134
Other	2,455	3,682
Total long-term debt	1,780,100	1,784,921
Less: current maturities of long-term debt	(2,258)	(3,146)
Less: unamortized debt issuance costs	(11,278)	(14,515)
Total long-term debt, net of current maturities	\$ 1,766,564	\$ 1,767,260

We maintain credit facilities with third-party lenders, which we use for a variety of purposes. On October 31, 2017, CBRE Services, Inc. (CBRE Services), our wholly-owned subsidiary, entered into a Credit Agreement (the 2017 Credit Agreement), which refinanced and replaced our prior credit agreement (the 2015 Credit Agreement). On December 20, 2018, CBRE Global Acquisition Company, a wholly-owned subsidiary of CBRE Services, entered into an incremental term loan assumption agreement with a syndicate of banks jointly led by Wells Fargo Bank and National Westminster Bank plc to establish a new euro term loan facility under the 2017 Credit Agreement in an aggregate principal amount of €400.0 million. The proceeds of the new euro term loan facility were used to repay a portion of the U.S. dollar denominated term loans outstanding under the 2017 Credit Agreement. On March 4, 2019, CBRE Services entered into an additional incremental assumption agreement with respect to the 2017 Credit Agreement (the 2017 Agreement as amended by such incremental assumption agreement, the 2019 Credit Agreement), which (i) extended the maturity of the U.S. dollar tranche A term loans under the 2017 Credit Agreement, (ii) extended the termination date of the revolving credit commitments available under the 2017 Credit Agreement and (iii) made certain changes to the interest rates and fees applicable to such tranche A term loans and revolving credit commitments. The proceeds from the new tranche A term loan facility under the 2019 Credit Agreement were used to repay the \$300.0 million of tranche A term loans outstanding under the 2017 Credit Agreement.

The 2019 Credit Agreement is a senior unsecured credit facility that is jointly and severally guaranteed by us and certain of our subsidiaries. As of June 30, 2019, the 2019 Credit Agreement provided for the following: (1) a \$2.8 billion incremental revolving credit facility, which includes the capacity to obtain letters of credit and swingline loans and terminates on March 4, 2024; (2) a \$300.0 million incremental tranche A term loan facility maturing on March 4, 2024, requiring quarterly principal payments unless our leverage ratio (as defined in the 2019 Credit Agreement) is less than or equal to 2.50 to 1.00 on the last day of the fiscal quarter immediately preceding any such payment date and (3) a €400.0 million term loan facility due and payable in full at maturity on December 20, 2023.

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The 2017 Credit Agreement was a senior unsecured credit facility that was jointly and severally guaranteed by us and certain of our subsidiaries. Our 2017 Credit Agreement provided for the following: (1) a \$2.8 billion revolving credit facility, which included the capacity to obtain letters of credit and swingline loans and had a termination date of October 31, 2022; (2) a \$750.0 million delayed draw tranche A term loan facility which would have matured on October 31, 2022 and which required quarterly principal payments unless our leverage ratio (as defined in the 2017 Credit Agreement) was less than or equal to 2.50 to 1.00 on the last day of the fiscal quarter immediately preceding any such payment date and (3) a €400.0 million term loan facility which would have been due and payable in full at maturity on December 20, 2023.

The indentures governing our 4.875% senior notes and 5.25% senior notes contain restrictive covenants that, among other things, limit our ability to create or permit liens on assets securing indebtedness, enter into sale/leaseback transactions and enter into consolidations or mergers. In addition, our 2019 Credit Agreement also requires us to maintain a minimum coverage ratio of consolidated EBITDA (as defined in the 2019 Credit Agreement) to consolidated interest expense of 2.00x and a maximum leverage ratio of total debt less available cash to consolidated EBITDA (as defined in the 2019 Credit Agreement) of 4.25x (and in the case of the first four full fiscal quarters following consummation of a qualified acquisition (as defined in the 2019 Credit Agreement), 4.75x) as of the end of each fiscal quarter. On this basis, our coverage ratio of consolidated EBITDA to consolidated interest expense was 21.78x for the trailing twelve months ended June 30, 2019, and our leverage ratio of total debt less available cash to consolidated EBITDA was 0.78x as of June 30, 2019.

Short-Term Borrowings

Revolving Credit Facility

The revolving credit facility under the 2019 Credit Agreement allows for borrowings outside of the U.S., with a \$200.0 million sub-facility available to CBRE Services, one of our Canadian subsidiaries, one of our Australian subsidiaries and one of our New Zealand subsidiaries and a \$300.0 million sub-facility available to CBRE Services and one of our U.K. subsidiaries. Borrowings under the revolving credit facility bear interest at varying rates, based at our option, on either (1) the applicable fixed rate plus 0.680% to 1.075% or (2) the daily rate plus 0.0% to 0.075%, in each case as determined by reference to our Credit Rating (as defined in the 2019 Credit Agreement). The 2019 Credit Agreement requires us to pay a fee based on the total amount of the revolving credit facility commitment (whether used or unused). As of June 30, 2019, \$230.0 million was outstanding under the revolving credit facility. In addition, as of June 30, 2019, letters of credit totaling \$2.0 million were outstanding under our 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.

The revolving credit facility under the 2017 Credit Agreement allowed for borrowings outside of the U.S., with a \$200.0 million sub-facility available to CBRE Services, one of our Canadian subsidiaries, one of our Australian subsidiaries and one of our New Zealand subsidiaries and a \$300.0 million sub-facility available to CBRE Services and one of our U.K. subsidiaries. Borrowings under the revolving credit facility bore interest at varying rates, based at our option, on either (1) the applicable fixed rate plus 0.775% to 1.075% or (2) the daily rate plus 0.0% to 0.075%, in each case as determined by reference to our Credit Rating (as defined in the 2017 Credit Agreement). The 2017 Credit Agreement required us to pay a fee based on the total amount of the revolving credit facility commitment (whether used or unused). As of December 31, 2018, no amounts were outstanding under our revolving credit facility other than letters of credit totaling \$2.0 million. These letters of credit, which reduced the amount we could have borrowed under the revolving credit facility, were primarily issued in the ordinary course of business.

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 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. See Note 4 for additional information.

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9. Leases

We are the lessee in contracts for our office space tenancies and leased vehicles. These arrangements account for the significant portion of our lease liabilities and right-of-use assets. We continually monitor our service arrangements to evaluate whether they meet the definition of a lease.

The base terms for our lease arrangements typically do not extend beyond 10 years. We commonly have renewal options in our leases, but most of these options do not create a significant economic incentive for us to extend the lease term. Therefore, payments during periods covered by these renewal options are typically not included in our lease liabilities and right-of-use assets. Specific to our vehicle leases, early termination options are common and economic penalties associated with early termination of these contracts are typically significant enough to make it reasonably certain that we will not exercise such options. Therefore, payments during periods covered by these early termination options in vehicle leases are typically included in our lease liabilities and right-of-use assets. As an accounting policy election, our short-term leases with an initial term of 12 months or less are not recognized as lease liabilities and right-of-use assets in the consolidated balance sheets. The rent expense associated with short term leases is recognized on a straight-line basis over the lease term.

Most of our office space leases include variable payments based on our share of actual common area maintenance and operating costs of the leased property. Many of our vehicle leases include variable payments based on actual service and fuel costs. For both office space and vehicle leases, we have elected the practical expedient to not separate lease components from non-lease components. Therefore, these costs are classified as variable lease payments.

Lease payments are typically discounted at our incremental borrowing rate because the interest rate implicit in the lease cannot be readily determined in the absence of key inputs which are typically not reported by our lessors. Because we do not generally borrow on a collateralized basis, judgement was used to estimate the secured borrowing rate associated with our leases based on relevant market data and our inputs applied to accepted valuation methodologies. The incremental borrowing rate calculated for each lease also reflects the lease term, currency, and geography specific to each lease.

Supplemental balance sheet information related to our leases is as follows (dollars in thousands):

Category	Classification	June 30, 2019
Assets		
Operating lease assets	Operating lease assets	\$ 949,216
Financing lease assets	Other assets, net	68,193
Total leased assets		<u>\$ 1,017,409</u>
Liabilities		
Current:		
Operating	Operating lease liabilities	\$ 173,496
Financing	Other current liabilities	27,192
Non-current:		
Operating	Non-current operating lease liabilities	996,228
Financing	Other liabilities	41,001
Total lease liabilities		<u>\$ 1,237,917</u>

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

Components of lease cost are as follows (dollars in thousands):

Component	Classification	Three Months Ended June 30, 2019	Six Months Ended June 30, 2019
Operating lease cost	Operating, administrative and other	\$ 46,098	\$ 92,825
Finance lease cost:			
Amortization of right-to-use assets	(1)	7,118	14,287
Interest on lease liabilities	Interest expense	243	448
Variable lease cost	(2)	16,106	33,053
Sublease income	Revenue	(1,033)	(1,274)
Total lease cost		<u>\$ 68,532</u>	<u>\$ 139,339</u>

(1) Amortization costs of \$ 5.7 million and \$ 11.6 million, respectively, from vehicle finance leases utilized in client outsourcing arrangements are included in cost of services. Amortization costs of \$ 1.4 million and \$ 2.7 million, respectively, from all other finance leases are included in depreciation and amortization.

(2) Variable lease costs of \$ 3.8 million and \$ 6.9 million, respectively, from leases in client outsourcing arrangements are included in cost of services. Variable lease costs of \$ 12.3 million and \$ 26.1 million, respectively, from all other leases are included in operating, administrative and other.

Weighted average remaining lease term and discount rate for our operating leases are as follows:

	June 30, 2019
Weighted-average remaining lease term:	
Operating leases	9 years
Finance leases	3 years
Weighted-average discount rate:	
Operating leases	3.4%
Finance leases	2.2%

Maturities of lease liabilities by fiscal year as of June 30, 2019 are as follows (dollars in thousands):

	Operating Leases	Financing Leases
2019	\$ 85,879	\$ 14,546
2020	188,651	24,902
2021	183,905	17,185
2022	159,028	9,750
2023	141,397	3,750
Thereafter	604,770	674
Total remaining lease payments at June 30, 2019	<u>\$ 1,363,630</u>	<u>\$ 70,807</u>
Less: Interest	193,906	2,614
Present value of lease liabilities at June 30, 2019	<u>\$ 1,169,724</u>	<u>\$ 68,193</u>

As previously disclosed in our [Annual Report on Form 10-K](#) for the year ended December 31, 2018 and under the previous lease accounting standard, the following is a schedule by year of future minimum lease payments for noncancelable operating leases as of December 31, 2018 (dollars in thousands):

2019	\$ 238,954
2020	219,351
2021	202,205
2022	172,267
2023	145,705
Thereafter	510,741
Total minimum payment required	<u>\$ 1,489,223</u>

CBRE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
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Supplemental cash flow information and non-cash activity related to our operating leases are as follows (dollars in thousands):

	Six Months Ended June 30, 2019
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 78,630
Operating cash flows from financing leases	621
Financing cash flows from financing leases	14,902
Right-of-use assets obtained in exchange for new operating lease liabilities	75,116
Right-of-use assets obtained in exchange for new financing lease liabilities	18,607
Other non-cash increases in operating lease right-of-use assets (1)	25,598
Other non-cash decreases in finance lease right-of-use assets (1)	(226)

(1) These noncash increases in right-of-use assets resulted from lease modifications and remeasurements.

10. 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 therefore 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 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 typically, 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 \$25.9 billion at June 30, 2019. 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 June 30, 2019 and December 31, 2018, CBRE MCI had a \$67.0 million and a \$64.0 million, respectively, letter of credit under this reserve arrangement, and had recorded a liability of approximately \$41.8 million and \$37.9 million, respectively, for its loan loss guarantee obligation under such arrangement. Fannie Mae's recourse under the DUS Program is limited to the assets of CBRE MCI, which assets totaled approximately \$748.9 million (including \$485.7 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 June 30, 2019.

CBRE Capital Markets participates in Freddie Mac's Multifamily Small Balance Loan (SBL) Program. Under the SBL program, CBRE Capital Markets has certain repurchase and loss reimbursement obligations. These obligations are for the period from origination of the loan to the securitization date. CBRE Capital Markets must post a cash reserve or other acceptable collateral to provide for sufficient capital in the event the obligations are triggered. As of both June 30, 2019 and December 31, 2018, CBRE Capital Markets had posted a \$5.0 million letter of credit under this reserve arrangement.

We had outstanding letters of credit totaling \$78.3 million as of June 30, 2019, 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. The CBRE Capital Markets letters of credit totaling \$72.0 million as of June 30, 2019 referred to in the preceding paragraphs represented the majority of the \$78.3 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 June 2020.

We had guarantees totaling \$58.4 million as of June 30, 2019, 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 \$58.4 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.

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

In addition, as of June 30, 2019, 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 Real Estate Investments 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 Real Estate Investments 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 June 30, 2019, we had aggregate commitments of \$73.0 million to fund these future co-investments. Additionally, an important part of our Real Estate Investments business strategy is to invest in unconsolidated real estate subsidiaries as a principal (in most cases co-investing with our clients). As of June 30, 2019, we had committed to fund \$48.5 million of additional capital to these unconsolidated subsidiaries.

11. Income Per Share and Stockholders' Equity

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		Six Months Ended	
	June 30,		June 30,	
	2019	2018	2019	2018
Basic Income Per Share				
Net income attributable to CBRE Group, Inc. shareholders	\$ 223,731	\$ 228,667	\$ 388,140	\$ 378,955
Weighted average shares outstanding for basic income per share	336,222,471	339,081,556	336,122,100	338,986,354
Basic income per share attributable to CBRE Group, Inc. shareholders	<u>\$ 0.67</u>	<u>\$ 0.67</u>	<u>\$ 1.15</u>	<u>\$ 1.12</u>
Diluted Income Per Share				
Net income attributable to CBRE Group, Inc. shareholders	\$ 223,731	\$ 228,667	\$ 388,140	\$ 378,955
Weighted average shares outstanding for basic income per share:	336,222,471	339,081,556	336,122,100	338,986,354
Dilutive effect of contingently issuable shares	4,286,460	4,389,957	4,212,215	4,044,050
Dilutive effect of stock options	—	—	—	785
Weighted average shares outstanding for diluted income per share	340,508,931	343,471,513	340,334,315	343,031,189
Diluted income per share attributable to CBRE Group, Inc. shareholders	<u>\$ 0.66</u>	<u>\$ 0.67</u>	<u>\$ 1.14</u>	<u>\$ 1.10</u>

For the three and six months ended June 30, 2019, 813,155 and 579,994, 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.

For the three and six months ended June 30, 2018, 75,851 and 51,946, 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.

On October 27, 2016, our board of directors authorized the company to repurchase up to an aggregate of \$50.0 million of our Class A common stock over three years. Through December 31, 2018, we had spent \$161.0 million to repurchase 3,980,656 shares of our Class A common stock with an average price paid per share of \$40.43. During the month of January 2019, we spent \$45.1 million to repurchase an additional 1,144,449 shares of our Class A common stock with an average price paid per share of \$39.38. Additionally, on February 28, 2019, our board of directors authorized a new program for the company to repurchase up to \$300.0 million of our Class A common stock over three years, effective March 11, 2019. The previous program terminated upon the effectiveness of the new program. As of June 30, 2019, the authorization under the new program remained unused.

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

12. Revenue from Contracts with Customers

Disaggregated Revenue

The following tables represent a disaggregation of revenue from contracts with customers for the three and six months ended June 30, 2019 and 2018 by type of service and/or segment (dollars in thousands):

	Three Months Ended June 30, 2019			
	Advisory Services	Global Workplace Solutions	Real Estate Investments	Consolidated
Topic 606 Revenue:				
Global workplace solutions	\$ —	\$ 3,385,452	\$ —	\$ 3,385,452
Advisory leasing	817,788	—	—	817,788
Advisory sales	466,558	—	—	466,558
Property and advisory project management	555,822	—	—	555,822
Valuation	149,051	—	—	149,051
Commercial mortgage origination (1)	32,111	—	—	32,111
Loan servicing (2)	7,084	—	—	7,084
Investment management	—	—	101,646	101,646
Development services	—	—	48,017	48,017
Topic 606 Revenue	<u>2,028,414</u>	<u>3,385,452</u>	<u>149,663</u>	<u>5,563,529</u>
Out of Scope of Topic 606 Revenue:				
Commercial mortgage origination	107,888	—	—	107,888
Loan servicing (2)	42,656	—	—	42,656
Total Out of Scope of Topic 606 Revenue	<u>150,544</u>	<u>—</u>	<u>—</u>	<u>150,544</u>
Total revenue	<u>\$ 2,178,958</u>	<u>\$ 3,385,452</u>	<u>\$ 149,663</u>	<u>\$ 5,714,073</u>
	Three Months Ended June 30, 2018 (3)			
	Advisory Services	Global Workplace Solutions	Real Estate Investments	Consolidated
Topic 606 Revenue:				
Global workplace solutions	\$ —	\$ 3,034,973	\$ —	\$ 3,034,973
Advisory leasing	687,386	—	—	687,386
Advisory sales	457,376	—	—	457,376
Property and advisory project management	502,201	—	—	502,201
Valuation	147,397	—	—	147,397
Commercial mortgage origination (1)	27,856	—	—	27,856
Loan servicing (2)	5,516	—	—	5,516
Investment management	—	—	98,947	98,947
Development services	—	—	18,408	18,408
Topic 606 Revenue	<u>1,827,732</u>	<u>3,034,973</u>	<u>117,355</u>	<u>4,980,060</u>
Out of Scope of Topic 606 Revenue:				
Commercial mortgage origination	92,982	—	—	92,982
Loan servicing (2)	38,392	—	—	38,392
Total Out of Scope of Topic 606 Revenue	<u>131,374</u>	<u>—</u>	<u>—</u>	<u>131,374</u>
Total revenue	<u>\$ 1,959,106</u>	<u>\$ 3,034,973</u>	<u>\$ 117,355</u>	<u>\$ 5,111,434</u>

(1) We earn fees for arranging financing for borrowers with third-party lender contacts. Such fees are in scope of Topic 606.

(2) Loan servicing fees earned from servicing contracts for which we do not hold mortgage servicing rights are in scope of Topic 606.

(3) Our new organizational structure became effective on January 1, 2019. See Note 13 for additional information. Revenue classifications for 2018 have been restated to conform to the new structure.

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

	Six Months Ended June 30, 2019			
	Advisory Services	Global Workplace Solutions	Real Estate Investments	Consolidated
Topic 606 Revenue:				
Global workplace solutions	\$ —	\$ 6,551,367	\$ —	\$ 6,551,367
Advisory leasing	1,440,428	—	—	1,440,428
Advisory sales	852,213	—	—	852,213
Property and advisory project management	1,076,706	—	—	1,076,706
Valuation	287,377	—	—	287,377
Commercial mortgage origination (1)	55,684	—	—	55,684
Loan servicing (2)	14,070	—	—	14,070
Investment management	—	—	207,954	207,954
Development services	—	—	76,902	76,902
Topic 606 Revenue	<u>3,726,478</u>	<u>6,551,367</u>	<u>284,856</u>	<u>10,562,701</u>
Out of Scope of Topic 606 Revenue:				
Commercial mortgage origination	205,194	—	—	205,194
Loan servicing (2)	81,688	—	—	81,688
Total Out of Scope of Topic 606 Revenue	<u>286,882</u>	<u>—</u>	<u>—</u>	<u>286,882</u>
Total revenue	<u>\$ 4,013,360</u>	<u>\$ 6,551,367</u>	<u>\$ 284,856</u>	<u>\$ 10,849,583</u>

	Six Months Ended June 30, 2018 (3)			
	Advisory Services	Global Workplace Solutions	Real Estate Investments	Consolidated
Topic 606 Revenue:				
Global workplace solutions	\$ —	\$ 5,862,476	\$ —	\$ 5,862,476
Advisory leasing	1,204,895	—	—	1,204,895
Advisory sales	871,108	—	—	871,108
Property and advisory project management	986,983	—	—	986,983
Valuation	281,560	—	—	281,560
Commercial mortgage origination (1)	52,138	—	—	52,138
Loan servicing (2)	10,933	—	—	10,933
Investment management	—	—	222,637	222,637
Development services	—	—	41,733	41,733
Topic 606 Revenue	<u>3,407,617</u>	<u>5,862,476</u>	<u>264,370</u>	<u>9,534,463</u>
Out of Scope of Topic 606 Revenue:				
Commercial mortgage origination	176,134	—	—	176,134
Loan servicing (2)	74,789	—	—	74,789
Total Out of Scope of Topic 606 Revenue	<u>250,923</u>	<u>—</u>	<u>—</u>	<u>250,923</u>
Total revenue	<u>\$ 3,658,540</u>	<u>\$ 5,862,476</u>	<u>\$ 264,370</u>	<u>\$ 9,785,386</u>

- (1) We earn fees for arranging financing for borrowers with third-party lender contacts. Such fees are in scope of Topic 606.
- (2) Loan servicing fees earned from servicing contracts for which we do not hold mortgage servicing rights are in scope of Topic 606.
- (3) Our new organizational structure became effective on January 1, 2019. See Note 13 for additional information. Revenue classifications for 2018 have been restated to conform to the new structure.

Contract Assets and Liabilities

We had contract assets totaling \$465.7 million (\$323.2 million of which was current) and \$381.8 million (\$307.0 million of which was current) as of June 30, 2019 and December 31, 2018, respectively.

We had contract liabilities totaling \$120.0 million (\$109.5 million of which was current) and \$92.5 million (\$82.2 million of which was current) as of June 30, 2019 and December 31, 2018, respectively. During the six months ended June 30, 2019, we recognized revenue of \$64.3 million that was included in the contract liability balance at December 31, 2018.

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

13. Segments

On August 17, 2018, we announced a new organizational structure that became effective on January 1, 2019. Under the new structure, we organize our operations around, and publicly report our financial results on, three global business segments: (1) Advisory Services; (2) Global Workplace Solutions and (3) Real Estate Investments.

Advisory Services provides a comprehensive range of services globally, including property leasing, property sales, mortgage services, valuation, property management and project management. Global Workplace Solutions provides a broad suite of integrated, contractually-based services to occupiers of real estate, including facilities management, project management, transaction management and management consulting. Real Estate Investments includes: (i) investment management services provided globally; (ii) development services in the U.S. and (iii) a new service designed to help institutional property owners meet the demand for flexible office space solutions.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018 (1)	2019	2018 (1)
Revenue				
Advisory Services	\$ 2,178,958	\$ 1,959,106	\$ 4,013,360	\$ 3,658,540
Global Workplace Solutions	3,385,452	3,034,973	6,551,367	5,862,476
Real Estate Investments	149,663	117,355	284,856	264,370
Total revenue	<u>\$ 5,714,073</u>	<u>\$ 5,111,434</u>	<u>\$ 10,849,583</u>	<u>\$ 9,785,386</u>
Adjusted EBITDA				
Advisory Services	\$ 333,528	\$ 290,312	\$ 597,378	\$ 505,744
Global Workplace Solutions	104,060	79,081	203,739	161,816
Real Estate Investments	30,904	69,914	117,407	119,554
Total Adjusted EBITDA	<u>\$ 468,492</u>	<u>\$ 439,307</u>	<u>\$ 918,524</u>	<u>\$ 787,114</u>

(1) Results for 2018 have been presented in conformity with the new structure.

Adjusted EBITDA is the measure reported to the chief operating decision maker (CODM) for purposes of making decisions about allocating resources to each segment and assessing performance of each segment. EBITDA represents earnings before net interest expense, write-off of financing costs on extinguished debt, income taxes, depreciation and amortization and intangible asset impairments. Amounts shown for adjusted EBITDA further remove (from EBITDA) the impact of certain cash and non-cash items related to acquisitions, costs associated with our reorganization, including cost-savings initiatives, certain carried interest incentive compensation reversal to align with the timing of associated revenue and other non-recurring costs.

Adjusted EBITDA is calculated as follows (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net income attributable to CBRE Group, Inc.	\$ 223,731	\$ 228,667	\$ 388,140	\$ 378,955
Add:				
Depreciation and amortization	106,479	113,399	212,302	221,564
Intangible asset impairment	—	—	89,037	—
Interest expense, net of interest income	24,600	25,396	45,792	50,633
Write-off of financing costs on extinguished debt	—	—	2,608	27,982
Provision for income taxes	62,521	70,319	106,399	116,483
EBITDA	417,331	437,781	844,278	795,617
Adjustments:				
Costs associated with our reorganization, including cost-savings initiatives (1)	33,816	—	49,565	—
Integration and other costs related to acquisitions	9,037	—	9,037	—
Carried interest incentive compensation expense (reversal) to align with the timing of associated revenue	8,308	1,526	15,644	(8,503)
Adjusted EBITDA	<u>\$ 468,492</u>	<u>\$ 439,307</u>	<u>\$ 918,524</u>	<u>\$ 787,114</u>

(1) Primarily represents severance costs related to headcount reductions in connection with our reorganization announced in the third quarter of 2018 that became effective January 1, 2019.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Unaudited)

Our CODM is not provided with total asset information by segment and accordingly, does not measure or allocate total assets on a segment basis. As a result, we have not disclosed any asset information by segment.

Geographic Information

Revenue in the table below is allocated based upon the country in which services are performed (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Revenue				
United States	\$ 3,372,201	\$ 2,908,185	\$ 6,408,907	\$ 5,582,402
United Kingdom	657,005	634,264	1,245,587	1,214,781
All other countries	1,684,867	1,568,985	3,195,089	2,988,203
Total revenue	<u>\$ 5,714,073</u>	<u>\$ 5,111,434</u>	<u>\$ 10,849,583</u>	<u>\$ 9,785,386</u>

14. Guarantor and Nonguarantor Financial Statements

The following condensed consolidating financial information includes condensed consolidating balance sheets as of June 30, 2019 and December 31, 2018, condensed consolidating statements of operations and condensed consolidating statements of comprehensive income (loss) for the three and six months ended June 30, 2019 and 2018 and condensed consolidating statements of cash flows for the six months ended June 30, 2019 and 2018 of:

- CBRE Group, Inc., as the parent; CBRE Services, as the subsidiary issuer; the guarantor subsidiaries; the nonguarantor subsidiaries;
- Elimination entries necessary to consolidate CBRE Group, Inc., as the parent, with CBRE Services 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 Sheets

	As of June 30, 2019					
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 7	\$ 8,363	\$ 95,214	\$ 432,034	\$ —	\$ 535,618
Restricted cash	—	—	7,352	70,255	—	77,607
Receivables, net	545	7	1,632,964	2,367,487	—	4,001,003
Warehouse receivables (1)	—	—	821,923	544,005	—	1,365,928
Contract assets	—	—	308,838	14,409	—	323,247
Prepaid expenses	—	—	126,980	163,274	—	290,254
Income taxes receivable	130	—	24,467	29,324	(157)	53,764
Other current assets	—	—	80,186	157,610	—	237,796
Total Current Assets	682	8,370	3,097,924	3,778,398	(157)	6,885,217
Property and equipment, net	—	—	515,525	230,965	—	746,490
Goodwill	—	—	2,234,731	1,429,058	—	3,663,789
Other intangible assets, net	—	—	730,619	600,662	—	1,331,281
Operating lease assets	—	—	445,234	503,982	—	949,216
Investments in unconsolidated subsidiaries	—	—	184,560	122,748	—	307,308
Investments in consolidated subsidiaries	7,332,563	6,150,477	3,368,024	—	(16,851,064)	—
Intercompany loan receivable	—	2,720,490	700,000	567,215	(3,987,705)	—
Deferred tax assets, net	—	—	91,552	54,383	(62,920)	83,015
Other assets, net	—	18,940	581,482	152,397	—	752,819
Total Assets	\$ 7,333,245	\$ 8,898,277	\$ 11,949,651	\$ 7,439,808	\$ (20,901,846)	\$ 14,719,135
LIABILITIES AND EQUITY						
Current Liabilities:						
Accounts payable and accrued expenses	\$ —	\$ 18,338	\$ 787,934	\$ 1,257,573	\$ —	\$ 2,063,845
Compensation and employee benefits payable	—	—	677,258	409,715	—	1,086,973
Accrued bonus and profit sharing	—	—	408,569	296,161	—	704,730
Operating lease liabilities	—	—	78,567	94,929	—	173,496
Contract liabilities	—	—	55,037	54,474	—	109,511
Income taxes payable	—	3,962	—	33,930	(157)	37,735
Short-term borrowings:						
Warehouse lines of credit (which fund loans that U.S. Government Sponsored Enterprises have committed to purchase) (1)	—	—	814,896	535,092	—	1,349,988
Revolving credit facility	—	230,000	—	—	—	230,000
Total short-term borrowings	—	230,000	814,896	535,092	—	1,579,988
Current maturities of long-term debt	—	—	23	2,235	—	2,258
Other current liabilities	—	377	95,662	32,874	—	128,913
Total Current Liabilities	—	252,677	2,917,946	2,716,983	(157)	5,887,449
Long-Term Debt, net:						
Long-term debt, net	—	1,313,037	8	453,519	—	1,766,564
Intercompany loan payable	1,986,608	—	2,001,097	—	(3,987,705)	—
Total Long-Term Debt, net	1,986,608	1,313,037	2,001,105	453,519	(3,987,705)	1,766,564
Non-current operating lease liabilities	—	—	507,862	488,366	—	996,228
Non-current tax liabilities	—	—	143,449	35,541	—	178,990
Deferred tax liabilities, net	—	—	—	114,508	(62,920)	51,588
Other liabilities	—	—	228,812	218,974	—	447,786
Total Liabilities	1,986,608	1,565,714	5,799,174	4,027,891	(4,050,782)	9,328,605
Commitments and contingencies	—	—	—	—	—	—
Equity:						
CBRE Group, Inc. Stockholders' Equity	5,346,637	7,332,563	6,150,477	3,368,024	(16,851,064)	5,346,637
Non-controlling interests	—	—	—	43,893	—	43,893
Total Equity	5,346,637	7,332,563	6,150,477	3,411,917	(16,851,064)	5,390,530
Total Liabilities and Equity	\$ 7,333,245	\$ 8,898,277	\$ 11,949,651	\$ 7,439,808	\$ (20,901,846)	\$ 14,719,135

(1) Although CBRE Capital Markets is included among our domestic subsidiaries that jointly and severally guarantee our 4.875% senior notes, 5.25% senior notes and our 2019 Credit Agreement, a substantial majority of warehouse receivables funded under JP Morgan, Fannie Mae ASAP, Capital One, BofA and TD Bank lines of credit are pledged to JP Morgan, Fannie Mae, Capital One, BofA and TD Bank, 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 Sheets

	As of December 31, 2018					
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
ASSETS						
Current Assets:						
Cash and cash equivalents	\$ 7	\$ 34,063	\$ 261,181	\$ 481,968	\$ —	\$ 777,219
Restricted cash	—	—	13,767	72,958	—	86,725
Receivables, net	—	5	1,340,120	2,328,466	—	3,668,591
Warehouse receivables (1)	—	—	664,095	678,373	—	1,342,468
Contract assets	—	—	289,214	17,806	—	307,020
Prepaid expenses	—	—	122,305	132,587	—	254,892
Income taxes receivable	6,099	—	18,992	52,692	(6,099)	71,684
Other current assets	—	—	56,853	188,758	—	245,611
Total Current Assets	6,106	34,068	2,766,527	3,953,608	(6,099)	6,754,210
Property and equipment, net	—	—	512,110	209,582	—	721,692
Goodwill	—	—	2,224,909	1,427,400	—	3,652,309
Other intangible assets, net	—	—	835,270	606,038	—	1,441,308
Investments in unconsolidated subsidiaries	—	—	170,698	45,476	—	216,174
Investments in consolidated subsidiaries	6,759,815	5,595,831	3,228,512	—	(15,584,158)	—
Intercompany loan receivable	—	2,440,775	700,000	711,244	(3,852,019)	—
Deferred tax assets, net	—	—	2,666	51,755	(2,718)	51,703
Other assets, net	—	18,257	483,790	117,350	—	619,397
Total Assets	<u>\$ 6,765,921</u>	<u>\$ 8,088,931</u>	<u>\$ 10,924,482</u>	<u>\$ 7,122,453</u>	<u>\$ (19,444,994)</u>	<u>\$ 13,456,793</u>
LIABILITIES AND EQUITY						
Current Liabilities:						
Accounts payable and accrued expenses	\$ 40	\$ 17,450	\$ 655,582	\$ 1,246,755	\$ —	\$ 1,919,827
Compensation and employee benefits payable	—	—	662,196	458,983	—	1,121,179
Accrued bonus and profit sharing	—	—	685,521	503,874	—	1,189,395
Contract liabilities	—	—	41,045	41,182	—	82,227
Income taxes payable	—	720	6,417	67,062	(6,099)	68,100
Short-term borrowings:						
Warehouse lines of credit (which fund loans that U.S. Government Sponsored Enterprises have committed to purchase) (1)	—	—	657,731	671,030	—	1,328,761
Total short-term borrowings	—	—	657,731	671,030	—	1,328,761
Current maturities of long-term debt	—	—	39	3,107	—	3,146
Other current liabilities	—	1,070	70,202	19,473	—	90,745
Total Current Liabilities	40	19,240	2,778,733	3,011,466	(6,099)	5,803,380
Long-Term Debt, net:						
Long-term debt, net	—	1,309,876	18	457,366	—	1,767,260
Intercompany loan payable	1,827,084	—	2,024,935	—	(3,852,019)	—
Total Long-Term Debt, net	1,827,084	1,309,876	2,024,953	457,366	(3,852,019)	1,767,260
Non-current tax liabilities	—	—	164,857	7,769	—	172,626
Deferred tax liabilities, net	—	—	—	110,143	(2,718)	107,425
Other liabilities	—	—	360,108	236,092	—	596,200
Total Liabilities	1,827,124	1,329,116	5,328,651	3,822,836	(3,860,836)	8,446,891
Commitments and contingencies	—	—	—	—	—	—
Equity:						
CBRE Group, Inc. Stockholders' Equity	4,938,797	6,759,815	5,595,831	3,228,512	(15,584,158)	4,938,797
Non-controlling interests	—	—	—	71,105	—	71,105
Total Equity	4,938,797	6,759,815	5,595,831	3,299,617	(15,584,158)	5,009,902
Total Liabilities and Equity	<u>\$ 6,765,921</u>	<u>\$ 8,088,931</u>	<u>\$ 10,924,482</u>	<u>\$ 7,122,453</u>	<u>\$ (19,444,994)</u>	<u>\$ 13,456,793</u>

(1) Although CBRE Capital Markets is included among our domestic subsidiaries that jointly and severally guarantee our 4.875% senior notes, 5.25% senior notes and our 2017 Credit Agreement, a substantial majority of warehouse receivables funded under JP Morgan, TD Bank, Fannie Mae ASAP, Capital One and BofA lines of credit are pledged to JP Morgan, TD Bank, Fannie Mae, Capital One and BofA, 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 Statements of Operations

	Three Months Ended June 30, 2019					Consolidated Total
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	
Revenue	\$ —	\$ —	\$ 3,302,484	\$ 2,411,589	\$ —	\$ 5,714,073
Costs and expenses:						
Cost of services			2,602,522	1,843,268	—	4,445,790
Operating, administrative and other	250	226	436,939	439,982	—	877,397
Depreciation and amortization	—	—	65,351	41,128	—	106,479
Total costs and expenses	250	226	3,104,812	2,324,378	—	5,429,666
Gain on disposition of real estate	—	—	—	10	—	10
Operating (loss) income	(250)	(226)	197,672	87,221	—	284,417
Equity income from unconsolidated subsidiaries	—	—	18,961	2,812	—	21,773
Other income	—	—	1,479	2,890	—	4,369
Interest expense, net of interest income	—	(8,457)	25,855	7,202	—	24,600
Royalty and management service expense (income)	—	—	14,765	(14,765)	—	—
Income from consolidated subsidiaries	223,917	217,812	63,621	—	(505,350)	—
Income before (benefit of) provision for income taxes	223,667	226,043	241,113	100,486	(505,350)	285,959
(Benefit of) provision for income taxes	(64)	2,126	23,301	37,158	—	62,521
Net income	223,731	223,917	217,812	63,328	(505,350)	223,438
Less: Net loss attributable to non-controlling interests	—	—	—	(293)	—	(293)
Net income attributable to CBRE Group, Inc.	<u>\$ 223,731</u>	<u>\$ 223,917</u>	<u>\$ 217,812</u>	<u>\$ 63,621</u>	<u>\$ (505,350)</u>	<u>\$ 223,731</u>

	Three Months Ended June 30, 2018					Consolidated Total
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	
Revenue	\$ —	\$ —	\$ 2,848,854	\$ 2,262,580	\$ —	\$ 5,111,434
Costs and expenses:						
Cost of services	—	—	2,265,206	1,693,542	—	3,958,748
Operating, administrative and other	7,039	246	415,495	403,502	—	826,282
Depreciation and amortization	—	—	68,334	45,065	—	113,399
Total costs and expenses	7,039	246	2,749,035	2,142,109	—	4,898,429
Gain on disposition of real estate	—	—	11,212	1,099	—	12,311
Operating (loss) income	(7,039)	(246)	111,031	121,570	—	225,316
Equity income from unconsolidated subsidiaries	—	—	94,755	1,266	—	96,021
Other income	—	—	1,189	2,820	—	4,009
Interest expense, net of interest income	—	(8,868)	30,924	3,340	—	25,396
Royalty and management service expense (income)	—	—	11,587	(11,587)	—	—
Income from consolidated subsidiaries	233,952	227,472	97,972	—	(559,396)	—
Income before (benefit of) provision for income taxes	226,913	236,094	262,436	133,903	(559,396)	299,950
(Benefit of) provision for income taxes	(1,754)	2,142	34,964	34,967	—	70,319
Net income	228,667	233,952	227,472	98,936	(559,396)	229,631
Less: Net income attributable to non-controlling interests	—	—	—	964	—	964
Net income attributable to CBRE Group, Inc.	<u>\$ 228,667</u>	<u>\$ 233,952</u>	<u>\$ 227,472</u>	<u>\$ 97,972</u>	<u>\$ (559,396)</u>	<u>\$ 228,667</u>

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

Condensed Consolidating Statements of Operations

	Six Months Ended June 30, 2019					
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Revenue	\$ —	\$ —	\$ 6,268,601	\$ 4,580,982	\$ —	\$ 10,849,583
Costs and expenses:						
Cost of services			4,946,389	3,521,435	—	8,467,824
Operating, administrative and other	500	530	852,670	816,573	—	1,670,273
Depreciation and amortization	—	—	130,950	81,352	—	212,302
Intangible asset impairment	—	—	89,037	—	—	89,037
Total costs and expenses	500	530	6,019,046	4,419,360	—	10,439,436
Gain on disposition of real estate	—	—	19,231	26	—	19,257
Operating (loss) income	(500)	(530)	268,786	161,648	—	429,404
Equity income from unconsolidated subsidiaries	—	—	90,747	3,690	—	94,437
Other income	—	—	3,159	22,063	—	25,222
Interest expense, net of interest income	—	(18,323)	43,327	20,788	—	45,792
Write-off of financing costs on extinguished debt	—	2,608	—	—	—	2,608
Royalty and management service expense (income)	—	—	21,505	(21,505)	—	—
Income from consolidated subsidiaries	388,510	377,287	104,315	—	(870,112)	—
Income before (benefit of) provision for income taxes	388,010	392,472	402,175	188,118	(870,112)	500,663
(Benefit of) provision for income taxes	(130)	3,962	24,888	77,679	—	106,399
Net income	388,140	388,510	377,287	110,439	(870,112)	394,264
Less: Net income attributable to non-controlling interests	—	—	—	6,124	—	6,124
Net income attributable to CBRE Group, Inc.	\$ 388,140	\$ 388,510	\$ 377,287	\$ 104,315	\$ (870,112)	\$ 388,140

	Six Months Ended June 30, 2018					
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Revenue	\$ —	\$ —	\$ 5,466,548	\$ 4,318,838	\$ —	\$ 9,785,386
Costs and expenses:						
Cost of services	—	—	4,322,819	3,255,890	—	7,578,709
Operating, administrative and other	12,743	731	776,126	768,917	—	1,558,517
Depreciation and amortization	—	—	132,643	88,921	—	221,564
Total costs and expenses	12,743	731	5,231,588	4,113,728	—	9,358,790
Gain on disposition of real estate	—	—	11,230	1,099	—	12,329
Operating (loss) income	(12,743)	(731)	246,190	206,209	—	438,925
Equity income from unconsolidated subsidiaries	—	—	134,047	2,153	—	136,200
Other income (loss)	—	—	2,899	(3,170)	—	(271)
Interest expense, net of interest income	—	(13,679)	55,503	8,809	—	50,633
Write-off of financing costs on extinguished debt	—	27,982	—	—	—	27,982
Royalty and management service expense (income)	—	—	24,758	(24,758)	—	—
Income from consolidated subsidiaries	388,525	399,815	159,143	—	(947,483)	—
Income before (benefit of) provision for income taxes	375,782	384,781	462,018	221,141	(947,483)	496,239
(Benefit of) provision for income taxes	(3,173)	(3,744)	62,203	61,197	—	116,483
Net income	378,955	388,525	399,815	159,944	(947,483)	379,756
Less: Net income attributable to non-controlling interests	—	—	—	801	—	801
Net income attributable to CBRE Group, Inc.	\$ 378,955	\$ 388,525	\$ 399,815	\$ 159,143	\$ (947,483)	\$ 378,955

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

Condensed Consolidating Statements of Comprehensive Income (Loss)

	Three Months Ended June 30, 2019					
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net income	\$ 223,731	\$ 223,917	\$ 217,812	\$ 63,328	\$ (505,350)	\$ 223,438
Other comprehensive income (loss):						
Foreign currency translation loss	—	—	—	(2,532)	—	(2,532)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net	—	425	—	—	—	425
Unrealized losses on interest rate swaps, net	—	(52)	—	—	—	(52)
Unrealized holding gains on available for sale debt securities, net	—	—	705	—	—	705
Total other comprehensive income (loss)	—	373	705	(2,532)	—	(1,454)
Comprehensive income	223,731	224,290	218,517	60,796	(505,350)	221,984
Less: Comprehensive loss attributable to non-controlling interests	—	—	—	(256)	—	(256)
Comprehensive income attributable to CBRE Group, Inc.	<u>\$ 223,731</u>	<u>\$ 224,290</u>	<u>\$ 218,517</u>	<u>\$ 61,052</u>	<u>\$ (505,350)</u>	<u>\$ 222,240</u>
	Three Months Ended June 30, 2018					
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net income	\$ 228,667	\$ 233,952	\$ 227,472	\$ 98,936	\$ (559,396)	\$ 229,631
Other comprehensive income (loss):						
Foreign currency translation loss	—	—	—	(165,926)	—	(165,926)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net	—	628	—	—	—	628
Unrealized gains on interest rate swaps, net	—	214	—	—	—	214
Unrealized holding losses on available for sale debt securities, net	—	—	(122)	—	—	(122)
Total other comprehensive income (loss)	—	842	(122)	(165,926)	—	(165,206)
Comprehensive income (loss)	228,667	234,794	227,350	(66,990)	(559,396)	64,425
Less: Comprehensive income attributable to non-controlling interests	—	—	—	480	—	480
Comprehensive income (loss) attributable to CBRE Group, Inc.	<u>\$ 228,667</u>	<u>\$ 234,794</u>	<u>\$ 227,350</u>	<u>\$ (67,470)</u>	<u>\$ (559,396)</u>	<u>\$ 63,945</u>

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

Condensed Consolidating Statements of Comprehensive Income

	Six Months Ended June 30, 2019					
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net income	\$ 388,140	\$ 388,510	\$ 377,287	\$ 110,439	\$ (870,112)	\$ 394,264
Other comprehensive income (loss):						
Foreign currency translation loss	—	—	—	(1,595)	—	(1,595)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net	—	835	—	—	—	835
Unrealized losses on interest rate swaps, net	—	(111)	—	—	—	(111)
Unrealized holding gains on available for sale debt securities, net	—	—	1,460	—	—	1,460
Other, net	—	—	1	—	—	1
Total other comprehensive income (loss)	—	724	1,461	(1,595)	—	590
Comprehensive income	388,140	389,234	378,748	108,844	(870,112)	394,854
Less: Comprehensive income attributable to non-controlling interests	—	—	—	6,105	—	6,105
Comprehensive income attributable to CBRE Group, Inc.	\$ 388,140	\$ 389,234	\$ 378,748	\$ 102,739	\$ (870,112)	\$ 388,749
	Six Months Ended June 30, 2018					
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Eliminations	Consolidated Total
Net income	\$ 378,955	\$ 388,525	\$ 399,815	\$ 159,944	\$ (947,483)	\$ 379,756
Other comprehensive income (loss):						
Foreign currency translation loss	—	—	—	(99,894)	—	(99,894)
Adoption of Accounting Standards Update 2016-01, net	—	—	(3,964)	—	—	(3,964)
Amounts reclassified from accumulated other comprehensive loss to interest expense, net	—	1,383	—	—	—	1,383
Unrealized gains on interest rate swaps, net	—	817	—	—	—	817
Unrealized holding losses on available for sale debt securities, net	—	—	(627)	—	—	(627)
Other, net	—	—	20	5,508	—	5,528
Total other comprehensive income (loss)	—	2,200	(4,571)	(94,386)	—	(96,757)
Comprehensive income	378,955	390,725	395,244	65,558	(947,483)	282,999
Less: Comprehensive income attributable to non-controlling interests	—	—	—	122	—	122
Comprehensive income attributable to CBRE Group, Inc.	\$ 378,955	\$ 390,725	\$ 395,244	\$ 65,436	\$ (947,483)	\$ 282,877

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

Condensed Consolidating Statements of Cash Flows

	Six Months Ended June 30, 2019				
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Consolidated Total
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:	\$ 70,594	\$ 21,038	\$ (186,739)	\$ (221,725)	\$ (316,832)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Capital expenditures	—	—	(56,967)	(43,707)	(100,674)
Acquisition of businesses, including net assets acquired, intangibles and goodwill, net of cash acquired	—	—	(1,798)	(344)	(2,142)
Contributions to unconsolidated subsidiaries	—	—	(29,632)	(5,555)	(35,187)
Distributions from unconsolidated subsidiaries	—	—	9,720	553	10,273
Purchase of equity securities	—	—	(5,601)	—	(5,601)
Proceeds from sale of equity securities	—	—	8,311	1,558	9,869
Purchase of available for sale debt securities	—	—	(2,812)	—	(2,812)
Proceeds from the sale of available for sale debt securities	—	—	1,466	—	1,466
Other investing activities, net	—	—	325	(101)	224
Net cash used in investing activities	—	—	(76,988)	(47,596)	(124,584)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from senior term loans	—	300,000	—	—	300,000
Repayment of senior term loans	—	(300,000)	—	—	(300,000)
Proceeds from revolving credit facility	—	1,596,000	—	—	1,596,000
Repayment of revolving credit facility	—	(1,366,000)	—	—	(1,366,000)
Proceeds from notes payable on real estate	—	—	—	4,165	4,165
Repurchase of common stock	(45,088)	—	—	—	(45,088)
Acquisition of businesses (cash paid for acquisitions more than three months after purchase date)	—	—	(24,558)	(3,959)	(28,517)
Units repurchased for payment of taxes on equity awards	(9,565)	—	—	—	(9,565)
Non-controlling interest contributions	—	—	—	41,977	41,977
Non-controlling interest distributions	—	—	—	(2,563)	(2,563)
(Increase) decrease in intercompany receivables, net	(15,941)	(273,333)	115,903	173,371	—
Other financing activities, net	—	(3,405)	—	(1,030)	(4,435)
Net cash (used in) provided by financing activities	(70,594)	(46,738)	91,345	211,961	185,974
Effect of currency exchange rate changes on cash and cash equivalents and restricted cash	—	—	—	4,723	4,723
NET DECREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	—	(25,700)	(172,382)	(52,637)	(250,719)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, AT BEGINNING OF PERIOD	7	34,063	274,948	554,926	863,944
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, AT END OF PERIOD	\$ 7	\$ 8,363	\$ 102,566	\$ 502,289	\$ 613,225
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:					
Cash paid during the period for:					
Interest	\$ —	\$ 34,945	\$ —	\$ 11,580	\$ 46,525
Income taxes, net	\$ —	\$ —	\$ 29,076	\$ 179,800	\$ 208,876

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

Condensed Consolidating Statements of Cash Flows

	Six Months Ended June 30, 2018				
	Parent	CBRE Services	Guarantor Subsidiaries	Nonguarantor Subsidiaries	Consolidated Total
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:	\$ 51,094	\$ 2,234	\$ (56,141)	\$ (89,249)	\$ (92,062)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Capital expenditures	—	—	(65,676)	(41,806)	(107,482)
Acquisition of businesses, including net assets acquired, intangibles and goodwill, net of cash acquired	—	—	(259,338)	(5,364)	(264,702)
Contributions to unconsolidated subsidiaries	—	—	(17,030)	(4,012)	(21,042)
Distributions from unconsolidated subsidiaries	—	—	24,986	3,249	28,235
Net proceeds from disposition of real estate held for investment	—	—	—	14,174	14,174
Purchase of equity securities	—	—	(13,718)	—	(13,718)
Proceeds from sale of equity securities	—	—	8,889	—	8,889
Purchase of available for sale debt securities	—	—	(18,723)	—	(18,723)
Proceeds from the sale of available for sale debt securities	—	—	4,121	—	4,121
Other investing activities, net	—	—	(6,454)	70	(6,384)
Net cash used in investing activities	—	—	(342,943)	(33,689)	(376,632)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from senior term loans	—	550,000	—	—	550,000
Proceeds from revolving credit facility	—	2,000,000	—	—	2,000,000
Repayment of revolving credit facility	—	(1,402,000)	—	—	(1,402,000)
Repayment of 5.00% senior notes (including premium)	—	(820,000)	—	—	(820,000)
Proceeds from notes payable on real estate	—	—	—	1,153	1,153
Repayment of notes payable on real estate	—	—	—	(16,019)	(16,019)
Acquisition of businesses (cash (paid) received for acquisitions more than three months after purchase date)	—	—	(13,166)	1,983	(11,183)
Repayment of debt assumed in acquisition of FacilitySource	—	—	(26,295)	—	(26,295)
Units repurchased for payment of taxes on equity awards	(4,630)	—	—	—	(4,630)
Non-controlling interest contributions	—	—	—	2,744	2,744
Non-controlling interest distributions	—	—	—	(7,652)	(7,652)
(Increase) decrease in intercompany receivables, net	(46,622)	(337,235)	405,196	(21,339)	—
Other financing activities, net	158	(199)	—	(35)	(76)
Net cash (used in) provided by financing activities	(51,094)	(9,434)	365,735	(39,165)	266,042
Effect of currency exchange rate changes on cash and cash equivalents and restricted cash	—	—	—	(18,821)	(18,821)
NET DECREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	—	(7,200)	(33,349)	(180,924)	(221,473)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, AT BEGINNING OF PERIOD	7	15,604	114,143	695,065	824,819
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH, AT END OF PERIOD	\$ 7	\$ 8,404	\$ 80,794	\$ 514,141	\$ 603,346
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:					
Cash paid during the period for:					
Interest	\$ —	\$ 58,814	\$ —	\$ 523	\$ 59,337
Income taxes, net	\$ —	\$ —	\$ 77,076	\$ 82,757	\$ 159,833

15. Subsequent Event

On July 3, 2019, we announced our intention to acquire Telford Homes Plc (Telford) in our Real Estate Investments segment. Telford develops multifamily residential properties in London. Under the terms of the planned transaction, Telford shareholders will receive \$4.41 (£3.50) per share in cash, valuing Telford at \$336.9 million (£267.4 million). The transaction was subject to approval by a majority of Telford shareholders voting on the transaction and who represented at least 75% in value of the votes cast. On August 6, 2019, the transaction was approved by Telford shareholders with 93.51% of shareholders voting “for” the transaction. We plan to fund the acquisition through a combination of cash on hand and borrowings under our revolving credit facility. We anticipate closing this transaction later this year.

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 June 30, 2019 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, 2018](#). Accordingly, you should read the following discussion in conjunction with the information included in our [Annual Report on Form 10-K for the year ended December 31, 2018](#) 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

CBRE Group, Inc. is a Delaware corporation. References to "the company," "we," "us" and "our" refer to CBRE Group, Inc. and include all of its consolidated subsidiaries, unless otherwise indicated or the context requires otherwise.

We are the world's largest commercial real estate services and investment firm, based on 2018 revenue, with leading global market positions in our advisory leasing, advisory property sales, occupier outsourcing and valuation businesses. As of December 31, 2018, we operated in more than 480 offices worldwide with over 90,000 employees, excluding independent affiliates.

Our business is focused on providing services to real estate occupiers and investors. For occupiers, we provide facilities management, project management, transaction (both property sales and leasing) and consulting services, among others. For investors, we provide capital markets (property sales, commercial mortgage brokerage, loan origination and servicing), leasing, investment management, property management, valuation and development services, among others. We provide services under the following brand names: "CBRE" (real estate advisory and outsourcing services); "CBRE Global Investors" (investment management); "Trammell Crow Company" (development); and "Hana" (flexible-space solutions).

Our revenue mix has shifted in recent years toward more contractual revenue as occupiers and investors increasingly prefer to purchase integrated, account-based services from firms that meet the full spectrum of their needs nationally and globally. We believe we are well-positioned to capture a growing share of this business. We generate revenue from both management fees (large multi-year portfolio and per-project contracts) and commissions on transactions. Our contractual, fee-for-services businesses generally involve occupier outsourcing (including facilities and project management), property management, investment management, appraisal/valuation and loan servicing. In addition, our leasing services business line is largely recurring in nature over time.

In 2018, we generated revenue from a highly diversified base of clients, including more than 90 of the *Fortune* 100 companies. We have been an S&P 500 company since 2006 and in 2019 we were ranked #146 on the *Fortune* 500. We have been voted the most recognized commercial real estate brand in the Lipsey Company survey for 18 years in a row (including 2019). We have also been rated a World's Most Ethical Company by the Ethisphere Institute for six consecutive years (including 2019).

Critical Accounting Policies

Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States, or GAAP, 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, 2018](#). There have been no material changes to these policies as of June 30, 2019.

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 quarter, and highest in the fourth quarter of each year. Revenue, 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 year-end.

Inflation

Our commissions and other variable costs related to revenue are primarily affected by commercial real estate market supply and demand, which may be affected by 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 our sales and leasing professionals 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 in the United States have generally been marked by increased demand for space, falling vacancies and higher rents since 2010. During this time, healthy U.S. property sales activity has been sustained by gradually improving market fundamentals, including higher occupancy rates and rents, broad, low-cost credit availability and increased institutional capital allocations to commercial real estate. In 2019, the U.S. sales market has maintained a pace relatively consistent with 2018 levels, as significant capital continues to be invested in commercial real estate and relatively low-cost financing remains plentiful. The market for commercial real estate leasing has remained solid in 2018 and 2019, reflecting a continued healthy economy and steady employment growth.

In Europe, leasing demand has remained relatively solid in 2019, though sales market volumes have softened. Notably, in the United Kingdom, continued uncertainty about the date and the terms on which the United Kingdom will leave the European Union has contributed to lower lease and sales volumes in the first half of 2019.

In Asia Pacific, leasing activity and investment levels have cooled in 2019 amid rising geopolitical uncertainty and slowing regional economies. However, Asia Pacific investors remain a significant source of real estate investment both within the region and around 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. Actively managed real estate equity strategies have been pressured by a shift in investor preferences from active to passive portfolio strategies.

The performance of our global real estate services and investment businesses depends on sustained economic growth and solid job creation; stable global credit markets; and positive business and investor sentiment.

Effects of Acquisitions

We historically have made significant use of strategic acquisitions to add and enhance service competencies around the world. On June 12, 2018, CBRE Jason Acquisition LLC (Merger Sub), our wholly-owned subsidiary, and FacilitySource Holdings, LLC (FacilitySource), WP X Finance, LP and Warburg Pincus X Partners, LP (collectively, the Stockholders) entered into a stock purchase agreement and plan of merger (the Merger Agreement). As part of the Merger Agreement, (i) we purchased from the Stockholders all the outstanding shares of capital stock of FS WP Holdco, Inc (Blocker Corp), which owned 1,686,013 Class A units (the Blocker Units) and (ii) immediately following the acquisition of Blocker Corp, Merger Sub merged with FacilitySource, with FacilitySource continuing as the surviving company and our wholly-owned subsidiary within our Global Workplace Solutions segment (the FacilitySource Acquisition), with the remaining Blocker Units not held by Blocker Corp. canceled and converted into the right to receive cash consideration as set forth in the Merger Agreement. The final net purchase price was approximately \$266.5 million in cash, with \$263.0 million paid in 2018 and \$3.5 million paid in 2019. We financed the transaction with cash on hand and borrowings under our revolving credit facility. We completed the FacilitySource Acquisition to help us (i) build a tech-enabled supply chain capability for the occupier outsourcing industry and (ii) drive meaningfully differentiated outcomes for leading occupiers of real estate.

Strategic in-fill acquisitions have also played a key role in 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 2018, we acquired a retail leasing and property management firm in Australia, two firms in Israel (our former affiliate and a majority interest in a local facilities management provider), a commercial real estate services provider in San Antonio, a provider of real estate and facilities consulting services to healthcare companies across the United States and the remaining 50% equity interest in our longstanding New England joint venture. During the six months ended June 30, 2019, we acquired the assets of a leading advanced analytics software company based in the United Kingdom which provides technology and consulting services for large global data center operators and a commercial and residential real estate appraisal firm headquartered in Florida.

On July 3, 2019, we announced our intention to acquire Telford Homes Plc (Telford) in our Real Estate Investments segment. Telford develops multifamily residential properties in London. Under the terms of the planned transaction, Telford shareholders will receive \$4.41 (£3.50) per share in cash, valuing Telford at \$336.9 million (£267.4 million). The transaction was subject to approval by a majority of Telford shareholders voting on the transaction and who represented at least 75% in value of the votes cast. On August 6, 2019, the transaction was approved by Telford shareholders with 93.51% of shareholders voting "for" the transaction. We plan to fund the acquisition through a combination of cash on hand and borrowings under our revolving credit facility. We anticipate closing this transaction later this year.

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, however, most acquisitions will initially have an adverse impact on our operating and net income as a result of transaction-related expenditures. These 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.

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 June 30, 2019, we have accrued deferred consideration totaling \$111.2 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

We are monitoring the economic and political developments related to the United Kingdom's referendum to leave the European Union and the potential impact on our businesses in the United Kingdom and the rest of Europe, including, in particular, sales and leasing activity in the United Kingdom, as well as any associated currency volatility impact on our results of operations.

As we continue to 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 Real Estate Investments business has a significant amount of euro-denominated assets under management, or AUM, as well as associated revenue and earnings in Europe. In addition, our Global Workplace Solutions business also has a significant amount of its revenue and earnings denominated in foreign currencies, such as the euro and the British pound sterling. Fluctuations in foreign currency exchange rates have resulted and may continue to result in corresponding fluctuations in our AUM, revenue and earnings.

During the six months ended June 30, 2019, approximately 41% of our business was transacted in non-U.S. dollar currencies, the majority of which included the Australian dollar, Brazilian real, British pound sterling, Canadian dollar, Chinese yuan, Danish krone, euro, Hong Kong dollar, Indian rupee, Israeli shekel, Japanese yen, Mexican peso, New Zealand dollar, Polish zloty, Singapore dollar, Swedish krona, Swiss franc and Thai baht. The following table sets forth our revenue derived from our most significant currencies (U.S. dollars in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2019		2018		2019		2018	
United States dollar	\$ 3,372,201	59.0%	\$ 2,908,185	56.9%	\$ 6,408,907	59.1%	\$ 5,582,402	57.0%
British pound sterling	657,005	11.5%	634,264	12.4%	1,245,587	11.5%	1,214,781	12.4%
Euro	585,438	10.2%	560,352	11.0%	1,115,864	10.3%	1,056,298	10.8%
Canadian dollar	196,565	3.4%	181,075	3.5%	358,461	3.3%	341,957	3.5%
Indian rupee	121,718	2.1%	103,651	2.0%	234,191	2.1%	207,245	2.1%
Australian dollar	111,252	2.0%	128,376	2.5%	198,642	1.8%	229,933	2.3%
Japanese yen	76,196	1.3%	62,491	1.2%	143,033	1.3%	127,659	1.3%
Singapore dollar	76,195	1.3%	68,273	1.3%	140,906	1.3%	128,506	1.3%
Chinese yuan	74,057	1.3%	69,284	1.4%	147,649	1.4%	131,659	1.4%
Brazilian real	49,374	0.9%	44,455	0.9%	93,495	0.9%	85,151	0.9%
Swiss franc	43,797	0.8%	44,066	0.9%	87,142	0.8%	87,314	0.9%
Hong Kong dollar	39,850	0.7%	39,169	0.8%	75,958	0.7%	74,355	0.8%
Mexican peso	35,818	0.6%	34,387	0.7%	69,010	0.6%	66,998	0.7%
Polish zloty	27,418	0.5%	21,509	0.4%	49,518	0.5%	38,947	0.4%
Israeli shekel	25,616	0.5%	6,192	0.1%	52,838	0.5%	12,527	0.1%
New Zealand dollar	18,636	0.3%	16,281	0.3%	32,777	0.3%	28,129	0.3%
Danish krone	18,620	0.3%	18,608	0.4%	38,023	0.4%	41,931	0.4%
Thai baht	17,763	0.3%	18,438	0.4%	35,543	0.3%	38,363	0.4%
Swedish krona	17,484	0.3%	16,674	0.3%	34,699	0.3%	36,094	0.4%
Other currencies	149,070	2.7%	135,704	2.6%	287,340	2.6%	255,137	2.6%
Total revenue	\$ 5,714,073	100.0%	\$ 5,111,434	100.0%	\$ 10,849,583	100.0%	\$ 9,785,386	100.0%

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. For example, we estimate that had the British pound sterling-to-U.S. dollar exchange rates been 10% higher during the six months ended June 30, 2019, the net impact would have been an increase in pre-tax income of \$0.2 million. Had the euro-to-U.S. dollar exchange rates been 10% higher during the six months ended June 30, 2019, the net impact would have been an increase in pre-tax income of \$4.0 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.

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 and six months ended June 30, 2019 and 2018 (dollars in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2019		2018		2019		2018	
Revenue:								
Fee revenue:								
Global workplace solutions	\$ 764,325	13.4%	\$ 668,065	13.1%	\$ 1,456,220	13.4%	\$ 1,311,303	13.4%
Property and advisory project management	312,370	5.5%	293,275	5.7%	600,489	5.5%	565,269	5.8%
Valuation	149,051	2.6%	147,397	2.9%	287,377	2.6%	281,560	2.9%
Loan servicing	49,740	0.9%	43,908	0.9%	95,758	0.9%	85,722	0.9%
Advisory leasing	817,788	14.3%	687,386	13.4%	1,440,428	13.3%	1,204,895	12.3%
Capital markets:								
Advisory sales	466,558	8.2%	457,376	8.9%	852,213	7.9%	871,108	8.9%
Commercial mortgage origination	139,999	2.5%	120,838	2.4%	260,878	2.4%	228,272	2.3%
Investment management	101,646	1.8%	98,947	1.9%	207,954	1.9%	222,637	2.3%
Development services	48,017	0.7%	18,408	0.4%	76,902	0.7%	41,733	0.4%
Total fee revenue	2,849,494	49.9%	2,535,600	49.6%	5,278,219	48.6%	4,812,499	49.2%
Pass through costs also recognized as revenue	2,864,579	50.1%	2,575,834	50.4%	5,571,364	51.4%	4,972,887	50.8%
Total revenue	5,714,073	100.0%	5,111,434	100.0%	10,849,583	100.0%	9,785,386	100.0%
Costs and expenses:								
Cost of services	4,445,790	77.8%	3,958,748	77.4%	8,467,824	78.0%	7,578,709	77.4%
Operating, administrative and other	877,397	15.4%	826,282	16.2%	1,670,273	15.4%	1,558,517	15.9%
Depreciation and amortization	106,479	1.8%	113,399	2.2%	212,302	2.0%	221,564	2.3%
Intangible asset impairment	—	0.0%	—	0.0%	89,037	0.8%	—	0.0%
Total costs and expenses	5,429,666	95.0%	4,898,429	95.8%	10,439,436	96.2%	9,358,790	95.6%
Gain on disposition of real estate	10	0.0%	12,311	0.2%	19,257	0.2%	12,329	0.1%
Operating income	284,417	5.0%	225,316	4.4%	429,404	4.0%	438,925	4.5%
Equity income from unconsolidated subsidiaries	21,773	0.3%	96,021	1.9%	94,437	0.9%	136,200	1.3%
Other income (loss)	4,369	0.1%	4,009	0.1%	25,222	0.2%	(271)	—
Interest expense, net of interest income	24,600	0.4%	25,396	0.5%	45,792	0.4%	50,633	0.5%
Write-off of financing costs on extinguished debt	—	0.0%	—	0.0%	2,608	0.1%	27,982	0.2%
Income before provision for income taxes	285,959	5.0%	299,950	5.9%	500,663	4.6%	496,239	5.1%
Provision for income taxes	62,521	1.1%	70,319	1.4%	106,399	1.0%	116,483	1.2%
Net income	223,438	3.9%	229,631	4.5%	394,264	3.6%	379,756	3.9%
Less: Net (loss) income attributable to non-controlling interests	(293)	0.0%	964	0.0%	6,124	0.0%	801	0.0%
Net income attributable to CBRE Group, Inc.	\$ 223,731	3.9%	\$ 228,667	4.5%	\$ 388,140	3.6%	\$ 378,955	3.9%
Adjusted EBITDA	\$ 468,492	8.2%	\$ 439,307	8.6%	\$ 918,524	8.5%	\$ 787,114	8.0%

Fee revenue and adjusted EBITDA are not recognized measurements under GAAP. When analyzing our operating performance, investors should use these measures in addition to, and not as an alternative for, their most directly comparable financial measure calculated and presented in accordance with GAAP. We generally use these non-GAAP financial measures to evaluate operating performance and for other discretionary purposes. We believe 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. Because not all companies use identical calculations, our presentation of fee revenue and adjusted EBITDA may not be comparable to similarly titled measures of other companies.

Fee revenue is gross revenue less both client reimbursed costs largely associated with employees that are dedicated to client facilities and subcontracted vendor work performed for clients. We believe that investors may find this measure useful to analyze the company's overall financial performance because it excludes costs reimbursable by clients, and as such provides greater visibility into the underlying performance of our business.

EBITDA represents earnings before net interest expense, write-off of financing costs on extinguished debt, income taxes, depreciation and amortization and intangible asset impairments. Amounts shown for adjusted EBITDA further remove (from EBITDA) the impact of certain cash and non-cash items related to acquisitions, costs associated with our reorganization, including cost-savings initiatives, certain carried interest incentive compensation expense (reversal) to align with the timing of associated revenue and other non-recurring costs. We 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.

Adjusted 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. 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 adjusted EBITDA as a significant component when measuring our operating performance under our employee incentive compensation programs.

Adjusted EBITDA is calculated as follows (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net income attributable to CBRE Group, Inc.	\$ 223,731	\$ 228,667	\$ 388,140	\$ 378,955
Add:				
Depreciation and amortization	106,479	113,399	212,302	221,564
Intangible asset impairment	—	—	89,037	—
Interest expense, net of interest income	24,600	25,396	45,792	50,633
Write-off of financing costs on extinguished debt	—	—	2,608	27,982
Provision for income taxes	62,521	70,319	106,399	116,483
EBITDA	417,331	437,781	844,278	795,617
Adjustments:				
Costs associated with our reorganization, including cost-savings initiatives (1)	33,816	—	49,565	—
Integration and other costs related to acquisitions	9,037	—	9,037	—
Carried interest incentive compensation expense (reversal) to align with the timing of associated revenue	8,308	1,526	15,644	(8,503)
Adjusted EBITDA	\$ 468,492	\$ 439,307	\$ 918,524	\$ 787,114

(1) Primarily represents severance costs related to headcount reductions in connection with our reorganization announced in the third quarter of 2018 that became effective January 1, 2019.

Three Months Ended June 30, 2019 Compared to the Three Months Ended June 30, 2018

We reported consolidated net income of \$223.7 million for the three months ended June 30, 2019 on revenue of \$5.7 billion as compared to consolidated net income of \$228.7 million on revenue of \$5.1 billion for the three months ended June 30, 2018.

Our revenue on a consolidated basis for the three months ended June 30, 2019 increased by \$602.6 million, or 11.8%, as compared to the three months ended June 30, 2018. The revenue increase reflects strong organic growth fueled by higher revenue in our Global Workplace Solutions segment (up 11.5%) and improved revenue in our Advisory Services segment due to property and advisory project management revenue (up 10.7%) as well as increased advisory leasing (up 19.0%), commercial mortgage origination activity (up 15.9%) and property sales (up 2.0%). Foreign currency translation had a \$152.5 million negative impact on total revenue during the three months ended June 30, 2019, primarily driven by weakness in the Argentine peso, Australian dollar, British pound sterling, Canadian dollar and euro.

Our cost of services on a consolidated basis increased by \$487.0 million, or 12.3%, during the three months ended June 30, 2019 as compared to the same period in 2018. This increase was primarily due to higher costs associated with our Global Workplace Solutions segment. In addition, our sales professionals generally are paid on a commission basis, which substantially correlates with our transaction revenue performance. Accordingly, the increase in advisory lease and sales transaction revenue led to a corresponding increase in commission expense. Lastly, higher costs in our property and advisory project management business also contributed to the increase. These items were partially offset by the impact of foreign currency translation, which had a \$121.2 million positive impact on total cost of services during the three months ended June 30, 2019. Cost of services as a percentage of revenue was relatively consistent at 77.8% for the three months ended June 30, 2019 versus 77.4% for the three months ended June 30, 2018.

Our operating, administrative and other expenses on a consolidated basis increased by \$51.1 million, or 6.2%, during the three months ended June 30, 2019 as compared to the same period in 2018. During the second quarter of 2019, we incurred \$32.7 million of costs in connection with our reorganization (including cost-savings initiatives). Additionally, in the current year, we incurred higher payroll-related costs, integration and other costs associated with acquisitions (primarily due to the recently announced Telford acquisition) as well as higher carried interest expense. These items were partially offset by the impact of foreign currency translation, which had a \$26.7 million positive impact on total operating expenses during the three months ended June 30, 2019. Operating expenses as a percentage of revenue decreased from 16.2% for the three months ended June 30, 2018 to 15.4% for the three months ended June 30, 2019, reflecting the operating leverage inherent in our business.

Our depreciation and amortization expense on a consolidated basis decreased by \$6.9 million, or 6.1%, during the three months ended June 30, 2019 as compared to the same period in 2018. This decrease was primarily attributable to \$8.3 million of lower amortization expense largely associated with intangibles from prior acquisitions. The decrease in amortization expense was partially offset by a rise in depreciation expense of \$1.4 million during the three months ended June 30, 2019 driven by technology-related capital expenditures.

Our gain on disposition of real estate on a consolidated basis was \$12.3 million for the three months ended June 30, 2018 (no comparable activity in the second quarter of 2019). The gain reported in the second quarter of 2018 resulted from property sales within our Real Estate Investments segment.

Our equity income from unconsolidated subsidiaries on a consolidated basis decreased by \$74.2 million, or 77.3%, during the three months ended June 30, 2019 as compared to the same period in 2018, primarily driven by lower equity earnings associated with gains on property sales reported in our Real Estate Investments segment.

Our consolidated interest expense, net of interest income, on a consolidated basis was relatively consistent at \$24.6 million for the three months ended June 30, 2019 as compared to \$25.4 million for the three months ended June 30, 2018.

Our provision for income taxes on a consolidated basis was \$62.5 million for the three months ended June 30, 2019 as compared to \$70.3 million for the same period in 2018. Our effective tax rate, after adjusting pre-tax income to remove the portion attributable to non-controlling interests, decreased from 23.5% for the three months ended June 30, 2018 to 21.8% for the three months ended June 30, 2019. We benefited from discrete items for the three months ended June 30, 2019 that exceeded the benefits for other discrete items for the prior-year period.

Six Months Ended June 30, 2019 Compared to the Six Months Ended June 30, 2018

We reported consolidated net income of \$388.1 million for the six months ended June 30, 2019 on revenue of \$10.8 billion as compared to consolidated net income of \$379.0 million on revenue of \$9.8 billion for the six months ended June 30, 2018.

Our revenue on a consolidated basis for the six months ended June 30, 2019 increased by \$1.1 billion, or 10.9%, as compared to the six months ended June 30, 2018. The revenue increase reflects strong organic growth fueled by higher revenue in our Global Workplace Solutions segment (up 11.8%) and improved revenue in our Advisory Services segment due to property and advisory project management revenue (up 9.1%) as well as increased advisory leasing (up 19.5%) and commercial mortgage origination activity (up 14.3%). Foreign currency translation had a \$300.7 million negative impact on total revenue during the six months ended June 30, 2019, primarily driven by weakness in the Argentine peso, Australian dollar, British pound sterling, Canadian dollar, euro and Indian rupee.

Our cost of services on a consolidated basis increased by \$889.1 million, or 11.7%, during the six months ended June 30, 2019 as compared to the same period in 2018. This increase was primarily due to higher costs associated with our Global Workplace Solutions segment. In addition, our sales professionals generally are paid on a commission basis, which substantially correlates with our transaction revenue performance. Accordingly, the increase in advisory lease transaction revenue led to a corresponding increase in commission expense. Lastly, higher costs in our property and advisory project management business also contributed to the increase. These items were partially offset by the impact of foreign currency translation, which had a \$241.9 million positive impact on total cost of services during the six months ended June 30, 2019. Cost of services as a percentage of revenue was relatively consistent at 78.0% for the six months ended June 30, 2019 versus 77.4% for the six months ended June 30, 2018.

Our operating, administrative and other expenses on a consolidated basis increased by \$111.8 million, or 7.2%, during the six months ended June 30, 2019 as compared to the same period in 2018. During the first half of 2019, we incurred \$47.0 million of costs in connection with our reorganization (including cost-savings initiatives). Additionally, in the current year, we incurred higher payroll-related costs, integration and other costs associated with acquisitions (primarily due to the recently announced Telford acquisition) as well as higher carried interest expense. These items were partially offset by the impact of foreign currency translation, which had a \$50.1 million positive impact on total operating expenses during the six months ended June 30, 2019. Operating expenses as a percentage of revenue decreased from 15.9% for the six months ended June 30, 2018 to 15.4% for the six months ended June 30, 2019, reflecting the operating leverage inherent in our business.

Our depreciation and amortization expense on a consolidated basis decreased by \$9.3 million, or 4.2%, during the six months ended June 30, 2019 as compared to the same period in 2018. This decrease was primarily attributable to \$15.4 million of lower amortization expense largely associated with intangibles from prior acquisitions. The decrease in amortization expense was partially offset by a rise in depreciation expense of \$6.1 million during the six months ended June 30, 2019 driven by technology-related capital expenditures.

During the six months ended June 30, 2019, we recorded an intangible asset impairment of \$89.0 million in our Real Estate Investments segment. This non-cash write-off resulted from a review of the anticipated cash flows and the decrease in assets under management in our public securities business driven in part by continued industry-wide shift in investor preference for passive investment programs.

Our gain on disposition of real estate on a consolidated basis increased by \$6.9 million, or 56.2%, during the six months ended June 30, 2019 as compared to the same period in 2018. These gains resulted from property sales within our Real Estate Investments segment.

Our equity income from unconsolidated subsidiaries on a consolidated basis decreased by \$41.8 million, or 30.7%, during the six months ended June 30, 2019 as compared to the same period in 2018, primarily driven by lower equity earnings associated with gains on property sales reported in our Real Estate Investments segment.

Our other income on a consolidated basis was \$25.2 million for the six months ended June 30, 2019 as compared to a loss of \$0.3 million for the six months ended June 30, 2018. The income in the current year was primarily driven by net realized and unrealized gains related to co-investments in our real estate securities business within our Real Estate Investments segment.

Our consolidated interest expense, net of interest income decreased by \$4.8 million, or 9.6%, for the six months ended June 30, 2019 as compared to the six months ended June 30, 2018. This decrease was primarily driven by the early redemption, in full, of the \$800.0 million aggregate outstanding principal amount of our 5.00% senior notes in the first quarter of 2018.

Our write-off of financing costs on extinguished debt on a consolidated basis was \$2.6 million for the six months ended June 30, 2019 as compared to \$28.0 million for the six months ended June 30, 2018. The costs for the six months ended June 30, 2019 were incurred in connection with the refinancing of our credit agreement. The costs for the six months ended June 30, 2018 included a \$20.0 million premium paid and the write-off of \$8.0 million of unamortized deferred financing costs in connection with the early redemption, in full, of the \$800.0 million aggregate outstanding principal amount of our 5.00% senior notes.

Our provision for income taxes on a consolidated basis was \$106.4 million for the six months ended June 30, 2019 as compared to \$116.5 million for the same period in 2018. Our effective tax rate, after adjusting pre-tax income to remove the portion attributable to non-controlling interests, decreased from 23.5% for the six months ended June 30, 2018 to 21.5% for the six months ended June 30, 2019. We benefited from discrete items for the six months ended June 30, 2019 that exceeded the benefits for other discrete items for the prior-year period.

Segment Operations

On August 17, 2018, we announced a new organizational structure that became effective on January 1, 2019. Under the new structure, we organize our operations around, and publicly report our financial results on, three global business segments: (1) Advisory Services; (2) Global Workplace Solutions; and (3) Real Estate Investments. For additional information on our segments, see Note 13 of the Notes to Consolidated Financial Statements (Unaudited) set forth in Item 1 of this Quarterly Report.

Advisory Services

The following table summarizes our results of operations for our Advisory Services operating segment for the three and six months ended June 30, 2019 and 2018 (dollars in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2019		2018 (1)		2019		2018 (1)	
Revenue:								
Fee revenue:								
Property and advisory project management	\$ 312,370	14.3%	\$ 293,275	15.0%	\$ 600,489	15.0%	\$ 565,269	15.5%
Valuation	149,051	6.8%	147,397	7.5%	287,377	7.2%	281,560	7.7%
Loan servicing	49,740	2.3%	43,908	2.2%	95,758	2.4%	85,722	2.3%
Advisory leasing	817,788	37.5%	687,386	35.1%	1,440,428	35.9%	1,204,895	32.9%
Capital markets:								
Advisory sales	466,558	21.5%	457,376	23.3%	852,213	21.1%	871,108	23.9%
Commercial mortgage origination	139,999	6.4%	120,838	6.2%	260,878	6.5%	228,272	6.2%
Total fee revenue	1,935,506	88.8%	1,750,180	89.3%	3,537,143	88.1%	3,236,826	88.5%
Pass through costs also recognized as revenue	243,452	11.2%	208,926	10.7%	476,217	11.9%	421,714	11.5%
Total revenue	2,178,958	100.0%	1,959,106	100.0%	4,013,360	100.0%	3,658,540	100.0%
Costs and expenses:								
Cost of services	1,309,940	60.1%	1,151,238	58.8%	2,393,039	59.6%	2,159,900	59.0%
Operating, administrative and other	544,696	25.0%	527,046	26.9%	1,041,314	25.9%	1,008,864	27.6%
Depreciation and amortization	74,754	3.4%	66,992	3.4%	146,401	3.7%	131,970	3.6%
Total costs and expenses	1,929,390	88.5%	1,745,276	89.1%	3,580,754	89.2%	3,300,734	90.2%
Operating income	249,568	11.5%	213,830	10.9%	432,606	10.8%	357,806	9.8%
Equity income from unconsolidated subsidiaries	3,136	0.1%	7,808	0.4%	3,811	0.1%	12,239	0.4%
Other income	1,480	0.1%	1,075	0.1%	3,159	0.0%	2,874	0.0%
Less: Net income (loss) attributable to non-controlling interests	135	0.0%	(607)	0.0%	(10)	0.0%	(855)	0.0%
Add-back: Depreciation and amortization	74,754	3.4%	66,992	3.4%	146,401	3.7%	131,970	3.6%
EBITDA	328,803	15.1%	290,312	14.8%	585,987	14.6%	505,744	13.8%
Adjustments:								
Costs associated with our reorganization, including cost-savings initiatives (2)	4,422	0.2%	—	0.0%	11,088	0.3%	—	0.0%
Integration and other costs related to acquisitions	303	0.0%	—	0.0%	303	0.0%	—	0.0%
Adjusted EBITDA	\$ 333,528	15.3%	\$ 290,312	14.8%	\$ 597,378	14.9%	\$ 505,744	13.8%
Adjusted EBITDA on fee revenue margin		17.2%		16.6%		16.9%		15.6%

(1) Our new organizational structure became effective on January 1, 2019. Results for 2018 have been presented in conformity with the new structure.

(2) Primarily represents severance costs related to headcount reductions in connection with our reorganization announced in the third quarter of 2018 that became effective January 1, 2019.

Three Months Ended June 30, 2019 Compared to the Three Months Ended June 30, 2018

Revenue increased by \$219.9 million, or 11.2%, for the three months ended June 30, 2019 as compared to the three months ended June 30, 2018. The revenue increase reflects strong organic growth fueled by higher leasing, commercial mortgage origination and property sales activity as well as improved property and advisory project management revenue. Foreign currency translation had a \$48.6 million negative impact on total revenue during the three months ended June 30, 2019, primarily driven by weakness in the Australian dollar, British pound sterling, Canadian dollar and euro.

Cost of services increased by \$158.7 million, or 13.8%, for the three months ended June 30, 2019 as compared to the same period in 2018, primarily due to higher commission expense resulting from improved lease and sales transaction revenue. Higher costs in our property and advisory project management business also contributed to the increase. Foreign currency translation had a \$29.3 million positive impact on total cost of services during the three months ended June 30, 2019. Cost of services as a percentage of revenue was 60.1% for the three months ended June 30, 2019 as compared to 58.8% for the same period in 2018. The increase in cost of services as a percentage of revenue was primarily due to producers achieving higher commission rates due to improved associated revenue performance.

Operating, administrative and other expenses increased by \$17.7 million, or 3.3%, for the three months ended June 30, 2019 as compared to the three months ended June 30, 2018. The increase was partly driven by higher payroll-related costs. During the three months ended June 30, 2019, we also incurred \$4.9 million of severance costs in connection with our reorganization, including cost-savings initiatives. Foreign currency translation had a \$16.1 million positive impact on total operating expenses during the three months ended June 30, 2019.

In connection with the origination and sale of mortgage loans for which the company retains servicing rights, we record servicing assets or liabilities based on the fair value of the retained mortgage servicing rights (MSRs) on the date the loans are sold. Upon origination of a mortgage loan held for sale, the fair value of the mortgage servicing rights to be retained is included in the forecasted proceeds from the anticipated loan sale and results in a net gain (which is reflected in revenue). Subsequent to the initial recording, MSRs are amortized (within amortization expense) and carried at the lower of amortized cost or fair value in other intangible assets in the accompanying consolidated balance sheets. They are amortized in proportion to and over the estimated period that the servicing income is expected to be received. For the three months ended June 30, 2019, MSRs contributed to operating income \$44.3 million of gains recognized in conjunction with the origination and sale of mortgage loans, offset by \$29.3 million of amortization of related intangible assets. For the three months ended June 30, 2018, MSRs contributed to operating income \$39.2 million of gains recognized in conjunction with the origination and sale of mortgage loans, offset by \$26.6 million of amortization of related intangible assets.

Six Months Ended June 30, 2019 Compared to the Six Months Ended June 30, 2018

Revenue increased by \$354.8 million, or 9.7%, for the six months ended June 30, 2019 as compared to the six months ended June 30, 2018. The revenue increase reflects strong organic growth fueled by higher leasing and commercial mortgage origination activity as well as improved property and advisory project management revenue. Foreign currency translation had a \$92.1 million negative impact on total revenue during the six months ended June 30, 2019, primarily driven by weakness in the Australian dollar, British pound sterling, Canadian dollar, euro and Indian rupee.

Cost of services increased by \$233.1 million, or 10.8%, for the six months ended June 30, 2019 as compared to the same period in 2018, primarily due to higher commission expense resulting from improved lease transaction revenue. Higher costs in our property and advisory project management business also contributed to the increase. Foreign currency translation had a \$56.6 million positive impact on total cost of services during the six months ended June 30, 2019. Cost of services as a percentage of revenue was relatively consistent at 59.6% for the six months ended June 30, 2019 versus 59.0% for the same period in 2018.

Operating, administrative and other expenses increased by \$32.5 million, or 3.2%, for the six months ended June 30, 2019 as compared to the six months ended June 30, 2018. The increase was partly driven by higher payroll-related costs. During the six months ended June 30, 2019, we also incurred \$10.5 million of severance costs in connection with our reorganization, including cost-savings initiatives. Foreign currency translation had a \$30.6 million positive impact on total operating expenses during the six months ended June 30, 2019.

For the six months ended June 30, 2019, MSRs contributed to operating income \$82.6 million of gains recognized in conjunction with the origination and sale of mortgage loans, offset by \$57.0 million of amortization of related intangible assets. For the six months ended June 30, 2018, MSRs contributed to operating income \$71.4 million of gains recognized in conjunction with the origination and sale of mortgage loans, offset by \$53.5 million of amortization of related intangible assets.

Global Workplace Solutions

The following table summarizes our results of operations for our Global Workplace Solutions operating segment for the three and six months ended June 30, 2019 and 2018 (dollars in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2019		2018 (1)		2019		2018 (1)	
Revenue:								
Fee revenue:								
Global workplace solutions	\$ 764,325	22.6%	\$ 668,065	22.0%	\$ 1,456,220	22.2%	\$ 1,311,303	22.4%
Total fee revenue	764,325	22.6%	668,065	22.0%	1,456,220	22.2%	1,311,303	22.4%
Pass through costs also recognized as revenue	2,621,127	77.4%	2,366,908	78.0%	5,095,147	77.8%	4,551,173	77.6%
Total revenue	3,385,452	100.0%	3,034,973	100.0%	6,551,367	100.0%	5,862,476	100.0%
Costs and expenses:								
Cost of services	3,135,850	92.6%	2,807,510	92.5%	6,074,785	92.7%	5,418,809	92.4%
Operating, administrative and other	176,238	5.2%	148,415	4.9%	311,710	4.8%	281,927	4.8%
Depreciation and amortization	29,839	0.9%	38,966	1.3%	59,322	0.9%	75,496	1.3%
Total costs and expenses	3,341,927	98.7%	2,994,891	98.7%	6,445,817	98.4%	5,776,232	98.5%
Operating income	43,525	1.3%	40,082	1.3%	105,550	1.6%	86,244	1.5%
Equity loss from unconsolidated subsidiaries	(325)	0.0%	(1)	0.0%	(1,158)	0.0%	(1)	0.0%
Other income	1,522	0.0%	87	0.0%	1,506	0.0%	119	0.0%
Less: Net (loss) income attributable to non-controlling interests	(105)	0.0%	53	0.0%	(263)	0.0%	42	0.0%
Add-back: Depreciation and amortization	29,839	0.9%	38,966	1.3%	59,322	0.9%	75,496	1.3%
EBITDA	74,666	2.2%	79,081	2.6%	165,483	2.5%	161,816	2.8%
Adjustments:								
Costs associated with our reorganization, including cost-savings initiatives (2)	29,394	0.9%	—	0.0%	38,256	0.6%	—	0.0%
Adjusted EBITDA	\$ 104,060	3.1%	\$ 79,081	2.6%	\$ 203,739	3.1%	\$ 161,816	2.8%
Adjusted EBITDA on fee revenue margin		13.6%		11.8%		14.0%		12.3%

(1) Our new organizational structure became effective on January 1, 2019. Results for 2018 have been presented in conformity with the new structure.

(2) Primarily represents severance costs related to headcount reductions in connection with our reorganization announced in the third quarter of 2018 that became effective January 1, 2019.

Three Months Ended June 30, 2019 Compared to the Three Months Ended June 30, 2018

Revenue increased by \$350.5 million, or 11.5%, for the three months ended June 30, 2019 as compared to the three months ended June 30, 2018. The revenue increase was fueled by growth in the market for real estate outsourcing services. Foreign currency translation had a \$99.2 million negative impact on total revenue during the three months ended June 30, 2019, primarily driven by weakness in the Argentine peso, British pound sterling, Canadian dollar and euro.

Cost of services increased by \$328.3 million, or 11.7%, for the three months ended June 30, 2019 as compared to the same period in 2018, driven by the higher revenue. Foreign currency translation had a \$91.9 million positive impact on total cost of services during the three months ended June 30, 2019. Cost of services as a percentage of revenue was consistent at 92.6% for the three months ended June 30, 2019 versus 92.5% for the same period in 2018.

Operating, administrative and other expenses increased by \$27.8 million, or 18.7%, for the three months ended June 30, 2019 as compared to the three months ended June 30, 2018. During the three months ended June 30, 2019, we incurred \$27.8 million of severance costs in connection with our reorganization, including cost-savings initiatives, as well as higher costs attributable to the FacilitySource acquisition, which closed in June 2018. These items were partially offset by the impact of foreign currency translation, which had a \$6.7 million positive impact on total operating expenses during the three months ended June 30, 2019.

Six Months Ended June 30, 2019 Compared to the Six Months Ended June 30, 2018

Revenue increased by \$688.9 million, or 11.8%, for the six months ended June 30, 2019 as compared to the six months ended June 30, 2018. The revenue increase was fueled by growth in the market for real estate outsourcing services. Foreign currency translation had a \$199.6 million negative impact on total revenue during the six months ended June 30, 2019, primarily driven by weakness in the Argentine peso, British pound sterling, Canadian dollar, euro and Indian rupee.

Cost of services increased by \$656.0 million, or 12.1%, for the six months ended June 30, 2019 as compared to the same period in 2018, driven by the higher revenue. Foreign currency translation had a \$185.3 million positive impact on total cost of services during the six months ended June 30, 2019. Cost of services as a percentage of revenue was relatively consistent at 92.7% for the six months ended June 30, 2019 versus 92.4% for the same period in 2018.

Operating, administrative and other expenses increased by \$29.8 million, or 10.6%, for the six months ended June 30, 2019 as compared to the six months ended June 30, 2018. During the six months ended June 30, 2019, we incurred \$36.3 million of severance costs in connection with our reorganization, including cost-savings initiatives, as well as higher costs attributable to the FacilitySource acquisition. These costs were partially offset by the impact of foreign currency translation, which had a \$12.3 million positive impact on total operating expenses during the six months ended June 30, 2019.

Real Estate Investments

The following table summarizes our results of operations for our Real Estate Investments operating segment for the three and six months ended June 30, 2019 and 2018 (dollars in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2019		2018 (1)		2019		2018 (1)	
Revenue:								
Investment management	\$ 101,646	67.9 %	\$ 98,947	84.3 %	\$ 207,954	73.0 %	\$ 222,637	84.2 %
Development services	48,017	32.1 %	18,408	15.7 %	76,902	27.0 %	41,733	15.8 %
Total revenue	149,663	100.0 %	117,355	100.0 %	284,856	100.0 %	264,370	100.0 %
Costs and expenses:								
Operating, administrative and other	156,463	104.5 %	150,821	128.5 %	317,249	111.4 %	267,726	101.3 %
Depreciation and amortization	1,886	1.3 %	7,441	6.4 %	6,579	2.2 %	14,098	5.3 %
Intangible asset impairment	—	0.0 %	—	0.0 %	89,037	31.3 %	—	0.0 %
Total costs and expenses	158,349	105.8 %	158,262	134.9 %	412,865	144.9 %	281,824	106.6 %
Gain on disposition of real estate	10	0.0 %	12,311	10.5 %	19,257	6.8 %	12,329	4.7 %
Operating loss	(8,676)	(5.8 %)	(28,596)	(24.4 %)	(108,752)	(38.1 %)	(5,125)	(1.9 %)
Equity income from unconsolidated subsidiaries	18,962	12.7 %	88,214	75.3 %	91,784	32.1 %	123,962	46.8 %
Other income (loss)	1,367	0.9 %	2,847	2.4 %	20,557	7.2 %	(3,264)	(1.2 %)
Less: Net (loss) income attributable to non-controlling interests	(323)	(0.2 %)	1,518	1.3 %	6,397	2.2 %	1,614	0.6 %
Add-back: Depreciation and amortization	1,886	1.3 %	7,441	6.3 %	6,579	2.3 %	14,098	5.3 %
Add-back: Intangible asset impairment	—	0.0 %	—	0.0 %	89,037	31.3 %	—	0.0 %
EBITDA	13,862	9.3 %	68,388	58.3 %	92,808	32.6 %	128,057	48.4 %
Adjustments:								
Costs associated with our reorganization, including cost-savings initiatives (2)	—	0.0 %	—	0.0 %	221	0.1 %	—	0.0 %
Integration and other costs related to acquisitions	8,734	5.7 %	—	0.0 %	8,734	3.0 %	—	0.0 %
Carried interest incentive compensation expense (reversal) to align with the timing of associated revenue	8,308	5.6 %	1,526	1.3 %	15,644	5.5 %	(8,503)	(3.2 %)
Adjusted EBITDA	\$ 30,904	20.6 %	\$ 69,914	59.6 %	\$ 117,407	41.2 %	\$ 119,554	45.2 %

(1) Our new organizational structure became effective on January 1, 2019. Results for 2018 have been presented in conformity with the new structure.

(2) Primarily represents severance costs related to headcount reductions in connection with our reorganization announced in the third quarter of 2018 that became effective January 1, 2019.

Three Months Ended June 30, 2019 Compared to the Three Months Ended June 30, 2018

Revenue increased by \$32.3 million, or 27.5%, for the three months ended June 30, 2019 as compared to the three months ended June 30, 2018, primarily driven by higher incentive and development fees in our development services line of business. Foreign currency translation had a \$4.7 million negative impact on total revenue during the three months ended June 30, 2019, primarily driven by weakness in the British pound sterling and euro.

Operating, administrative and other expenses increased by \$5.6 million, or 3.7%, for the three months ended June 30, 2019 as compared to the same period in 2018, primarily driven by costs incurred in connection with the recently announced Telford acquisition as well as higher carried interest expense. These items were partially offset by lower bonuses (driven by lower property sales in the second quarter of 2019 as compared to the same period in the prior year, which were reflected in equity income from unconsolidated subsidiaries and gain on disposition of real estate). Foreign currency translation also had a \$3.9 million positive impact on total operating expenses during the three months ended June 30, 2019.

A roll forward of our AUM by product type for the three months ended June 30, 2019 is as follows (dollars in billions):

	Funds	Separate Accounts	Securities	Total
Balance at March 31, 2019	\$ 35.7	\$ 61.0	\$ 10.5	\$ 107.2
Inflows	1.8	2.5	0.1	4.4
Outflows	(0.4)	(2.4)	(2.7)	(5.5)
Market appreciation (depreciation)	0.7	(0.2)	0.1	0.6
Balance at June 30, 2019	\$ 37.8	\$ 60.9	\$ 8.0	\$ 106.7

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 investments.

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.

Six Months Ended June 30, 2019 Compared to the Six Months Ended June 30, 2018

Revenue increased by \$20.5 million, or 7.7%, for the six months ended June 30, 2019 as compared to the six months ended June 30, 2018, primarily driven by higher incentive and development fees in our development services line of business. These items were partially offset by lower carried interest revenue in our investment management line of business. Foreign currency translation also had a \$9.0 million negative impact on total revenue during the six months ended June 30, 2019, primarily driven by weakness in the British pound sterling and euro.

Operating, administrative and other expenses increased by \$49.5 million, or 18.5%, for the six months ended June 30, 2019 as compared to the same period in 2018, primarily driven by costs incurred in connection with the recently announced Telford acquisition as well as higher carried interest expense. Higher payroll-related costs (including increased bonus expense) also contributed to the increase. Foreign currency translation had a \$7.2 million positive impact on total operating expenses during the six months ended June 30, 2019.

A roll forward of our AUM by product type for the six months ended June 30, 2019 is as follows (dollars in billions):

	Funds	Separate Accounts	Securities	Total
Balance at January 1, 2019	\$ 35.0	\$ 60.2	\$ 10.3	\$ 105.5
Inflows	2.2	5.1	0.2	7.5
Outflows	(0.5)	(4.1)	(4.2)	(8.8)
Market appreciation (depreciation)	1.1	(0.3)	1.7	2.5
Balance at June 30, 2019	<u>\$ 37.8</u>	<u>\$ 60.9</u>	<u>\$ 8.0</u>	<u>\$ 106.7</u>

We describe above how we calculate AUM. Also, as noted above, 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.

Liquidity and Capital Resources

We believe that we can satisfy our working capital and funding requirements with internally generated cash flow and, as necessary, borrowings under our revolving credit facility. Our expected capital requirements for 2019 include up to approximately \$210 million of anticipated capital expenditures, net of tenant concessions. During the six months ended June 30, 2019, we incurred \$87.7 million of capital expenditures, net of tenant concessions received. As of June 30, 2019, we had aggregate commitments of \$73.0 million to fund future co-investments in our Real Estate Investments business, \$43.9 million of which is expected to be funded in 2019. Additionally, as of June 30, 2019, we are committed to fund \$48.5 million of additional capital to unconsolidated subsidiaries within our Real Estate Investments business, which we may be required to fund at any time. As of June 30, 2019, we had \$2.6 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 general 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. We may also, from time to time in our sole discretion, purchase, redeem, or retire our existing senior notes, through tender offers, in privately negotiated or open market transactions, or otherwise.

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 obtain 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 June 30, 2019 and December 31, 2018, we had accrued \$111.2 million (\$17.5 million of which was a current liability) and \$136.3 million (\$41.7 million of which was a current liability), 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.

In addition, on October 27, 2016, we announced that our board of directors had authorized the company to repurchase up to an aggregate of \$250.0 million of our Class A common stock over three years. As of December 31, 2018, we spent \$161.0 million to repurchase 3,980,656 shares of our Class A common stock with an average price paid per share of \$40.43. During the month of January 2019, we spent \$45.1 million to repurchase an additional 1,144,449 shares of our Class A common stock with an average price paid per share of \$39.38. Additionally, on February 28, 2019, our board of directors authorized a new program for the company to repurchase up to \$300.0 million of our Class A common stock over three years, effective March 11, 2019. The previous program terminated upon the effectiveness of the new program. As of June 30, 2019, the authorization under the new program remains unused. Our stock repurchases have been funded with cash on hand and we intend to continue funding future stock repurchases with existing cash. The timing of future repurchases, and the actual amounts repurchased, will depend on a variety of factors, including the market price of our common stock, general market and economic conditions and other factors.

Historical Cash Flows

Operating Activities

Net cash used in operating activities totaled \$316.8 million for the six months ended June 30, 2019, an increase of \$224.8 million as compared to the six months ended June 30, 2018. The increase in net cash used in operating activities was primarily driven by a greater net increase in accounts receivable and contract assets during the six months ended June 30, 2019 as compared to the increase during the six months ended June 30, 2018.

Investing Activities

Net cash used in investing activities totaled \$124.6 million for the six months ended June 30, 2019, a decrease of \$252.0 million as compared to the six months ended June 30, 2018. This decrease was largely driven by lower amounts paid for acquisitions in the current year. During the six months ended June 30, 2018, we completed the FacilitySource acquisition, which was the primary component of cash paid for acquisitions in the prior year period.

Financing Activities

Net cash provided by financing activities totaled \$186.0 million for the six months ended June 30, 2019, a decrease of \$80.1 million as compared to the six months ended June 30, 2018. This decrease was primarily due to higher net borrowings of \$550.0 million and \$368.0 million from our senior term loans and revolving credit facility, respectively, in the first half of 2018. These items were partially offset by the impact of the full redemption of the \$800.0 million aggregate outstanding principal amount of our 5.00% senior notes (including \$20.0 million premium) in the first half of 2018.

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 October 31, 2017, CBRE Services, Inc. (CBRE Services), our wholly-owned subsidiary, entered into a Credit Agreement (the 2017 Credit Agreement), which refinanced and replaced our prior credit agreement (the 2015 Credit Agreement). On December 20, 2018, CBRE Global Acquisition Company, a wholly-owned subsidiary of CBRE Services, entered into an incremental term loan assumption agreement with a syndicate of banks jointly led by Wells Fargo Bank and National Westminster Bank plc to establish a new euro term loan facility under the 2017 Credit Agreement in an aggregate principal amount of €400.0 million. The proceeds of the new euro term loan facility were used to repay a

portion of the U.S. dollar denominated term loans outstanding under the 2017 Credit Agreement. On March 4, 2019, CBRE Services entered into an additional incremental assumption agreement with respect to the 2017 Credit Agreement (the 2017 Agreement as amended by such incremental assumption agreement, the 2019 Credit Agreement), which (i) extended the maturity of the U.S. dollar tranche A term loans under the 2017 Credit Agreement, (ii) extended the termination date of the revolving credit commitments available under the 2017 Credit Agreement and (iii) made certain changes to the interest rates and fees applicable to such tranche A term loans and revolving credit commitments. The proceeds from the new tranche A term loan facility under the 2019 Credit Agreement were used to repay the \$300.0 million of tranche A term loans outstanding under the 2017 Credit Agreement.

The 2019 Credit Agreement is a senior unsecured credit facility that is jointly and severally guaranteed by us and certain of our subsidiaries. As of June 30, 2019, the 2019 Credit Agreement provided for the following: (1) a \$2.8 billion incremental revolving credit facility, which includes the capacity to obtain letters of credit and swingline loans and terminates on March 4, 2024; (2) a \$300.0 million incremental tranche A term loan facility maturing on March 4, 2024, requiring quarterly principal payments unless our leverage ratio (as defined in the 2019 Credit Agreement) is less than or equal to 2.50 to 1.00 on the last day of the fiscal quarter immediately preceding any such payment date and (3) a €400.0 million term loan facility due and payable in full at maturity on December 20, 2023.

In prior years, we also issued 4.875% and 5.25% senior notes that are due in 2026 and 2025, respectively. For additional information on all of our long-term debt, see Note 11 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, 2018](#) and Note 8 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 the 2019 Credit Agreement and warehouse lines of credit with certain third-party lenders. For additional information on all of our short-term borrowings, see Note 11 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, 2018](#) and Notes 4 and 8 of the Notes to Consolidated Financial Statements (Unaudited) set forth in Item 1 of this Quarterly Report.

Off-Balance Sheet Arrangements

Our off-balance sheet arrangements are described in Note 10 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, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. 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;
- 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 U.S. Government Sponsored Enterprises, regulatory oversight of such activity and our mortgage servicing revenue from the 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 and adjusted EBITDA margins that enable us to continue investing in our platform and client service offerings;
- our ability to control costs relative to revenue growth;
- economic volatility and market uncertainty globally related to the United Kingdom's withdrawal from the European Union, including concerns relating to the economic impact of such withdrawal on businesses within the United Kingdom and Europe;
- foreign currency fluctuations;
- our ability to retain and incentivize key personnel;
- our ability to compete globally, or in specific geographic markets or business segments that are material to us;
- the emergence of disruptive business models and technologies;
- 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;
- the ability of our Real Estate Investments segment 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;

- the ability of CBRE Capital Markets to periodically amend, or replace, on satisfactory terms, the agreements for its warehouse lines of credit;
- variations in historically customary seasonal patterns that cause our business not to perform as expected;
- litigation and its financial and reputational risks to us;
- 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 and our employees' ability to execute on, and adapt to, information technology strategies and trends;
- cybersecurity threats, including the potential misappropriation of assets or sensitive information, corruption of data or operational disruption;
- changes in domestic and international law and regulatory environments (including relating to anti-corruption, anti-money laundering, trade sanctions, tariffs, currency controls and other trade control laws), particularly in Russia, Eastern Europe and the Middle East, due to the level of political instability in those regions;
- 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;
- negative publicity or actions by our employees, regulators, media, activists, competitors or others that harm our reputation or brand;
- changes in applicable tax or accounting requirements, including the impact of any subsequent additional regulation or guidance associated with the Tax Cuts and Jobs Act (which was enacted into law on December 22, 2017);
- the effect of implementation of new accounting rules and standards; and
- the other factors described elsewhere in this Quarterly Report on Form 10-Q, 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, 2018](#) 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 (SEC).

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 SEC.

Investors and others should note that we routinely announce financial and other material information using our investor relations website (<https://ir.cbre.com>), SEC filings, press releases, public conference calls and webcasts. We use these channels to communicate with our investors and members of the public about our company, our services and other items of interest. Information contained on our website is not part of this Quarterly Report or our other filings with the SEC.

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, 2018](#)

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 is 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 \$740.4 million at June 30, 2019. Based on dealers’ quotes, the estimated fair values of our 4.875% senior notes and 5.25% senior notes were \$652.3 million and \$467.8 million, respectively, at June 30, 2019.

We utilize sensitivity analyses to assess the potential effect on our variable rate debt. If interest rates were to increase 100 basis points on our outstanding variable rate debt at June 30, 2019, the net impact of the additional interest cost would be a decrease of \$3.9 million on pre-tax income and an increase of \$3.9 million in cash used in operating activities for the six months ended June 30, 2019.

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 Chief Accounting Officer and other members of our Disclosure Committee. In addition to our Chief Accounting Officer, our Disclosure Committee consists of our General Counsel, our Chief Digital and Technology Officer, our chief communication officer, our corporate controller, our senior director of Global SOX Assurance, 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 June 30, 2019 to accomplish their objectives at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

No changes in our internal control over financial reporting occurred during the fiscal quarter ended June 30, 2019 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, 2018](#).

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, 2018](#)

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 6. Exhibits

Exhibit No.	Exhibit Description	Incorporated by Reference				
		Form	SEC File No.	Exhibit	Filing Date	Filed Herewith
3.1	Amended and Restated Certificate of Incorporation of CBRE Group, Inc.	8-K	001-32205	3.1	05/23/2018	
3.2	Amended and Restated By-Laws of CBRE Group, Inc.	8-K	001-32205	3.2	05/23/2018	
10.1	Letter Agreement dated as of April 4, 2019 by and between CBRE, Inc. and Leah C. Stearns +	10-Q	001-32205	10.2	05/10/2019	
10.2	CBRE Group, Inc. 2019 Equity Incentive Plan +	S-8 POS	001-32205	99.1	05/29/2019	
10.3	Form of Grant Notice and Restricted Stock Unit Agreement for the CBRE Group, Inc. 2019 Equity Incentive Plan (Time Vest) +					X
10.4	Form of Grant Notice and Restricted Stock Unit Agreement for the CBRE Group, Inc. 2019 Equity Incentive Plan (Performance Vest) +					X
10.5	Form of Grant Notice and Restricted Stock Unit Agreement for the CBRE Group, Inc. 2019 Equity Incentive Plan (Groch Time Vest) +					X
10.6	Form of Grant Notice and Restricted Stock Unit Agreement for the CBRE Group, Inc. 2019 Equity Incentive Plan (Groch Performance Vest) +					X
10.7	Form of Grant Notice and Restricted Stock Unit Agreement for the CBRE Group, Inc. 2019 Equity Incentive Plan (Non-Employee Director) +					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 (the instance document does not appear in the interactive data file because XBRL tags are embedded within the Inline XBRL 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

+ Denotes a management contract or compensatory arrangement

SIGNATURES

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

CBRE GROUP, INC.

Date: August 9, 2019

/s/ Leah C. Stearns
Leah C. Stearns
Chief Financial Officer (Principal Financial Officer)

Date: August 9, 2019

/s/ Dara A. Bazzano
Dara A. Bazzano
Chief Accounting Officer (Principal Accounting Officer)

CBRE Group, Inc.
2019 Equity Incentive Plan
Restricted Stock Units
Grant Notice

CBRE Group, Inc. (the “Company”), pursuant to its 2019 Equity Incentive Plan (the “Plan”), hereby grants to the “Participant” identified below an award (the “Award”) of that number of Restricted Stock Units set forth below (the “Units”). In general, each Unit is the right to receive one (1) share of the Company’s Class A Common Stock (the “Shares”) at the time such Unit vests. This Award is subject to all of the terms and conditions set forth herein and in the Restricted Stock Unit Agreement (the “Agreement”) and the Plan (collectively, the “Award Documents”), both of which are attached hereto and incorporated herein in their entirety.

Grant Date:

Vesting Commencement Date:

Number of Units Subject to Award:

See “Number Available to Accept” field on Merrill Lynch’s “award acceptance” page (as available upon your acceptance of the terms of this Agreement).

Vesting Schedule:

Subject to Section 4 of the Agreement, one-fourth (1/4th) of the Units subject to the Award shall vest on each anniversary of the Vesting Commencement Date over a period of four (4) years.

Consideration:

No payment is required for the Shares, although payment may be required for the amount of any withholding taxes due as a result of the delivery of the Shares as described in greater detail in the Agreement.

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of the Award Documents and the Plan’s Prospectus, and understands and agrees to the terms set forth in the Award Documents. Participant acknowledges that he or she is accepting the Award by electronic means and that such electronic acceptance constitutes Participant’s agreement to be bound by all of the terms and conditions of the Award Documents. By accepting the Award, Participant consents to receive any documents related to participation in the Plan and the Award by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Participant also acknowledges that this Grant Notice must be returned to the Company (including through electronic means). Participant further acknowledges that as of the Grant Date, the Award Documents set forth the entire understanding between Participant and the Company regarding the acquisition of Units and Shares and supersede all prior oral and written agreements on that subject with the exception of (i) Awards previously granted and delivered to Participant under the Plan, and (ii) the following agreements only, if any:

Other Agreements:

Attachments:

- I. Restricted Stock Unit Agreement
- II. CBRE Group, Inc. 2019 Equity Incentive Plan

CBRE Group, Inc.
2019 Equity Incentive Plan
Restricted Stock Unit Agreement

Pursuant to the provisions of the Company's 2019 Equity Incentive Plan ("Plan"), the terms of the Grant Notice to which this Restricted Stock Unit Agreement is attached ("Grant Notice") and this Restricted Stock Unit Agreement (the "Agreement"), CBRE Group, Inc. (the "Company") grants you that number of Restricted Stock Units (the "Units") as set forth in the Grant Notice as of the date specified in the Grant Notice ("Grant Date"). Defined terms not explicitly defined in this Agreement or in the Grant Notice but defined in the Plan shall have the same definitions as in the Plan.

The details of your Award are as follows:

- 1. The Award.** The Company hereby awards to you the aggregate number of Units specified in your Grant Notice. Each Unit is the right to receive one (1) share of the Company's Class A Common Stock (the "Shares") on the Vesting Date (as defined below). The Units and the Shares are awarded to you in consideration for your continued service to the Company or its Subsidiaries and Affiliates (the "Company Group").
- 2. Documentation.** As a condition to the award of the Units and the Shares, you agree to execute the Grant Notice and to deliver the same to the Company (including through electronic means), along with such additional documents as the Committee may require, within the time period prescribed by the Company or else this Award shall be forfeited without consideration. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and the Award by electronic means or request your consent to participate in the Plan by electronic means. By accepting the Award, you consent to receive such documents by electronic delivery and agree to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company.
- 3. Consideration For The Award.** No cash payment is required for the Units or the Shares, although you may be required to tender payment in cash or other acceptable form of consideration for the amount of any withholding taxes due as a result of delivery of the Shares.
- 4. Vesting.** Except as otherwise specified in this Agreement and the Plan, the Units will vest as provided in the Grant Notice (the "Vesting Date"). Any Units which have not vested as of the date of your termination of Continuous Service shall thereupon be forfeited immediately and without any further action by the Company, except as otherwise directed by the Committee; *provided*, that:

 - (a)** If your Continuous Service terminates due to your death or Disability after the Vesting Commencement Date, the following number of unvested Units automatically will become vested:

(i) If such termination occurs within twelve (12) months following the Vesting Commencement Date, the number of unvested Units that will become vested will be equal to (x) the number of days that have elapsed from the Vesting Commencement Date through the date of your termination of Continuous Service divided by three hundred sixty-five (365), multiplied by (y) the number of Units subject to your Award, rounded down to the nearest whole Unit, and such vesting will occur as of the date of your termination of Continuous Service (and such date will be deemed to be the “Vesting Date” for purposes of such Units); or

(ii) If such termination occurs more than twelve (12) months following the Vesting Commencement Date, the number of unvested Units that will become vested will be equal to all of the unvested Units subject to your Award, and such vesting will occur as of the date of your termination of Continuous Service (and such date will be deemed to be the “Vesting Date” for purposes of such Units).

The Award will immediately terminate following such vesting and the issuance of Shares pursuant to Section 6 below.

(b) If, after the Vesting Commencement Date, your Continuous Service terminates due to your Retirement (as defined below), and (x) after such termination through the applicable Vesting Date you have at all times satisfied certain noncompetition, nonsolicitation and confidentiality conditions imposed by the Company (in its sole discretion) upon or promptly following such termination and (y) you provide the Company with a certification (in a form acceptable to the Company) that you have satisfied all such conditions during such period, the following number of unvested Units will continue to vest as provided in the Grant Notice:

(i) If such termination occurs on or following December 31 of the calendar year in which the Vesting Commencement Date occurs, the number of unvested Units that will continue to vest as provided in the Grant Notice will be equal to the number of unvested Units subject to your Award; or

(ii) If such termination occurs prior to December 31 of the calendar year in which the Vesting Commencement Date occurs, any Units which have not vested as of the date of such termination shall thereupon be forfeited immediately and without any further action by the Company, except as otherwise directed by the Committee.

(c) For purposes of the Award, “Retirement” means your voluntary termination following:

(i) completion of at least ten (10) years of Continuous Service, and

(ii) (A) for U.S. Participants, your attainment of age sixty-two (62), or (B) for non-U.S. Participants, your attainment of age sixty-two (62) or such earlier age at which you are required to retire from Continuous Service under applicable law or an applicable retirement plan or policy. If you are eligible to qualify for Retirement under this subsection, you must provide evidence to that effect to the Company (in a form acceptable to the Company) on or before your termination date.

With respect to the vesting of this Award, the provisions of this Section 4 shall apply and supersede the terms of any other plan, program or arrangement maintained by the Company or the Company Group or any other agreement between you and the Company or the Company Group.

5. Number of Shares and Purchase Price. The number of Shares subject to your Award may be adjusted from time to time pursuant to the provisions of Section 12 of the Plan.

6. Issuance and Certificates; Code Section 409A. The Company will deliver to you a number of Shares equal to the number of vested Units subject to your Award, including any additional Units received pursuant to Section 5 above that relate to such vested Units, as soon as reasonably practicable after the applicable Vesting Date, but in no event later than December 31 of the calendar year in which the applicable Vesting Date occurs. However, if a scheduled delivery date falls on a date that is not a business day, such delivery date shall instead fall on the next business day. Notwithstanding the foregoing, in the event that (i) you are subject to the Company's policy permitting officers and directors to sell Shares only during certain "window periods," as in effect from time to time (the "Policy"), or you are otherwise prohibited from selling Shares in the open market, and any Shares subject to your Award are scheduled to be delivered on a day (the "Original Distribution Date") that does not occur during an open "window period" applicable to you or a day on which you are permitted to sell Shares pursuant to a written plan that meets the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as determined by the Company in accordance with the Policy, or does not occur on a date when you are otherwise permitted to sell Shares in the open market, and (ii) the Company elects not to satisfy its tax withholding obligations by withholding Shares from your distribution, then such Shares shall not be delivered on such Original Distribution Date and shall instead be delivered on the first business day of the next occurring open "window period" applicable to you pursuant to the Policy (regardless of whether you are still providing Continuous Service at such time) or the next business day when you are not prohibited from selling Shares in the open market, but in no event later than December 31 of the calendar year in which the applicable Vesting Date occurs.

There are no certificates evidencing the Units. Certificates evidencing the Shares to be delivered pursuant to this Agreement may be issued by the Company and registered in your name.

7. Transfer Restrictions. The Units are non-transferable. Shares that are received under your Award are subject to the transfer restrictions set forth in the Plan and any transfer restrictions that may be described in the Company's bylaws or charter or insider trading policies in effect at the time of the contemplated transfer.

8. No Rights as a Stockholder. A Unit (i) does not represent an equity interest in the Company, and (ii) carries no voting, dividend or dividend equivalent rights. You will not have an equity interest in the Company or any of such shareholder rights, unless and until the Shares are delivered to you in accordance with this Agreement.

9. Securities Laws. Upon the delivery of the Shares, you will make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement. Notwithstanding any other provision of the Plan or this Agreement to the contrary, unless there is an available exemption from such registration, qualification or other legal requirements, Units may not be converted into Shares prior to the completion of any registration or qualification of the Units or the Shares that is required to comply with applicable state and federal securities or any ruling or regulation of any governmental body or national securities exchange or compliance with any other applicable federal, state or foreign law that the Committee shall in its sole discretion determine in good faith to be necessary or advisable.

10. Legends on Certificates. The certificates representing the Shares delivered to you as contemplated by this Agreement shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed, and any applicable Federal or state laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

11. Award Not A Service Contract and No Entitlement to Future Grants . Your Award is not an employment or service contract, and nothing in your Award shall be deemed to create in any way whatsoever any obligation or right to continued employment or service with or to the Company Group. In addition, nothing in your Award shall obligate the Company, its stockholders, its Board or employees to continue any relationship that you might have as a member of the Board, as an employee or as any other type of service provider for the Company. You acknowledge and agree that this Award was granted in the Committee's discretion and that neither the grant of this Award nor the issuance of any Shares pursuant to this Award creates any entitlement to or expectation of any future grant of Units or any future benefits in lieu of Units.

12. Tax Consequences. You are responsible for any taxes due in connection with your receipt of this Award, including the vesting of such Award and delivery of Shares, and for declaring the Award to the relevant tax authority to which you are subject, if required.

13. Withholding Obligations.

(a) At the time your Award is made, or at any time thereafter as requested by the Company, you hereby authorize the Company to satisfy its withholding obligations, if any, from payroll and any other amounts payable to you (or, in the Company's discretion, from Shares that become deliverable upon vesting under this Award), and otherwise agree to make adequate provision for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company, if any, which arise in connection with the grant or vesting of your Award or the delivery of Shares under the Award. Notwithstanding the foregoing, if you are a Section 16 officer of the Company under the Exchange Act, the Company will satisfy its withholding obligations, if any, by withholding a number of Shares that become deliverable upon vesting under this Award.

(b) Unless the tax withholding obligations of the Company, if any, are satisfied, the Company shall have no obligation to issue a certificate for such Shares or release such Shares.

14. Notices. Any notices provided for in your Award or the Plan shall be given in writing and shall be delivered by hand or sent by overnight courier, certified or registered mail, return receipt requested, postage prepaid, or electronic mail and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

15. Miscellaneous.

(a) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Committee to carry out the purposes or intent of this Award.

(b) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.

(c) The waiver by either party of compliance with any provision of the Award by the other party shall not operate or be construed as a waiver of any other provision of the Award, or of any subsequent breach by such party of a provision of the Award.

16. Governing Plan Document. Your Award is subject to all interpretations, amendments, rules and regulations that may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of the Plan and any other document, the provisions of the Plan shall control.

17. Data Privacy Notification. *You are hereby notified of the collection, use and transfer, in electronic or other form, of your personal data as described in this Agreement, any other Award materials and the Company's Employee Personal Information Privacy Notice or Employee Privacy Notice and Consent Form, as applicable (the "Privacy Notice"), which is viewable at https://intranet.cbre.com/Sites/EMEA-DataPrivacy/en-GB/Documents/MASTER_Employee_Privacy_notice.pdf. Such personal data may be collected, used and transferred by and among, as applicable, the Company, the Company Group and any third parties assisting (presently or in the future) with the implementation, administration and management of the Plan, such as Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), or its successor, for the exclusive purpose of implementing, administering and managing your participation in the Plan. The Company's basis for the processing and transfer of the data is described in the Company's Privacy Notice. Where required under applicable law, personal data also may be disclosed to certain securities or other regulatory authorities where the Company's shares are listed or traded or regulatory filings are made, or to certain tax authorities for compliance with the Company's, the Employer's and/or your tax obligations. You understand that the collection, use and transfer of your personal data is mandatory for compliance with applicable law and necessary for the performance of the Plan and that your refusal to provide such personal data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the Plan.*

18. Appendices. Notwithstanding any provisions in this Agreement, if you reside in a country outside the United States or are otherwise subject to the laws of a country other than the United States, the Award shall be subject to the additional terms and conditions set forth in Appendix A to this Agreement and to any special terms and provisions (if any) as set forth in Appendix B for your country. Moreover, if you relocate outside the U.S., the special terms and conditions in Appendix A (applicable to all non-U.S. countries) and in Appendix B (applicable to your specific country) will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A and Appendix B constitute part of this Agreement.

19. Imposition of Other Requirements. The Company reserves the right to impose other requirements on your participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Appendix A
to
Restricted Stock Unit Agreement
Provisions Applicable to Non-U.S. Countries

This Appendix A includes additional terms and conditions that govern the Award granted to you under the Plan if you are a Participant and reside and/or work in a country outside the United States of America (or later relocate to such a country). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan and/or the Agreement to which this Appendix A is attached.

Nature of Grant. In accepting the grant of the Award, you acknowledge, understand and agree that:

- a. the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- b. the grant of the Award is exceptional, voluntary and occasional;
- c. all decisions with respect to future Units or other grants, if any, will be at the sole discretion of the Company;
- d. you are voluntarily participating in the Plan;
- e. the Award and any Shares subject to the Award, and the income and value of same, are not intended to replace any pension rights or compensation;
- f. unless otherwise expressly agreed in a writing by you with the Company, the Award and the Shares subject to the Award, and the income and value of same, are not granted as consideration for, or in connection with, the service you may provide as a director of a Subsidiary or Affiliate;
- g. the Award and any Shares subject to the Award, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, pension or retirement or welfare benefits or similar mandatory payments;
- h. the future value of the Shares underlying the Award is unknown, indeterminable, and cannot be predicted with certainty;
- i. no claim or entitlement to compensation shall arise from forfeiture of the Award resulting from the termination of your Continuous Service as provided for in the Plan or in the Agreement;

Grant Date:

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j. for purposes of the Award, and unless otherwise expressly provided in the Plan, the Agreement or determined by the Company, your Continuous Service will be considered terminated as of the date you are no longer actively providing services to the Company or any Parent, Subsidiary or Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and unless otherwise expressly provided in the Plan, the Agreement or determined by the Company, your right to vest in the Award under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); the Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Award (including whether you may still be considered to be providing services while on a leave of absence);

k. unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by the Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; and

l. neither the Company nor any Parent, Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Award or of any amounts due to you pursuant to the settlement of the Award or the subsequent sale of any Shares acquired upon settlement.

Responsibility for Taxes. The following provisions supplement Section 13 of the Agreement:

You acknowledge that, regardless of any action taken by the Company or, if different, your employer (the “Employer”), the ultimate liability for all income tax, social insurance contributions, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you (“Tax-Related Items”) is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any applicable taxable or tax withholding event, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by any of the methods referred to in Section 13(a) of the Agreement. In addition, you authorize withholding from proceeds of the sale of Shares acquired upon settlement of the Award either through a voluntary sale, through a mandatory sale, through a “withhold to cover” program or any other scheme or program, in each case, arranged by the Company (on your behalf pursuant to this authorization without further consent by you).

The Company may withhold Shares otherwise deliverable under the Award for Tax-Related Items solely by considering applicable minimum statutory withholding amounts. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, if requested by the Company, you agree to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described.

Language. You acknowledge that you are proficient in the English language and understand, or have consulted with an advisor who is proficient in the English language so as to enable you to understand, the provisions of the Agreement and the Plan. If you have received the Agreement or any other document related to the Plan translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

Appendix B
to
Restricted Stock Unit Agreement
Country-Specific Provisions

This Appendix B includes additional terms and conditions that govern the Award granted to you under the Plan if you are a Participant and reside and/or work in one of the countries listed herein. If you are a citizen or resident of a country other than the one in which you currently are working and/or residing (or if you are considered as such for local law purposes), or if you transfer or relocate employment or residence to another country after the Grant Date, the Company, in its discretion, will determine the extent to which the terms and conditions herein will be applicable to you.

This Appendix B also includes information regarding securities and other laws of which you should be aware with respect to your participation in the Plan. The information is based on laws in effect in the respective countries as of February 2019. Such laws are often complex and change frequently. As a result, you should not rely on the information noted herein as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date by the time you vest in the Award or sell the Shares acquired under the Plan. In addition, the information noted herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the applicable laws may apply to your situation. That is your responsibility, and not the Company's.

If you are a citizen or resident of a country other than the one in which you currently are working and/or residing (or if you are considered as such for local law purposes), or if you transfer employment or residence to another country after the Grant Date, the information noted herein may not be applicable to you in the same manner.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan, the Agreement and/or the Appendix A which this Appendix B follows.

Australia

Australian Offer Document. This Award is intended to comply with the provisions of the Corporations Act 2001, ASIC Regulatory Guide 49 and ASIC Class Order CO 14/1000. Additional details are set forth in the Australian Offer Document, which you acknowledge has been provided to you with this Agreement.

Tax Information. Subdivision 83A-C of the Income Tax Assessment Act, 1997, applies to Awards granted under the Plan, such that the Award is intended to be subject to deferred taxation.

Austria

No country-specific provisions.

Belgium

No country-specific provisions.

Canada

Form of Settlement. Notwithstanding any discretion contained in Section 10(f) of the Plan or anything to the contrary in the Agreement, the Award shall be settled in Shares only.

Securities Law Notice. You are permitted to sell Shares acquired upon the vesting and settlement of the Award through the designated broker appointed under the Plan, if any, provided the resale of Shares acquired under the Plan takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed. The Shares are currently listed on the New York Stock Exchange (“NYSE”).

The following provisions apply if you are a resident of Quebec:

Language Consent. The parties acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de la Convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Authorization to Release and Transfer Necessary Personal Information. The following provision supplements Section 17 of the Agreement:

You hereby authorize the Company (including any Parent, Subsidiary or Affiliate) and the Company’s representatives to discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the Plan. You further authorize the Company, the Employer and any Parent, Subsidiary or Affiliate and the administrator of the Plan (including Merrill Lynch or any other stock plan service provider) to disclose and discuss the Plan with their advisors. You further authorize the Company, the Employer and any Parent, Subsidiary or Affiliate to record such information and to keep such information in your employee file.

China

The following provisions apply only to Participants who are PRC nationals, unless otherwise determined by the Company or required by the PRC State Administration of Foreign Exchange (“SAFE”).

Mandatory Sale Restriction. To facilitate compliance with local regulatory requirements, you agree to the sale of any Shares to be issued to you under the Plan, including by the Company on your behalf if the Company so determines. The sale will occur, at the Company’s election: (i) immediately upon vesting, (ii) following your termination of Continuous Service, or (iii) within any other time frame as the Company determines to be necessary to comply with local regulatory requirements. You further agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such shares (on your behalf pursuant to this authorization)

and you expressly authorize the Company's designated broker to complete the sale of such shares. You acknowledge that the designated broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the Company agrees to pay you the cash proceeds from the sale, less any brokerage fees or commissions and subject to any obligation to satisfy Tax-Related Items. You agree that the payment of the cash proceeds will be subject to the repatriation requirements described below.

You further agree that any Shares to be issued to you shall be deposited directly into an account with the designated broker. The deposited Shares shall not be transferable (either electronically or in certificate form) from the brokerage account. This limitation shall apply both to transfers to different accounts with the same broker and to transfers to other brokerage firms. The limitation shall apply to all Shares issued to you under the Plan, whether or not you continue to be employed by the Company Group. If you sell Shares that you acquire under the Plan, the repatriation requirements described below shall apply.

Exchange Control Restrictions. By participating in the Plan, you understand and agree that, if you are subject to exchange control laws in China, you will be required to immediately repatriate to China the proceeds from the sale of any Shares acquired under the Plan. You further understand that such repatriation of the proceeds may need to be effected through a special exchange control account established by the Company, the Employer or a Subsidiary or Affiliate, and you hereby consent and agree that the proceeds from the sale of Shares acquired under the Plan may be transferred to such account by the Company (or its designated broker) on your behalf prior to being delivered to you. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by the Company (or its designated broker) to effectuate such transfers.

Czech Republic

No country-specific provisions.

France

Language Consent. By accepting the grant, you confirm having read and understood the Plan and Agreement which were provided in the English language. You accept the terms of those documents accordingly.

En acceptant l'attribution, vous confirmez avoir lu et compris le Plan et l'Accord, qui ont été fournis en langue anglaise. Vous acceptez les termes de ces documents en connaissance de cause.

Germany

No country-specific provisions.

Hong Kong

Sale Restriction. Shares received at vesting are accepted as a personal investment. In the event that the Award vests and Shares are issued to you (or your heirs) within six months of the Grant Date, you (or your heirs) agree that the Shares will not be offered to the public or otherwise disposed of prior to the six-month anniversary of the Grant Date.

Securities Law Notice. *WARNING:* The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You should exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. Neither the grant of the Award nor the issuance of Shares upon vesting and settlement of the Award constitutes a public offering of securities under Hong Kong law and are available only to Participants. The Agreement, the Plan and other incidental communication materials distributed in connection with the Award (i) have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong and (ii) are intended only for the personal use of each Participant and may not be distributed to any other person.

India

No country-specific provisions.

Ireland

No country-specific provisions.

Italy

Acknowledgement of Terms. You acknowledge that by accepting this Award, you have been given access to the Plan document, have reviewed the Plan and this Agreement in their entirety, and fully understand and accept all provisions of the Plan and this Agreement. Further you specifically and expressly approve the following sections of this Agreement: (i) Section 4 – Vesting; (ii) Section 6 – Issuance and Certificates; (iii) Section 11 – Award Not a Service Contract and No Entitlement to Future Grants; (iv) Section 13 – Withholding Obligations (including the Responsibility for Taxes section in Appendix A which supplements Section 13); (v) Section 16 – Governing Plan Document; and (vi) the Nature of Grant section in Appendix A.

Japan

No country-specific provisions.

Netherlands

No country-specific provisions.

New Zealand

Securities Law Notice.

Warning

This is an offer of rights to receive Shares underlying the Award. Shares give you a stake in the ownership of the Company. Shares are quoted on the NYSE. This means you may be able to sell them on the NYSE if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share scheme. As a result, you may not be given all the information usually required. You also will have fewer other legal protections for this investment.

In compliance with applicable New Zealand securities laws, you are entitled to receive, in electronic or other form and free of cost, copies of the Company's latest annual report, relevant financial statements and the auditor's report on said financial statements (if any).

You should ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

Norway

No country-specific provisions.

Poland

No country-specific provisions.

Portugal

Language Consent. You hereby expressly declare that you have full knowledge of the English language and have read, understood and fully accepted and agreed with the terms and conditions established in the Plan and the Agreement.

Conhecimento da Língua. *Você expressamente declara ter pleno conhecimento do idioma inglês e ter lido, entendido e totalmente aceito e concordou com os termos e condições estabelecidas no plano e no acordo.*

Puerto Rico

No country-specific provisions.

Romania

No country-specific provisions.

Russia

U.S. Transaction and Sale Restrictions. You understand that your acceptance of the Award results in a contract between you and the Company that is completed in the United States and that the Plan is governed by the laws of the State of Delaware, without regard to its conflict of law provisions. Further, any Shares to be issued to you upon vesting and settlement of the Award shall be delivered to you through a bank or brokerage account in the United States. You are not permitted to sell or otherwise transfer the Shares directly to individuals or legal entities in Russia, nor are you permitted to bring any certificates representing the Shares into Russia.

Securities Law Notice. This Agreement, the Plan and all other materials you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of securities pursuant to the Plan has not and will not be registered in Russia; hence, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia.

Singapore

Sale Restriction. You agree that any Shares issued to you upon vesting and settlement of the Award will not be offered for sale or sold in Singapore prior to the six-month anniversary of the Grant Date, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”) or pursuant to, and in accordance with the conditions of, any other applicable provision(s) of the SFA.

Securities Law Notice. The Award is being made to you in reliance on the “Qualifying Person” exemption under section 273(1)(f) of the SFA and is not being made with the view to the underlying Shares being subsequently offered for sale to any other party. The Plan has not been nor will it be lodged or registered as a prospectus with the Monetary Authority of Singapore.

Chief Executive Officer and Director Notification Obligation. If you are the Chief Executive Officer (“CEO”) or a director (including an alternate, substitute, or shadow director) of the Company’s Singapore Subsidiary or Affiliate, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Company’s Singapore Subsidiary or Affiliate in writing when you receive an interest (*e.g.*, an Award or Shares) in the Company or any Parent, Subsidiary or Affiliate. In addition, you must notify the Company’s Singapore Subsidiary or Affiliate when you sell Shares or shares of any Parent, Subsidiary or Affiliate (including when you sell Shares issued upon vesting and settlement of the Award). These notifications must be made within a prescribed period of time from acquiring or disposing of any interest in the Company or any Parent, Subsidiary or Affiliate. In addition, a notification of your interests in the Company or any Parent, Subsidiary or Affiliate must be made within a prescribed period of time from becoming the CEO or a director.

Slovakia

No country-specific provisions.

South Korea

No country-specific provisions.

Spain

Labor Law Acknowledgment. The following provision supplements the Nature of Grant section in Appendix A: By accepting the Award, you acknowledge that you understand and agree that you consent to participation in the Plan and that you have received a copy of the Plan.

You further understand that the Company has unilaterally, gratuitously and in its sole discretion decided to grant Awards under the Plan to employees of the Company or any Parent, Subsidiary or Affiliate throughout the world. The decision to grant the Awards is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Parent, Subsidiary or Affiliate on an ongoing basis other than as set forth in this Agreement. Consequently, you understand that any grant is given on the assumption and condition that it shall not become a part of any employment contract (either with the Company or any Parent, Subsidiary or Affiliate) and shall not be considered a mandatory benefit, salary for any purpose (including severance compensation) or any other right whatsoever. Further, you understand and freely accept that there is no guarantee that any benefit shall arise from any gratuitous and discretionary grant since the future value of the Shares is unknown and unpredictable.

Additionally, you understand that the vesting and settlement of the Award is expressly conditioned on your continued and active rendering of service to the Employer such that if your Continuous Service terminates for any reason other than as expressly provided in Section 4 of the Agreement, your Award will cease vesting immediately effective as of the date of termination of your Continuous Service. This will be the case, for example, even if (1) you are considered to be unfairly dismissed without good cause (*i.e.*, subject to a “*despido improcedente*”); (2) you are dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) you terminate Continuous Service due to a change of work location, duties or any other employment or contractual condition; (4) you terminate Continuous Service due to the Company’s or any Parent’s, Subsidiary’s or Affiliate’s unilateral breach of contract; or (5) your Continuous Service terminates for any other reason whatsoever, in each case other than as expressly provided in Section 4 of the Agreement. Consequently, upon termination of your Continuous Service for any of the above reasons, you will automatically lose any rights to Awards granted to you that were unvested on the date of termination of your Continuous Service, as described in the Agreement.

Finally, you understand that this grant would not be made to you but for the assumptions and conditions referred to herein; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of an Award shall be null and void.

Securities Law Notice. No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the offer of the Award. The Agreement has not been nor will it be registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

Sweden

No country-specific provisions.

Switzerland

Securities Law Notice. The Award is considered a private offering in Switzerland and is therefore not subject to securities registration in Switzerland. Neither this document nor any other materials relating to the Award (a) constitutes a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, (b) may be publicly distributed or otherwise made publicly available in Switzerland or (c) has been or will be filed with, approved by or supervised by any Swiss regulatory authority (e.g., the Swiss Financial Market Supervisory Authority).

Taiwan

Securities Law Notice. The Award and the Shares to be issued pursuant to the Plan are available only for Participants. The Award is not a public offer of securities by a Taiwanese company.

United Kingdom

Tax Acknowledgment. The following provisions supplement Section 13 of the Agreement as further supplemented by the Responsibility for Taxes section in Appendix A:

Without limitation to Section 13 of the Agreement and the Responsibility for Taxes section in Appendix A, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items as and when requested by the Company or the Employer or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax or other relevant authority). You also agree to indemnify and keep indemnified the Company and the Employer against any taxes or other amounts that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax or other relevant authority) on your behalf.

Notwithstanding the foregoing, if you are a director or an executive officer (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In such case, if the amount of any income tax due is not collected from or paid by you within ninety (90) days of the end of the U.K. tax year (April 6 - April 5) in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to you on which additional income tax and national insurance contributions ("NICs") may be payable. You understand and agree that you will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) for the value of any employee NICs due on this additional benefit, which the Company or the Employer may recover from you by any of the means referred to in the Plan or the Agreement.

**CBRE Group, Inc.
2019 Equity Incentive Plan
Restricted Stock Units
Grant Notice**

CBRE Group, Inc. (the “Company”), pursuant to its 2019 Equity Incentive Plan (the “Plan”), hereby grants to the “Participant” identified below an award (the “Award”) of that number of Restricted Stock Units set forth below (the “Units”). In general, each Unit is the right to receive one (1) share of the Company’s Class A Common Stock (the “Shares”) at the time such Unit vests. This Award is subject to all of the terms and conditions set forth herein and in the Restricted Stock Unit Agreement (the “Agreement”) and the Plan (collectively, the “Award Documents”), both of which are attached hereto and incorporated herein in their entirety.

Grant Date:

Vesting Commencement Date:

Target Number of Units Subject to Award (“Target Award”): See “Number Available to Accept” field on Merrill Lynch’s “award acceptance” page (as available upon your acceptance of the terms of this Agreement).

Maximum Number of Units Subject to Award (“Maximum Award”): [_____] % of Target Award

Actual Award:

The actual number of Units subject to the Award (the “Actual Award”) will be determined by the Compensation Committee of the Company’s Board of Directors (the “Compensation Committee”) based on Adjusted EPS (as defined below) measured on a cumulative basis (the “Cumulative Adjusted EPS”) for fiscal years [_____] (the “Performance Period”), as follows:

- (i) if the Cumulative Adjusted EPS is less than \$[_____], the Actual Award will be zero;
- (ii) if the Cumulative Adjusted EPS is \$[_____], the Actual Award will be equal to [_____]% of the Target Award;
- (iii) if the Cumulative Adjusted EPS is more than \$[_____] but less than \$[_____], the Actual Award will be equal to an amount linearly interpolated between [_____]% of the Target Award and the Target Award;
- (iv) if the Cumulative Adjusted EPS is \$[_____], the Actual Award will be equal to the Target Award;
- (v) if the Cumulative Adjusted EPS is more than \$[_____] but less than \$[_____], the Actual Award will be equal to an amount linearly interpolated between the Target Award and the Maximum Award; and
- (vi) if the Cumulative Adjusted EPS is \$[_____] or more, the Actual Award will be equal to the Maximum Award.

Such determination will be made by the Compensation Committee following the end of the Performance Period, but by no later than the third (3rd) anniversary of the Vesting Commencement Date. If the Cumulative Adjusted EPS is less than \$[_____], the Award will terminate on the date of such determination and Participant will have no further right, title or interest in or to the Award or the Units or underlying Shares subject to the Award. The Company and Participant acknowledge that each of the EPS thresholds set forth above may be equitably adjusted by the Compensation Committee for any of the adjustments factors set forth in Section 12(a) of the Plan and as otherwise determined by the Compensation Committee in its reasonable discretion to be necessary to prevent enlargement or diminution of the benefits or potential benefits intended to be provided pursuant to the Award.

For purposes of the Award, Adjusted EPS is defined as the Company’s earnings per share, as equitably adjusted by the Compensation Committee for any of the adjustments factors set forth in Section 12(a) of the Plan and as otherwise determined by the Compensation Committee in its reasonable discretion to be necessary to prevent enlargement or diminution of the benefits or potential benefits intended to be provided pursuant to the Award.

Vesting Schedule:

Subject to Section 4 of the Agreement, one hundred percent (100%) of the Units subject to the Actual Award shall vest on the third (3rd) anniversary of the Vesting Commencement Date.

Consideration:

No payment is required for the Shares, although payment may be required for the amount of any withholding taxes due as a result of the delivery of the Shares as described in greater detail in the Agreement.

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of the Award Documents and the Plan's Prospectus, and understands and agrees to the terms set forth in the Award Documents. Participant acknowledges that he or she is accepting the Award by electronic means and that such electronic acceptance constitutes Participant's agreement to be bound by all of the terms and conditions of the Award Documents. By accepting the Award, Participant consents to receive any documents related to participation in the Plan and the Award by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Participant also acknowledges that this Grant Notice must be returned to the Company (including through electronic means). Participant further acknowledges that as of the Grant Date, the Award Documents set forth the entire understanding between Participant and the Company regarding the acquisition of Units and Shares and supersede all prior oral and written agreements on that subject with the exception of (i) Awards previously granted and delivered to Participant under the Plan, and (ii) the following agreements only, if any:

Other Agreements:

Attachments:

- I. Restricted Stock Unit Agreement
- II. CBRE Group, Inc. 2019 Equity Incentive Plan

CBRE Group, Inc.
2019 Equity Incentive Plan
Restricted Stock Unit Agreement

Pursuant to the provisions of the Company's 2019 Equity Incentive Plan ("Plan"), the terms of the Grant Notice to which this Restricted Stock Unit Agreement is attached ("Grant Notice") and this Restricted Stock Unit Agreement (the "Agreement"), CBRE Group, Inc. (the "Company") grants you that number of Restricted Stock Units (the "Units") as set forth in the Grant Notice as of the date specified in the Grant Notice ("Grant Date"). Defined terms not explicitly defined in this Agreement or in the Grant Notice but defined in the Plan shall have the same definitions as in the Plan.

The details of your Award are as follows:

- 1. The Award.** The Company hereby awards to you the aggregate number of Units specified in your Grant Notice. Each Unit is the right to receive one (1) share of the Company's Class A Common Stock (the "Shares") on the Vesting Date (as defined below). The Units and the Shares are awarded to you in consideration for your continued service to the Company or its Subsidiaries and Affiliates (the "Company Group").
- 2. Documentation.** As a condition to the award of the Units, you agree to execute the Grant Notice and to deliver the same to the Company (including through electronic means), along with such additional documents as the Committee may require, within the time period prescribed by the Company or else this Award shall be forfeited without consideration. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and the Award by electronic means or request your consent to participate in the Plan by electronic means. By accepting the Award, you consent to receive such documents by electronic delivery and agree to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company.
- 3. Consideration For The Award.** No cash payment is required for the Units or the Shares, although you may be required to tender payment in cash or other acceptable form of consideration for the amount of any withholding taxes due as a result of delivery of the Shares.
- 4. Vesting.** Except as otherwise specified in this Agreement and the Plan, the Units will vest as provided in the Grant Notice (the "Vesting Date"). Any Units which have not vested as of the date of your termination of Continuous Service shall thereupon be forfeited immediately and without any further action by the Company, except as otherwise directed by the Committee; *provided*, that:

(a) If, after the Vesting Commencement Date, your Continuous Service terminates due to your death or Disability, the following number of unvested Units will continue to vest as provided in the Grant Notice:

(i) If such termination occurs within twelve (12) months following the Vesting Commencement Date, the number of unvested Units that will continue to vest as provided in the Grant Notice will be equal to (x) the number of days that have elapsed from the Vesting Commencement Date through the date of your termination of Continuous Service divided by three hundred sixty-five (365), multiplied by (y) the number of Units subject to your Actual Award, rounded down to the nearest whole Unit; or

(ii) If such termination occurs more than twelve (12) months following the Vesting Commencement Date, the number of unvested Units that will continue to vest as provided in the Grant Notice will be equal to all of the unvested Units subject to your Actual Award.

(b) If, after the Vesting Commencement Date, your Continuous Service terminates due to your Retirement (as defined below), and (x) after such termination through the applicable Vesting Date you have at all times satisfied certain noncompetition, nonsolicitation and confidentiality conditions imposed by the Company (in its sole discretion) upon or promptly following such termination and (y) you provide the Company with a certification (in a form acceptable to the Company) that you have satisfied all such conditions during such period, the following number of unvested Units will continue to vest as provided in the Grant Notice:

(i) If such termination occurs on or following December 31 of the calendar year in which the Vesting Commencement Date occurs, the number of unvested Units that will continue to vest as provided in the Grant Notice will be equal to the number of unvested Units subject to your Actual Award; or

(ii) If such termination occurs prior to December 31 of the calendar year in which the Vesting Commencement Date occurs, any Units which have not vested as of the date of such termination shall thereupon be forfeited immediately and without any further action by the Company, except as otherwise directed by the Committee.

(c) For purposes of this Award: “Retirement” means your voluntary termination following: (x) completion of at least ten (10) years of Continuous Service, and (y) (A) for U.S. Participants, your attainment of age sixty-two (62), or (B) for non-U.S. Participants, your attainment of age sixty-two (62) or such earlier age at which you are required to retire from Continuous Service under applicable law or an applicable retirement plan or policy. If you are eligible to qualify for Retirement under this subsection, you must provide evidence to that effect to the Company (in a form acceptable to the Company) on or before your termination date.

With respect to the vesting of this Award, the provisions of this Section 4 shall apply and supersede the terms of any other plan, program or arrangement maintained by the Company or the Company Group or any other agreement between you and the Company or the Company Group.

5. Number of Shares and Purchase Price. The number of Shares subject to your Award may be adjusted from time to time pursuant to the provisions of Section 12 of the Plan.

6. Issuance and Certificates. The Company will deliver to you a number of Shares equal to the number of vested Units subject to your Award, including any additional Units received pursuant to Section 5 above that relate to such vested Units, as soon as reasonably practicable after the applicable Vesting Date, but in no event later than December 31 of the calendar year in which the applicable Vesting Date occurs. However, if a scheduled delivery date falls on a date that is not a business day, such delivery date shall instead fall on the next business day. Notwithstanding the foregoing, in the event that (i) you are subject to the Company's policy permitting officers and directors to sell Shares only during certain "window periods," as in effect from time to time (the "Policy"), or you are otherwise prohibited from selling Shares in the open market, and any Shares subject to your Award are scheduled to be delivered on a day (the "Original Distribution Date") that does not occur during an open "window period" applicable to you or a day on which you are permitted to sell Shares pursuant to a written plan that meets the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as determined by the Company in accordance with the Policy, or does not occur on a date when you are otherwise permitted to sell Shares in the open market, and (ii) the Company elects not to satisfy its tax withholding obligations by withholding Shares from your distribution, then such Shares shall not be delivered on such Original Distribution Date and shall instead be delivered on the first business day of the next occurring open "window period" applicable to you pursuant to the Policy (regardless of whether you are still providing Continuous Service at such time) or the next business day when you are not prohibited from selling Shares in the open market, but in no event later than December 31 of the calendar year in which the applicable Vesting Date occurs.

There are no certificates evidencing the Units. Certificates evidencing the Shares to be delivered pursuant to this Agreement may be issued by the Company and registered in your name.

7. Transfer Restrictions. The Units are non-transferable. Shares that are received under your Award are subject to the transfer restrictions set forth in the Plan and any transfer restrictions that may be described in the Company's bylaws or charter or insider trading policies in effect at the time of the contemplated transfer.

8. No Rights as a Stockholder. A Unit (i) does not represent an equity interest in the Company, and (ii) carries no voting, dividend or dividend equivalent rights. You will not have an equity interest in the Company or any of such shareholder rights, unless and until the Shares are delivered to you in accordance with this Agreement.

9. Securities Laws. Upon the delivery of the Shares, you will make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement. Notwithstanding any other provision of the Plan or this Agreement to the contrary, unless there is an available exemption from such registration, qualification or other legal requirements, Units may not be converted into Shares prior to the completion of any registration or qualification of the Units or the Shares that is required to comply with applicable state and federal securities or any ruling or regulation of any governmental body or national securities exchange or compliance with any other applicable federal, state or foreign law that the Committee shall in its sole discretion determine in good faith to be necessary or advisable.

10. Legends on Certificates. The certificates representing the Shares delivered to you as contemplated by this Agreement shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed, and any applicable Federal or state laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

11. Award Not A Service Contract and No Entitlement to Future Grants . Your Award is not an employment or service contract, and nothing in your Award shall be deemed to create in any way whatsoever any obligation or right to continued employment or service with or to the Company Group. In addition, nothing in your Award shall obligate the Company, its stockholders, its Board or employees to continue any relationship that you might have as a member of the Board, as an employee or as any other type of service provider for the Company. You acknowledge and agree that this Award was granted in the Committee's discretion and that neither the grant of this Award nor the issuance of any Shares pursuant to this Award creates any entitlement to or expectation of any future grant of Units or any future benefits in lieu of Units.

12. Tax Consequences. You are responsible for any taxes due in connection with your receipt of this Award, including the vesting of such Award and delivery of Shares, and for declaring the Award to the relevant tax authority to which you are subject, if required.

13. Withholding Obligations.

(a) At the time your Award is made, or at any time thereafter as requested by the Company, you hereby authorize the Company to satisfy its withholding obligations, if any, from payroll and any other amounts payable to you (or, in the Company's discretion, from Shares that become deliverable upon vesting under this Award), and otherwise agree to make adequate provision for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company, if any, which arise in connection with the grant of or vesting of your Award or the delivery of Shares under the Award. Notwithstanding the foregoing, if you are a Section 16 officer of the Company under the Exchange Act, the Company will satisfy its withholding obligations, if any, by withholding a number of Shares that become deliverable upon vesting under this Award.

(b) Unless the tax withholding obligations of the Company, if any, are satisfied, the Company shall have no obligation to issue a certificate for such Shares or release such Shares.

14. Notices. Any notices provided for in your Award or the Plan shall be given in writing and shall be delivered by hand or sent by overnight courier, certified or registered mail, return receipt requested, postage prepaid, or electronic mail and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

15. Miscellaneous.

- (a) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Committee to carry out the purposes or intent of this Award.
- (b) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.
- (c) The waiver by either party of compliance with any provision of the Award by the other party shall not operate or be construed as a waiver of any other provision of the Award, or of any subsequent breach by such party of a provision of the Award.

16. Governing Plan Document. Your Award is subject to all interpretations, amendments, rules and regulations that may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of the Plan and any other document, the provisions of the Plan shall control.

17. Data Privacy Notification. *You are hereby notified of the collection, use and transfer, in electronic or other form, of your personal data as described in this Agreement, any other Award materials and the Company's Employee Personal Information Privacy Notice or Employee Privacy Notice and Consent Form, as applicable (the "Privacy Notice"), which is viewable at https://intranet.cbre.com/Sites/EMEA-DataPrivacy/en-GB/Documents/MASTER_Employee_Privacy_notice.pdf. Such personal data may be collected, used and transferred by and among, as applicable, the Company, the Company Group and any third parties assisting (presently or in the future) with the implementation, administration and management of the Plan, such as Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), or its successor, for the exclusive purpose of implementing, administering and managing your participation in the Plan. The Company's basis for the processing and transfer of the data is described in the Company's Privacy Notice. Where required under applicable law, personal data also may be disclosed to certain securities or other regulatory authorities where the Company's shares are listed or traded or regulatory filings are made, or to certain tax authorities for compliance with the Company's, the Employer's and/or your tax obligations. You understand that the collection, use and transfer of your personal data is mandatory for compliance with applicable law and necessary for the performance of the Plan and that your refusal to provide such personal data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the Plan.*

18. Appendices. Notwithstanding any provisions in this Agreement, if you reside in a country outside the United States or are otherwise subject to the laws of a country other than the United States, the Award shall be subject to the additional terms and conditions set forth in Appendix A to this Agreement and to any special terms and provisions (if any) as set forth in Appendix B for your country. Moreover, if you relocate outside the U.S., the special terms and conditions in Appendix A (applicable to all non-U.S. countries) and in Appendix B (applicable to your specific country) will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A and Appendix B constitute part of this Agreement.

19. Imposition of Other Requirements. The Company reserves the right to impose other requirements on your participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Grant Date:

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APPENDIX A

TO

RESTRICTED STOCK UNIT AGREEMENT

PROVISIONS APPLICABLE TO NON-U.S. COUNTRIES

This Appendix A includes additional terms and conditions that govern the Award granted to you under the Plan if you are a Participant and reside and/or work in a country outside the United States of America (or later relocate to such a country). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan and/or the Agreement to which this Appendix A is attached.

Nature of Grant. In accepting the grant of the Award, you acknowledge, understand and agree that:

- a. the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- b. the grant of the Award is exceptional, voluntary and occasional;
- c. all decisions with respect to future Units or other grants, if any, will be at the sole discretion of the Company;
- d. you are voluntarily participating in the Plan;
- e. the Award and any Shares subject to the Award, and the income and value of same, are not intended to replace any pension rights or compensation;
- f. unless otherwise expressly agreed in a writing by you with the Company, the Award and the Shares subject to the Award, and the income and value of same, are not granted as consideration for, or in connection with, the service you may provide as a director of a Subsidiary or Affiliate;
- g. the Award and any Shares subject to the Award, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, pension or retirement or welfare benefits or similar mandatory payments;
- h. the future value of the Shares underlying the Award is unknown, indeterminable, and cannot be predicted with certainty;

Grant Date:

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i. no claim or entitlement to compensation shall arise from forfeiture of the Award resulting from the termination of your Continuous Service as provided for in the Plan or in the Agreement;

j. for purposes of the Award, and unless otherwise expressly provided in the Plan, the Agreement or determined by the Company, your Continuous Service will be considered terminated as of the date you are no longer actively providing services to the Company or any Parent, Subsidiary or Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and unless otherwise expressly provided in the Plan, the Agreement or determined by the Company, your right to vest in the Award under the Plan, if any, will terminate as of such date and will not be extended by any notice period (*e.g.*, your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); the Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Award (including whether you may still be considered to be providing services while on a leave of absence);

k. unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by the Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; and

l. neither the Company nor any Parent, Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Award or of any amounts due to you pursuant to the settlement of the Award or the subsequent sale of any Shares acquired upon settlement.

Responsibility for Taxes. The following provisions supplement Section 13 of the Agreement:

You acknowledge that, regardless of any action taken by the Company or, if different, your employer (the “Employer”), the ultimate liability for all income tax, social insurance contributions, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you (“Tax-Related Items”) is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any applicable taxable or tax withholding event, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by any of the methods referred to in Section 13(a) of the Agreement. In addition, you authorize withholding from proceeds of the sale of Shares acquired upon settlement of the Award either through a voluntary sale, through a mandatory sale, through a “withhold to cover” program or any other scheme or program, in each case, arranged by the Company (on your behalf pursuant to this authorization without further consent by you).

The Company may withhold Shares otherwise deliverable under the Award for Tax-Related Items solely by considering applicable minimum statutory withholding amounts. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, if requested by the Company, you agree to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described.

Language. You acknowledge that you are proficient in the English language and understand, or have consulted with an advisor who is proficient in the English language so as to enable you to understand, the provisions of the Agreement and the Plan. If you have received the Agreement or any other document related to the Plan translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

APPENDIX B

TO

RESTRICTED STOCK UNIT AGREEMENT

COUNTRY-SPECIFIC PROVISIONS

This Appendix B includes additional terms and conditions that govern the Award granted to you under the Plan if you are a Participant and reside and/or work in one of the countries listed herein. If you are a citizen or resident of a country other than the one in which you currently are working and/or residing (or if you are considered as such for local law purposes), or if you transfer or relocate employment or residence to another country after the Grant Date, the Company, in its discretion, will determine the extent to which the terms and conditions herein will be applicable to you.

This Appendix B also includes information regarding securities and other laws of which you should be aware with respect to your participation in the Plan. The information is based on laws in effect in the respective countries as of February 2019. Such laws are often complex and change frequently. As a result, you should not rely on the information noted herein as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date by the time you vest in the Award or sell the Shares acquired under the Plan. In addition, the information noted herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the applicable laws may apply to your situation. That is your responsibility, and not the Company's.

If you are a citizen or resident of a country other than the one in which you currently are working and/or residing (or if you are considered as such for local law purposes), or if you transfer employment or residence to another country after the Grant Date, the information noted herein may not be applicable to you in the same manner.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan, the Agreement and/or the Appendix A which this Appendix B follows.

Australia

Australian Offer Document. This Award is intended to comply with the provisions of the Corporations Act 2001, ASIC Regulatory Guide 49 and ASIC Class Order CO 14/1000. Additional details are set forth in the Australian Offer Document, which you acknowledge has been provided to you with this Agreement.

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Grant Date:

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Tax Information. Subdivision 83A-C of the Income Tax Assessment Act, 1997, applies to Awards granted under the Plan, such that the Award is intended to be subject to deferred taxation.

Austria

No country-specific provisions.

Belgium

No country-specific provisions.

Canada

Form of Settlement. Notwithstanding any discretion contained in Section 10(f) of the Plan or anything to the contrary in the Agreement, the Award shall be settled in Shares only.

Securities Law Notice. You are permitted to sell Shares acquired upon the vesting and settlement of the Award through the designated broker appointed under the Plan, if any, provided the resale of Shares acquired under the Plan takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed. The Shares are currently listed on the New York Stock Exchange (“NYSE”).

The following provisions apply if you are a resident of Quebec:

Language Consent. The parties acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de la Convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Authorization to Release and Transfer Necessary Personal Information. The following provision supplements Section 17 of the Agreement:

You hereby authorize the Company (including any Parent, Subsidiary or Affiliate) and the Company’s representatives to discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the Plan. You further authorize the Company, the Employer and any Parent, Subsidiary or Affiliate and the administrator of the Plan (including Merrill Lynch or any other stock plan service provider) to disclose and discuss the Plan with their advisors. You further authorize the Company, the Employer and any Parent, Subsidiary or Affiliate to record such information and to keep such information in your employee file.

China

The following provisions apply only to Participants who are PRC nationals, unless otherwise determined by the Company or required by the PRC State Administration of Foreign Exchange (“SAFE”).

Mandatory Sale Restriction. To facilitate compliance with local regulatory requirements, you agree to the sale of any Shares to be issued to you under the Plan, including by the Company on your behalf if the Company so determines. The sale will occur, at the Company’s election: (i) immediately upon vesting, (ii) following your termination of Continuous Service, or (iii) within any other time frame as the Company determines to be necessary to comply with local regulatory requirements. You further agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such shares (on your behalf pursuant to this authorization) and you expressly authorize the Company’s designated broker to complete the sale of such shares. You acknowledge that the designated broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the Company agrees to pay you the cash proceeds from the sale, less any brokerage fees or commissions and subject to any obligation to satisfy Tax-Related Items. You agree that the payment of the cash proceeds will be subject to the repatriation requirements described below.

You further agree that any Shares to be issued to you shall be deposited directly into an account with the designated broker. The deposited Shares shall not be transferable (either electronically or in certificate form) from the brokerage account. This limitation shall apply both to transfers to different accounts with the same broker and to transfers to other brokerage firms. The limitation shall apply to all Shares issued to you under the Plan, whether or not you continue to be employed by the Company Group. If you sell Shares that you acquire under the Plan, the repatriation requirements described below shall apply.

Exchange Control Restrictions. By participating in the Plan, you understand and agree that, if you are subject to exchange control laws in China, you will be required to immediately repatriate to China the proceeds from the sale of any Shares acquired under the Plan. You further understand that such repatriation of the proceeds may need to be effected through a special exchange control account established by the Company, the Employer or a Subsidiary or Affiliate, and you hereby consent and agree that the proceeds from the sale of Shares acquired under the Plan may be transferred to such account by the Company (or its designated broker) on your behalf prior to being delivered to you. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by the Company (or its designated broker) to effectuate such transfers.

Czech Republic

No country-specific provisions.

France

Language Consent. By accepting the grant, you confirm having read and understood the Plan and Agreement which were provided in the English language. You accept the terms of those documents accordingly.

En acceptant l'attribution, vous confirmez avoir lu et compris le Plan et l'Accord, qui ont été fournis en langue anglaise. Vous acceptez les termes de ces documents en connaissance de cause.

Germany

No country-specific provisions.

Hong Kong

Sale Restriction. Shares received at vesting are accepted as a personal investment. In the event that the Award vests and Shares are issued to you (or your heirs) within six (6) months of the Grant Date, you (or your heirs) agree that the Shares will not be offered to the public or otherwise disposed of prior to the six (6)-month anniversary of the Grant Date.

Securities Law Notice. *WARNING:* The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You should exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. Neither the grant of the Award nor the issuance of Shares upon vesting and settlement of the Award constitutes a public offering of securities under Hong Kong law and are available only to Participants. The Agreement, the Plan and other incidental communication materials distributed in connection with the Award (i) have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong and (ii) are intended only for the personal use of each Participant and may not be distributed to any other person.

India

No country-specific provisions.

Ireland

No country-specific provisions.

Italy

Acknowledgement of Terms. You acknowledge that by accepting this Award, you have been given access to the Plan document, have reviewed the Plan and this Agreement in their entirety, and fully understand and accept all provisions of the Plan and this Agreement. Further you specifically and expressly approve the following sections of this Agreement: (i) Section 4 – Vesting; (ii) Section 6 – Issuance and Certificates; (iii) Section 11 – Award Not a Service Contract and No Entitlement to Future Grants; (iv) Section 13 – Withholding Obligations (including the Responsibility for Taxes section in Appendix A which supplements Section 13); (v) Section 16 – Governing Plan Document; and (vi) the Nature of Grant section in Appendix A.

Japan

No country-specific provisions.

Netherlands

No country-specific provisions.

New Zealand

Securities Law Notice.

Warning

This is an offer of rights to receive Shares underlying the Award. Shares give you a stake in the ownership of the Company. Shares are quoted on the NYSE. This means you may be able to sell them on the NYSE if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share scheme. As a result, you may not be given all the information usually required. You also will have fewer other legal protections for this investment.

In compliance with applicable New Zealand securities laws, you are entitled to receive, in electronic or other form and free of cost, copies of the Company's latest annual report, relevant financial statements and the auditor's report on said financial statements (if any).

You should ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

Norway

No country-specific provisions.

Poland

No country-specific provisions.

Portugal

Language Consent. You hereby expressly declare that you have full knowledge of the English language and have read, understood and fully accepted and agreed with the terms and conditions established in the Plan and the Agreement.

Conhecimento da Língua. *Você expressamente declara ter pleno conhecimento do idioma inglês e ter lido, entendido e totalmente aceito e concordou com os termos e condições estabelecidas no plano e no acordo.*

Puerto Rico

No country-specific provisions.

Romania

No country-specific provisions.

Russia

U.S. Transaction and Sale Restrictions. You understand that your acceptance of the Award results in a contract between you and the Company that is completed in the United States and that the Plan is governed by the laws of the State of Delaware, without regard to its conflict of law provisions. Further, any Shares to be issued to you upon vesting and settlement of the Award shall be delivered to you through a bank or brokerage account in the United States. You are not permitted to sell or otherwise transfer the Shares directly to individuals or legal entities in Russia, nor are you permitted to bring any certificates representing the Shares into Russia.

Securities Law Notice. This Agreement, the Plan and all other materials you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of securities pursuant to the Plan has not and will not be registered in Russia; hence, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia.

Singapore

Sale Restriction. You agree that any Shares issued to you upon vesting and settlement of the Award will not be offered for sale or sold in Singapore prior to the six (6)-month anniversary of the Grant Date, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("**SFA**") or pursuant to, and in accordance with the conditions of, any other applicable provision(s) of the SFA.

Securities Law Notice. The Award is being made to you in reliance on the "Qualifying Person" exemption under section 273(1)(f) of the SFA and is not being made with the view to the underlying Shares being subsequently offered for sale to any other party. The Plan has not been nor will it be lodged or registered as a prospectus with the Monetary Authority of Singapore.

Chief Executive Officer and Director Notification Obligation. If you are the Chief Executive Officer ("**CEO**") or a director (including an alternate, substitute, or shadow director) of the Company's Singapore Subsidiary or Affiliate, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Company's Singapore Subsidiary or Affiliate in writing when you receive an interest (e.g., an Award or Shares) in the Company or any Parent, Subsidiary or Affiliate. In addition, you must notify the Company's Singapore Subsidiary or Affiliate when you sell Shares or shares of any Parent, Subsidiary or Affiliate (including when you sell Shares issued upon vesting and settlement of the Award). These notifications must be made within a prescribed period of time from acquiring or disposing of any interest in the Company or any Parent, Subsidiary or Affiliate. In addition, a notification of your interests in the Company or any Parent, Subsidiary or Affiliate must be made within a prescribed period of time from becoming the CEO or a director.

Slovakia

No country-specific provisions.

South Korea

No country-specific provisions.

Spain

Labor Law Acknowledgment. The following provision supplements the Nature of Grant section in Appendix A:

By accepting the Award, you acknowledge that you understand and agree that you consent to participation in the Plan and that you have received a copy of the Plan.

You further understand that the Company has unilaterally, gratuitously and in its sole discretion decided to grant Awards under the Plan to employees of the Company or any Parent, Subsidiary or Affiliate throughout the world. The decision to grant the Awards is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Parent, Subsidiary or Affiliate on an ongoing basis other than as set forth in this Agreement. Consequently, you understand that any grant is given on the assumption and condition that it shall not become a part of any employment contract (either with the Company or any Parent, Subsidiary or Affiliate) and shall not be considered a mandatory benefit, salary for any purpose (including severance compensation) or any other right whatsoever. Further, you understand and freely accept that there is no guarantee that any benefit shall arise from any gratuitous and discretionary grant since the future value of the Shares is unknown and unpredictable.

Additionally, you understand that the vesting and settlement of the Award is expressly conditioned on your continued and active rendering of service to the Employer such that if your Continuous Service terminates for any reason other than as expressly provided in Section 4 of the Agreement, your Award will cease vesting immediately effective as of the date of termination of your Continuous Service. This will be the case, for example, even if (1) you are considered to be unfairly dismissed without good cause (*i.e.*, subject to a “*despido improcedente*”); (2) you are dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) you terminate Continuous Service due to a change of work location, duties or any other employment or contractual condition; (4) you terminate Continuous Service due to the Company’s or any Parent’s, Subsidiary’s or Affiliate’s unilateral breach of contract; or (5) your Continuous Service terminates for any other reason whatsoever, in each case other than as expressly provided in Section 4 of the Agreement. Consequently, upon termination of your Continuous Service for any of the above reasons, you will automatically lose any rights to Awards granted to you that were unvested on the date of termination of your Continuous Service, as described in the Agreement.

Finally, you understand that this grant would not be made to you but for the assumptions and conditions referred to herein; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of an Award shall be null and void.

Securities Law Notice. No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the offer of the Award. The Agreement has not been nor will it be registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

Sweden

No country-specific provisions.

Grant Date:

016790-0010-17195-Active.29478070.7

Switzerland

Securities Law Notice. The Award is considered a private offering in Switzerland and is therefore not subject to securities registration in Switzerland. Neither this document nor any other materials relating to the Award (a) constitutes a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, (b) may be publicly distributed or otherwise made publicly available in Switzerland or (c) has been or will be filed with, approved by or supervised by any Swiss regulatory authority (*e.g.*, the Swiss Financial Market Supervisory Authority).

Taiwan

Securities Law Notice. The Award and the Shares to be issued pursuant to the Plan are available only for Participants. The Award is not a public offer of securities by a Taiwanese company.

United Kingdom

Tax Acknowledgment. The following provisions supplement Section 13 of the Agreement as further supplemented by the Responsibility for Taxes section in Appendix A:

Without limitation to Section 13 of the Agreement and the Responsibility for Taxes section in Appendix A, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items as and when requested by the Company or the Employer or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax or other relevant authority). You also agree to indemnify and keep indemnified the Company and the Employer against any taxes or other amounts that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax or other relevant authority) on your behalf.

Notwithstanding the foregoing, if you are a director or an executive officer (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In such case, if the amount of any income tax due is not collected from or paid by you within ninety (90) days of the end of the U.K. tax year (April 6 - April 5) in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to you on which additional income tax and national insurance contributions ("NICs") may be payable. You understand and agree that you will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) for the value of any employee NICs due on this additional benefit, which the Company or the Employer may recover from you by any of the means referred to in the Plan or the Agreement.

CBRE Group, Inc.
2019 Equity Incentive Plan
Restricted Stock Units
Grant Notice

CBRE Group, Inc. (the “Company”), pursuant to its 2019 Equity Incentive Plan (the “Plan”), hereby grants to the “Participant” identified below an award (the “Award”) of that number of Restricted Stock Units set forth below (the “Units”). In general, each Unit is the right to receive one (1) share of the Company’s Class A Common Stock (the “Shares”) at the time such Unit vests. This Award is subject to all of the terms and conditions set forth herein and in the Restricted Stock Unit Agreement (the “Agreement”) and the Plan (collectively, the “Award Documents”), both of which are attached hereto and incorporated herein in their entirety.

Grant Date:

Vesting Commencement Date:

Number of Units Subject to Award:

See “Number Available to Accept” field on Merrill Lynch’s “award acceptance” page (as available upon your acceptance of the terms of this Agreement).

Vesting Schedule:

Subject to Section 4 of the Agreement, one-fourth (1/4th) of the Units subject to the Award shall vest on each anniversary of the Vesting Commencement Date over a period of four (4) years.

Consideration:

No payment is required for the Shares, although payment may be required for the amount of any withholding taxes due as a result of the delivery of the Shares as described in greater detail in the Agreement.

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of the Award Documents and the Plan’s Prospectus, and understands and agrees to the terms set forth in the Award Documents. Participant acknowledges that he or she is accepting the Award by electronic means and that such electronic acceptance constitutes Participant’s agreement to be bound by all of the terms and conditions of the Award Documents. By accepting the Award, Participant consents to receive any documents related to participation in the Plan and the Award by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Participant also acknowledges that this Grant Notice must be returned to the Company (including through electronic means). Participant further acknowledges that as of the Grant Date, the Award Documents set forth the entire understanding between Participant and the Company regarding the acquisition of Units and Shares and supersede all prior oral and written agreements on that subject with the exception of (i) Awards previously granted and delivered to Participant under the Plan, and (ii) the following agreements only, if any:

Other Agreements:

Attachments:

- I. Restricted Stock Unit Agreement
- II. CBRE Group, Inc. 2019 Equity Incentive Plan

CBRE Group, Inc.
2019 Equity Incentive Plan
Restricted Stock Unit Agreement

Pursuant to the provisions of the Company's 2019 Equity Incentive Plan ("Plan"), the terms of the Grant Notice to which this Restricted Stock Unit Agreement is attached ("Grant Notice") and this Restricted Stock Unit Agreement (the "Agreement"), CBRE Group, Inc. (the "Company") grants you that number of Restricted Stock Units (the "Units") as set forth in the Grant Notice as of the date specified in the Grant Notice ("Grant Date"). Defined terms not explicitly defined in this Agreement or in the Grant Notice but defined in the Plan shall have the same definitions as in the Plan.

The details of your Award are as follows:

- 1. The Award.** The Company hereby awards to you the aggregate number of Units specified in your Grant Notice. Each Unit is the right to receive one (1) share of the Company's Class A Common Stock (the "Shares") on the Vesting Date (as defined below). The Units and the Shares are awarded to you in consideration for your continued service to the Company or its Subsidiaries and Affiliates (the "Company Group").
- 2. Documentation.** As a condition to the award of the Units and the Shares, you agree to execute the Grant Notice and to deliver the same to the Company (including through electronic means), along with such additional documents as the Committee may require, within the time period prescribed by the Company or else this Award shall be forfeited without consideration. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and the Award by electronic means or request your consent to participate in the Plan by electronic means. By accepting the Award, you consent to receive such documents by electronic delivery and agree to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company.
- 3. Consideration For The Award.** No cash payment is required for the Units or the Shares, although you may be required to tender payment in cash or other acceptable form of consideration for the amount of any withholding taxes due as a result of delivery of the Shares.
- 4. Vesting.** Except as otherwise specified in this Agreement and the Plan, the Units will vest as provided in the Grant Notice (the "Vesting Date"). Any Units which have not vested as of the date of your termination of Continuous Service shall thereupon be forfeited immediately and without any further action by the Company, except as otherwise directed by the Committee; *provided*, that:

 - (a)** If your Continuous Service terminates due to your death or Disability after the Vesting Commencement Date, the following number of unvested Units automatically will become vested:

(i) If such termination occurs within twelve (12) months following the Vesting Commencement Date, the number of unvested Units that will become vested will be equal to (x) the number of days that have elapsed from the Vesting Commencement Date through the date of your termination of Continuous Service divided by three hundred sixty-five (365), multiplied by (y) the number of Units subject to your Award, rounded down to the nearest whole Unit, and such vesting will occur as of the date of your termination of Continuous Service (and such date will be deemed to be the “Vesting Date” for purposes of such Units); or

(ii) If such termination occurs more than twelve (12) months following the Vesting Commencement Date, the number of unvested Units that will become vested will be equal to all of the unvested Units subject to your Award, and such vesting will occur as of the date of your termination of Continuous Service (and such date will be deemed to be the “Vesting Date” for purposes of such Units).

The Award will immediately terminate following such vesting and the issuance of Shares pursuant to Section 6 below.

(b) If, after the Vesting Commencement Date, your Continuous Service terminates due to your Retirement (as defined below), and (x) after such termination through the applicable Vesting Date you have at all times satisfied certain noncompetition, nonsolicitation and confidentiality conditions imposed by the Company (in its sole discretion) upon or promptly following such termination and (y) you provide the Company with a certification (in a form acceptable to the Company) that you have satisfied all such conditions during such period, the following number of unvested Units will continue to vest as provided in the Grant Notice:

(i) If such termination occurs on or following December 31 of the calendar year in which the Vesting Commencement Date occurs, the number of unvested Units that will continue to vest as provided in the Grant Notice will be equal to the number of unvested Units subject to your Award; or

(ii) If such termination occurs prior to December 31 of the calendar year in which the Vesting Commencement Date occurs, any Units which have not vested as of the date of such termination shall thereupon be forfeited immediately and without any further action by the Company, except as otherwise directed by the Committee.

(c) For purposes of this Award, “Retirement” means your voluntary termination following your attainment of age fifty-eight (58). If you are eligible to qualify for Retirement under this subsection, you must provide evidence to that effect to the Company (in a form acceptable to the Company) on or before your termination date.

With respect to the vesting of this Award, the provisions of this Section 4 shall apply and supersede the terms of any other plan, program or arrangement maintained by the Company or the Company Group or any other agreement between you and the Company or the Company Group.

5. Number of Shares and Purchase Price. The number of Shares subject to your Award may be adjusted from time to time pursuant to the provisions of Section 12 of the Plan.

6. Issuance and Certificates; Code Section 409A. The Company will deliver to you a number of Shares equal to the number of vested Units subject to your Award, including any additional Units received pursuant to Section 5 above that relate to such vested Units, as soon as reasonably practicable after the applicable Vesting Date, but in no event later than December 31 of the calendar year in which the applicable Vesting Date occurs. However, if a scheduled delivery date falls on a date that is not a business day, such delivery date shall instead fall on the next business day. Notwithstanding the foregoing, in the event that (i) you are subject to the Company's policy permitting officers and directors to sell Shares only during certain "window periods," as in effect from time to time (the "Policy"), or you are otherwise prohibited from selling Shares in the open market, and any Shares subject to your Award are scheduled to be delivered on a day (the "Original Distribution Date") that does not occur during an open "window period" applicable to you or a day on which you are permitted to sell Shares pursuant to a written plan that meets the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as determined by the Company in accordance with the Policy, or does not occur on a date when you are otherwise permitted to sell Shares in the open market, and (ii) the Company elects not to satisfy its tax withholding obligations by withholding Shares from your distribution, then such Shares shall not be delivered on such Original Distribution Date and shall instead be delivered on the first business day of the next occurring open "window period" applicable to you pursuant to the Policy (regardless of whether you are still providing Continuous Service at such time) or the next business day when you are not prohibited from selling Shares in the open market, but in no event later than December 31 of the calendar year in which the applicable Vesting Date occurs.

There are no certificates evidencing the Units. Certificates evidencing the Shares to be delivered pursuant to this Agreement may be issued by the Company and registered in your name.

7. Transfer Restrictions. The Units are non-transferable. Shares that are received under your Award are subject to the transfer restrictions set forth in the Plan and any transfer restrictions that may be described in the Company's bylaws or charter or insider trading policies in effect at the time of the contemplated transfer.

8. No Rights as a Stockholder. A Unit (i) does not represent an equity interest in the Company, and (ii) carries no voting, dividend or dividend equivalent rights. You will not have an equity interest in the Company or any of such shareholder rights, unless and until the Shares are delivered to you in accordance with this Agreement.

9. Securities Laws. Upon the delivery of the Shares, you will make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement. Notwithstanding any other provision of the Plan or this Agreement to the contrary, unless there is an available exemption from such registration, qualification or other legal requirements, Units may not be converted into Shares prior to the completion of any registration or qualification of the Units or the Shares that is required to comply with applicable state and federal securities or any ruling or regulation of any governmental body or national securities exchange or compliance with any other applicable federal, state or foreign law that the Committee shall in its sole discretion determine in good faith to be necessary or advisable.

10. Legends on Certificates. The certificates representing the Shares delivered to you as contemplated by this Agreement shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed, and any applicable Federal or state laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

11. Award Not A Service Contract and No Entitlement to Future Grants . Your Award is not an employment or service contract, and nothing in your Award shall be deemed to create in any way whatsoever any obligation or right to continued employment or service with or to the Company Group. In addition, nothing in your Award shall obligate the Company, its stockholders, its Board or employees to continue any relationship that you might have as a member of the Board, as an employee or as any other type of service provider for the Company. You acknowledge and agree that this Award was granted in the Committee's discretion and that neither the grant of this Award nor the issuance of any Shares pursuant to this Award creates any entitlement to or expectation of any future grant of Units or any future benefits in lieu of Units.

12. Tax Consequences. You are responsible for any taxes due in connection with your receipt of this Award, including the vesting of such Award and delivery of Shares, and for declaring the Award to the relevant tax authority to which you are subject, if required.

13. Withholding Obligations.

(a) At the time your Award is made, or at any time thereafter as requested by the Company, you hereby authorize the Company to satisfy its withholding obligations, if any, from payroll and any other amounts payable to you (or, in the Company's discretion, from Shares that become deliverable upon vesting under this Award), and otherwise agree to make adequate provision for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company, if any, which arise in connection with the grant of or vesting of your Award or the delivery of Shares under the Award. Notwithstanding the foregoing, if you are a Section 16 officer of the Company under the Exchange Act, the Company will satisfy its withholding obligations, if any, by withholding a number of Shares that become deliverable upon vesting under this Award.

(b) Unless the tax withholding obligations of the Company, if any, are satisfied, the Company shall have no obligation to issue a certificate for such Shares or release such Shares.

14. Notices. Any notices provided for in your Award or the Plan shall be given in writing and shall be delivered by hand or sent by overnight courier, certified or registered mail, return receipt requested, postage prepaid, or electronic mail and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

15. Miscellaneous.

- (a) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Committee to carry out the purposes or intent of this Award.
- (b) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.
- (c) The waiver by either party of compliance with any provision of the Award by the other party shall not operate or be construed as a waiver of any other provision of the Award, or of any subsequent breach by such party of a provision of the Award.

16. Governing Plan Document. Your Award is subject to all interpretations, amendments, rules and regulations that may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of the Plan and any other document, the provisions of the Plan shall control.

17. Data Privacy Notification. *You are hereby notified of the collection, use and transfer, in electronic or other form, of your personal data as described in this Agreement, any other Award materials and the Company's Employee Personal Information Privacy Notice or Employee Privacy Notice and Consent Form, as applicable (the "Privacy Notice"), which is viewable at https://intranet.cbre.com/Sites/EMEA-DataPrivacy/en-GB/Documents/MASTER_Employee_Privacy_notice.pdf. Such personal data may be collected, used and transferred by and among, as applicable, the Company, the Company Group and any third parties assisting (presently or in the future) with the implementation, administration and management of the Plan, such as Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), or its successor, for the exclusive purpose of implementing, administering and managing your participation in the Plan. The Company's basis for the processing and transfer of the data is described in the Company's Privacy Notice. Where required under applicable law, personal data also may be disclosed to certain securities or other regulatory authorities where the Company's shares are listed or traded or regulatory filings are made, or to certain tax authorities for compliance with the Company's, the Employer's and/or your tax obligations. You understand that the collection, use and transfer of your personal data is mandatory for compliance with applicable law and necessary for the performance of the Plan and that your refusal to provide such personal data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the Plan.*

18. Appendices. Notwithstanding any provisions in this Agreement, if you reside in a country outside the United States or are otherwise subject to the laws of a country other than the United States, the Award shall be subject to the additional terms and conditions set forth in Appendix A to this Agreement and to any special terms and provisions (if any) as set forth in Appendix B for your country. Moreover, if you relocate outside the U.S., the special terms and conditions in Appendix A (applicable to all non-U.S. countries) and in Appendix B (applicable to your specific country) will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A and Appendix B constitute part of this Agreement.

19. Imposition of Other Requirements. The Company reserves the right to impose other requirements on your participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Grant Date:

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Appendix A
to
Restricted Stock Unit Agreement
Provisions Applicable to Non-U.S. Countries

This Appendix A includes additional terms and conditions that govern the Award granted to you under the Plan if you are a Participant and reside and/or work in a country outside the United States of America (or later relocate to such a country). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan and/or the Agreement to which this Appendix A is attached.

Nature of Grant. In accepting the grant of the Award, you acknowledge, understand and agree that:

- a. the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- b. the grant of the Award is exceptional, voluntary and occasional;
- c. all decisions with respect to future Units or other grants, if any, will be at the sole discretion of the Company;
- d. you are voluntarily participating in the Plan;
- e. the Award and any Shares subject to the Award, and the income and value of same, are not intended to replace any pension rights or compensation;
- f. unless otherwise expressly agreed in a writing by you with the Company, the Award and the Shares subject to the Award, and the income and value of same, are not granted as consideration for, or in connection with, the service you may provide as a director of a Subsidiary or Affiliate;
- g. the Award and any Shares subject to the Award, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, pension or retirement or welfare benefits or similar mandatory payments;
- h. the future value of the Shares underlying the Award is unknown, indeterminable, and cannot be predicted with certainty;
- i. no claim or entitlement to compensation shall arise from forfeiture of the Award resulting from the termination of your Continuous Service as provided for in the Plan or in the Agreement;

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j. for purposes of the Award, and unless otherwise expressly provided in the Plan, the Agreement or determined by the Company, your Continuous Service will be considered terminated as of the date you are no longer actively providing services to the Company or any Parent, Subsidiary or Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and unless otherwise expressly provided in the Plan, the Agreement or determined by the Company, your right to vest in the Award under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); the Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Award (including whether you may still be considered to be providing services while on a leave of absence);

k. unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by the Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; and

l. neither the Company nor any Parent, Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Award or of any amounts due to you pursuant to the settlement of the Award or the subsequent sale of any Shares acquired upon settlement.

Responsibility for Taxes. The following provisions supplement Section 13 of the Agreement:

You acknowledge that, regardless of any action taken by the Company or, if different, your employer (the “Employer”), the ultimate liability for all income tax, social insurance contributions, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you (“Tax-Related Items”) is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any applicable taxable or tax withholding event, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by any of the methods referred to in Section 13(a) of the Agreement. In addition, you authorize withholding from proceeds of the sale of Shares acquired upon settlement of the Award either through a voluntary sale, through a mandatory sale, through a “withhold to cover” program or any other scheme or program, in each case, arranged by the Company (on your behalf pursuant to this authorization without further consent by you).

The Company may withhold Shares otherwise deliverable under the Award for Tax-Related Items solely by considering applicable minimum statutory withholding amounts. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, if requested by the Company, you agree to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described.

Language. You acknowledge that you are proficient in the English language and understand, or have consulted with an advisor who is proficient in the English language so as to enable you to understand, the provisions of the Agreement and the Plan. If you have received the Agreement or any other document related to the Plan translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

Grant Date:

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Appendix B
to
Restricted Stock Unit Agreement
Country-Specific Provisions

This Appendix B includes additional terms and conditions that govern the Award granted to you under the Plan if you are a Participant and reside and/or work in one of the countries listed herein. If you are a citizen or resident of a country other than the one in which you currently are working and/or residing (or if you are considered as such for local law purposes), or if you transfer or relocate employment or residence to another country after the Grant Date, the Company, in its discretion, will determine the extent to which the terms and conditions herein will be applicable to you.

This Appendix B also includes information regarding securities and other laws of which you should be aware with respect to your participation in the Plan. The information is based on laws in effect in the respective countries as of February 2019. Such laws are often complex and change frequently. As a result, you should not rely on the information noted herein as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date by the time you vest in the Award or sell the Shares acquired under the Plan. In addition, the information noted herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the applicable laws may apply to your situation. That is your responsibility, and not the Company's.

If you are a citizen or resident of a country other than the one in which you currently are working and/or residing (or if you are considered as such for local law purposes), or if you transfer employment or residence to another country after the Grant Date, the information noted herein may not be applicable to you in the same manner.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan, the Agreement and/or the Appendix A which this Appendix B follows.

Australia

Australian Offer Document. This Award is intended to comply with the provisions of the Corporations Act 2001, ASIC Regulatory Guide 49 and ASIC Class Order CO 14/1000. Additional details are set forth in the Australian Offer Document, which you acknowledge has been provided to you with this Agreement.

Tax Information. Subdivision 83A-C of the Income Tax Assessment Act, 1997, applies to Awards granted under the Plan, such that the Award is intended to be subject to deferred taxation.

Austria

No country-specific provisions.

Belgium

No country-specific provisions.

Canada

Form of Settlement. Notwithstanding any discretion contained in Section 10(f) of the Plan or anything to the contrary in the Agreement, the Award shall be settled in Shares only.

Securities Law Notice. You are permitted to sell Shares acquired upon the vesting and settlement of the Award through the designated broker appointed under the Plan, if any, provided the resale of Shares acquired under the Plan takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed. The Shares are currently listed on the New York Stock Exchange (“NYSE”).

The following provisions apply if you are a resident of Quebec:

Language Consent. The parties acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de la Convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Authorization to Release and Transfer Necessary Personal Information. The following provision supplements Section 17 of the Agreement:

You hereby authorize the Company (including any Parent, Subsidiary or Affiliate) and the Company’s representatives to discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the Plan. You further authorize the Company, the Employer and any Parent, Subsidiary or Affiliate and the administrator of the Plan (including Merrill Lynch or any other stock plan service provider) to disclose and discuss the Plan with their advisors. You further authorize the Company, the Employer and any Parent, Subsidiary or Affiliate to record such information and to keep such information in your employee file.

China

The following provisions apply only to Participants who are PRC nationals, unless otherwise determined by the Company or required by the PRC State Administration of Foreign Exchange (“SAFE”).

Mandatory Sale Restriction. To facilitate compliance with local regulatory requirements, you agree to the sale of any Shares to be issued to you under the Plan, including by the Company on your behalf if the Company so determines. The sale will occur, at the Company's election: (i) immediately upon vesting, (ii) following your termination of Continuous Service, or (iii) within any other time frame as the Company determines to be necessary to comply with local regulatory requirements. You further agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such shares (on your behalf pursuant to this authorization) and you expressly authorize the Company's designated broker to complete the sale of such shares. You acknowledge that the designated broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the Company agrees to pay you the cash proceeds from the sale, less any brokerage fees or commissions and subject to any obligation to satisfy Tax-Related Items. You agree that the payment of the cash proceeds will be subject to the repatriation requirements described below.

You further agree that any Shares to be issued to you shall be deposited directly into an account with the designated broker. The deposited Shares shall not be transferable (either electronically or in certificate form) from the brokerage account. This limitation shall apply both to transfers to different accounts with the same broker and to transfers to other brokerage firms. The limitation shall apply to all Shares issued to you under the Plan, whether or not you continue to be employed by the Company Group. If you sell Shares that you acquire under the Plan, the repatriation requirements described below shall apply.

Exchange Control Restrictions. By participating in the Plan, you understand and agree that, if you are subject to exchange control laws in China, you will be required to immediately repatriate to China the proceeds from the sale of any Shares acquired under the Plan. You further understand that such repatriation of the proceeds may need to be effected through a special exchange control account established by the Company, the Employer or a Subsidiary or Affiliate, and you hereby consent and agree that the proceeds from the sale of Shares acquired under the Plan may be transferred to such account by the Company (or its designated broker) on your behalf prior to being delivered to you. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by the Company (or its designated broker) to effectuate such transfers.

Czech Republic

No country-specific provisions.

France

Language Consent. By accepting the grant, you confirm having read and understood the Plan and Agreement which were provided in the English language. You accept the terms of those documents accordingly.

En acceptant l'attribution, vous confirmez avoir lu et compris le Plan et l'Accord, qui ont été fournis en langue anglaise. Vous acceptez les termes de ces documents en connaissance de cause.

Germany

No country-specific provisions.

Hong Kong

Sale Restriction. Shares received at vesting are accepted as a personal investment. In the event that the Award vests and Shares are issued to you (or your heirs) within six months of the Grant Date, you (or your heirs) agree that the Shares will not be offered to the public or otherwise disposed of prior to the six-month anniversary of the Grant Date.

Securities Law Notice. *WARNING:* The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You should exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. Neither the grant of the Award nor the issuance of Shares upon vesting and settlement of the Award constitutes a public offering of securities under Hong Kong law and are available only to Participants. The Agreement, the Plan and other incidental communication materials distributed in connection with the Award (i) have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong and (ii) are intended only for the personal use of each Participant and may not be distributed to any other person.

India

No country-specific provisions.

Ireland

No country-specific provisions.

Italy

Acknowledgement of Terms. You acknowledge that by accepting this Award, you have been given access to the Plan document, have reviewed the Plan and this Agreement in their entirety, and fully understand and accept all provisions of the Plan and this Agreement. Further you specifically and expressly approve the following sections of this Agreement: (i) Section 4 – Vesting; (ii) Section 6 – Issuance and Certificates; (iii) Section 11 – Award Not a Service Contract and No Entitlement to Future Grants; (iv) Section 13 – Withholding Obligations (including the Responsibility for Taxes section in Appendix A which supplements Section 13); (v) Section 16 – Governing Plan Document; and (vi) the Nature of Grant section in Appendix A.

Japan

No country-specific provisions.

Netherlands

No country-specific provisions.

New Zealand

Securities Law Notice.

Warning

This is an offer of rights to receive Shares underlying the Award. Shares give you a stake in the ownership of the Company. Shares are quoted on the NYSE. This means you may be able to sell them on the NYSE if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share scheme. As a result, you may not be given all the information usually required. You also will have fewer other legal protections for this investment.

In compliance with applicable New Zealand securities laws, you are entitled to receive, in electronic or other form and free of cost, copies of the Company's latest annual report, relevant financial statements and the auditor's report on said financial statements (if any).

You should ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

Norway

No country-specific provisions.

Poland

No country-specific provisions.

Portugal

Language Consent. You hereby expressly declare that you have full knowledge of the English language and have read, understood and fully accepted and agreed with the terms and conditions established in the Plan and the Agreement.

Conhecimento da Língua. *Você expressamente declara ter pleno conhecimento do idioma inglês e ter lido, entendido e totalmente aceito e concordou com os termos e condições estabelecidas no plano e no acordo.*

Puerto Rico

No country-specific provisions.

Romania

No country-specific provisions.

Russia

U.S. Transaction and Sale Restrictions. You understand that your acceptance of the Award results in a contract between you and the Company that is completed in the United States and that the Plan is governed by the laws of the State of Delaware, without regard to its conflict of law provisions. Further, any Shares to be issued to you upon vesting and settlement of the Award shall be delivered to you through a bank or brokerage account in the United States. You are not permitted to sell or otherwise transfer the Shares directly to individuals or legal entities in Russia, nor are you permitted to bring any certificates representing the Shares into Russia.

Securities Law Notice. This Agreement, the Plan and all other materials you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of securities pursuant to the Plan has not and will not be registered in Russia; hence, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia.

Singapore

Sale Restriction. You agree that any Shares issued to you upon vesting and settlement of the Award will not be offered for sale or sold in Singapore prior to the six-month anniversary of the Grant Date, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("**SFA**") or pursuant to, and in accordance with the conditions of, any other applicable provision(s) of the SFA.

Securities Law Notice. The Award is being made to you in reliance on the "Qualifying Person" exemption under section 273(1)(f) of the SFA and is not being made with the view to the underlying Shares being subsequently offered for sale to any other party. The Plan has not been nor will it be lodged or registered as a prospectus with the Monetary Authority of Singapore.

Chief Executive Officer and Director Notification Obligation. If you are the Chief Executive Officer ("**CEO**") or a director (including an alternate, substitute, or shadow director) of the Company's Singapore Subsidiary or Affiliate, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Company's Singapore Subsidiary or Affiliate in writing when you receive an interest (*e.g.*, an Award or Shares) in the Company or any Parent, Subsidiary or Affiliate. In addition, you must notify the Company's Singapore Subsidiary or Affiliate when you sell Shares or shares of any Parent, Subsidiary or Affiliate (including when you sell Shares issued upon vesting and settlement of the Award). These notifications must be made within a prescribed period of time from acquiring or disposing of any interest in the Company or any Parent, Subsidiary or Affiliate. In addition, a notification of your interests in the Company or any Parent, Subsidiary or Affiliate must be made within a prescribed period of time from becoming the CEO or a director.

Slovakia

No country-specific provisions.

South Korea

No country-specific provisions.

Spain

Labor Law Acknowledgment. The following provision supplements the Nature of Grant section in Appendix A:

By accepting the Award, you acknowledge that you understand and agree that you consent to participation in the Plan and that you have received a copy of the Plan.

You further understand that the Company has unilaterally, gratuitously and in its sole discretion decided to grant Awards under the Plan to employees of the Company or any Parent, Subsidiary or Affiliate throughout the world. The decision to grant the Awards is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Parent, Subsidiary or Affiliate on an ongoing basis other than as set forth in this Agreement. Consequently, you understand that any grant is given on the assumption and condition that it shall not become a part of any employment contract (either with the Company or any Parent, Subsidiary or Affiliate) and shall not be considered a mandatory benefit, salary for any purpose (including severance compensation) or any other right whatsoever. Further, you understand and freely accept that there is no guarantee that any benefit shall arise from any gratuitous and discretionary grant since the future value of the Shares is unknown and unpredictable.

Additionally, you understand that the vesting and settlement of the Award is expressly conditioned on your continued and active rendering of service to the Employer such that if your Continuous Service terminates for any reason other than as expressly provided in Section 4 of the Agreement, your Award will cease vesting immediately effective as of the date of termination of your Continuous Service. This will be the case, for example, even if (1) you are considered to be unfairly dismissed without good cause (*i.e.*, subject to a “*despido improcedente*”); (2) you are dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) you terminate Continuous Service due to a change of work location, duties or any other employment or contractual condition; (4) you terminate Continuous Service due to the Company’s or any Parent’s, Subsidiary’s or Affiliate’s unilateral breach of contract; or (5) your Continuous Service terminates for any other reason whatsoever, in each case other than as expressly provided in Section 4 of the Agreement. Consequently, upon termination of your Continuous Service for any of the above reasons, you will automatically lose any rights to Awards granted to you that were unvested on the date of termination of your Continuous Service, as described in the Agreement.

Finally, you understand that this grant would not be made to you but for the assumptions and conditions referred to herein; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of an Award shall be null and void.

Securities Law Notice. No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the offer of the Award. The Agreement has not been nor will it be registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

Sweden

No country-specific provisions.

Switzerland

Securities Law Notice. The Award is considered a private offering in Switzerland and is therefore not subject to securities registration in Switzerland. Neither this document nor any other materials relating to the Award (a) constitutes a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, (b) may be publicly distributed or otherwise made publicly available in Switzerland or (c) has been or will be filed with, approved by or supervised by any Swiss regulatory authority (e.g., the Swiss Financial Market Supervisory Authority).

Taiwan

Securities Law Notice. The Award and the Shares to be issued pursuant to the Plan are available only for Participants. The Award is not a public offer of securities by a Taiwanese company.

United Kingdom

Tax Acknowledgment. The following provisions supplement Section 13 of the Agreement as further supplemented by the Responsibility for Taxes section in Appendix A:

Without limitation to Section 13 of the Agreement and the Responsibility for Taxes section in Appendix A, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items as and when requested by the Company or the Employer or by Her Majesty’s Revenue and Customs (“HMRC”) (or any other tax or other relevant authority). You also agree to indemnify and keep indemnified the Company and the Employer against any taxes or other amounts that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax or other relevant authority) on your behalf.

Notwithstanding the foregoing, if you are a director or an executive officer (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In such case, if the amount of any income tax due is not collected from or paid by you within ninety (90) days of the end of the U.K. tax year (April 6 - April 5) in which an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to you on which additional income tax and national insurance contributions (“NICs”) may be payable. You understand and agree that you will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) for the value of any employee NICs due on this additional benefit, which the Company or the Employer may recover from you by any of the means referred to in the Plan or the Agreement.

**CBRE Group, Inc.
2019 Equity Incentive Plan
Restricted Stock Units
Grant Notice**

CBRE Group, Inc. (the “Company”), pursuant to its 2019 Equity Incentive Plan (the “Plan”), hereby grants to the “Participant” identified below an award (the “Award”) of that number of Restricted Stock Units set forth below (the “Units”). In general, each Unit is the right to receive one (1) share of the Company’s Class A Common Stock (the “Shares”) at the time such Unit vests. This Award is subject to all of the terms and conditions set forth herein and in the Restricted Stock Unit Agreement (the “Agreement”) and the Plan (collectively, the “Award Documents”), both of which are attached hereto and incorporated herein in their entirety.

Grant Date:

Vesting Commencement Date:

Target Number of Units Subject to Award (“Target Award”):

See “Number Available to Accept” field on Merrill Lynch’s “award acceptance” page (as available upon your acceptance of the terms of this Agreement).

Maximum Number of Units Subject to Award (“Maximum Award”):

[_____]% of Target Award

Actual Award:

The actual number of Units subject to the Award (the “Actual Award”) will be determined by the Compensation Committee of the Company’s Board of Directors (the “Compensation Committee”) based on Adjusted EPS (as defined below) measured on a cumulative basis (the “Cumulative Adjusted EPS”) for fiscal years [_____] (the “Performance Period”), as follows:

- (i) if the Cumulative Adjusted EPS is less than \$[____], the Actual Award will be zero;
- (ii) if the Cumulative Adjusted EPS is \$[____], the Actual Award will be equal to [____]% of the Target Award;
- (iii) if the Cumulative Adjusted EPS is more than \$[____] but less than \$[____], the Actual Award will be equal to an amount linearly interpolated between [____]% of the Target Award and the Target Award;
- (iv) if the Cumulative Adjusted EPS is \$[____], the Actual Award will be equal to the Target Award;
- (v) if the Cumulative Adjusted EPS is more than \$[____] but less than \$[____], the Actual Award will be equal to an amount linearly interpolated between the Target Award and the Maximum Award; and
- (vi) if the Cumulative Adjusted EPS is \$[____] or more, the Actual Award will be equal to the Maximum Award.

Such determination will be made by the Compensation Committee following the end of the Performance Period, but by no later than the third (3rd) anniversary of the Vesting Commencement Date. If the Cumulative Adjusted EPS is less than \$[____], the Award will terminate on the date of such determination and Participant will have no further right, title or interest in or to the Award or the Units or underlying Shares subject to the Award. The Company and Participant acknowledge that each of the EPS thresholds set forth above may be equitably adjusted by the Compensation Committee for any of the adjustments factors set forth in Section 12(a) of the Plan and as otherwise determined by the Compensation Committee in its reasonable discretion to be necessary to prevent enlargement or diminution of the benefits or potential benefits intended to be provided pursuant to the Award.

For purposes of the Award, Adjusted EPS is defined as the Company’s earnings per share, as equitably adjusted by the Compensation Committee for any of the adjustments factors set forth in Section 12(a) of the Plan and as otherwise determined by the Compensation Committee in its reasonable discretion to be necessary to prevent enlargement or diminution of the benefits or potential benefits intended to be provided pursuant to the Award.

Vesting Schedule:

Subject to Section 4 of the Agreement, one hundred percent (100%) of the Units subject to the Actual Award shall vest on the third (3rd) anniversary of the Vesting Commencement Date.

Consideration:

No payment is required for the Shares, although payment may be required for the amount of any withholding taxes due as a result of the delivery of the Shares as described in greater detail in the Agreement.

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of the Award Documents and the Plan’s Prospectus, and understands and agrees to the terms set

forth in the Award Documents. Participant acknowledges that he or she is accepting the Award by electronic means and that such electronic acceptance constitutes Participant's agreement to be bound by all of the terms and conditions of the Award Documents. By accepting the Award, Participant consents to receive any documents related to participation in the Plan and the Award by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Participant also acknowledges that this Grant Notice must be returned to the Company (including through electronic means). Participant further acknowledges that as of the Grant Date, the Award Documents set forth the entire understanding between Participant and the Company regarding the acquisition of Units and Shares and supersede all prior oral and written agreements on that subject with the exception of (i) Awards previously granted and delivered to Participant under the Plan, and (ii) the following agreements only, if any:

Other Agreements:

Attachments:

- I. Restricted Stock Unit Agreement
- II. CBRE Group, Inc. 2019 Equity Incentive Plan

CBRE Group, Inc.
2019 Equity Incentive Plan
Restricted Stock Unit Agreement

Pursuant to the provisions of the Company's 2019 Equity Incentive Plan ("Plan"), the terms of the Grant Notice to which this Restricted Stock Unit Agreement is attached ("Grant Notice") and this Restricted Stock Unit Agreement (the "Agreement"), CBRE Group, Inc. (the "Company") grants you that number of Restricted Stock Units (the "Units") as set forth in the Grant Notice as of the date specified in the Grant Notice ("Grant Date"). Defined terms not explicitly defined in this Agreement or in the Grant Notice but defined in the Plan shall have the same definitions as in the Plan.

The details of your Award are as follows:

- 1. The Award.** The Company hereby awards to you the aggregate number of Units specified in your Grant Notice. Each Unit is the right to receive one (1) share of the Company's Class A Common Stock (the "Shares") on the Vesting Date (as defined below). The Units and the Shares are awarded to you in consideration for your continued service to the Company or its Subsidiaries and Affiliates (the "Company Group").
- 2. Documentation.** As a condition to the award of the Units, you agree to execute the Grant Notice and to deliver the same to the Company (including through electronic means), along with such additional documents as the Committee may require, within the time period prescribed by the Company or else this Award shall be forfeited without consideration. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and the Award by electronic means or request your consent to participate in the Plan by electronic means. By accepting the Award, you consent to receive such documents by electronic delivery and agree to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company.
- 3. Consideration For The Award.** No cash payment is required for the Units or the Shares, although you may be required to tender payment in cash or other acceptable form of consideration for the amount of any withholding taxes due as a result of delivery of the Shares.
- 4. Vesting.** Except as otherwise specified in this Agreement and the Plan, the Units will vest as provided in the Grant Notice (the "Vesting Date"). Any Units which have not vested as of the date of your termination of Continuous Service shall thereupon be forfeited immediately and without any further action by the Company, except as otherwise directed by the Committee; *provided*, that:

 - (a)** If, after the Vesting Commencement Date, your Continuous Service terminates due to your death or Disability, the following number of unvested Units will continue to vest as provided in the Grant Notice:

(i) If such termination occurs within twelve (12) months following the Vesting Commencement Date, the number of unvested Units that will continue to vest as provided in the Grant Notice will be equal to (x) the number of days that have elapsed from the Vesting Commencement Date through the date of your termination of Continuous Service divided by three hundred sixty-five (365), multiplied by (y) the number of Units subject to your Actual Award, rounded down to the nearest whole Unit; or

(ii) If such termination occurs more than twelve (12) months following the Vesting Commencement Date, the number of unvested Units that will continue to vest as provided in the Grant Notice will be equal to all of the unvested Units subject to your Actual Award.

(b) If, after the Vesting Commencement Date, your Continuous Service terminates due to your Retirement (as defined below), and (x) after such termination through the applicable Vesting Date you have at all times satisfied certain noncompetition, nonsolicitation and confidentiality conditions imposed by the Company (in its sole discretion) upon or promptly following such termination and (y) you provide the Company with a certification (in a form acceptable to the Company) that you have satisfied all such conditions during such period, the following number of unvested Units will continue to vest as provided in the Grant Notice:

(i) If such termination occurs on or following December 31 of the calendar year in which the Vesting Commencement Date occurs, the number of unvested Units that will continue to vest as provided in the Grant Notice will be equal to the number of unvested Units subject to your Actual Award; or

(ii) If such termination occurs prior to December 31 of the calendar year in which the Vesting Commencement Date occurs, any Units which have not vested as of the date of such termination shall thereupon be forfeited immediately and without any further action by the Company, except as otherwise directed by the Committee.

(c) For purposes of this Award: “Retirement” means your voluntary termination following your attainment of age fifty-eight (58). If you are eligible to qualify for Retirement under this subsection, you must provide evidence to that effect to the Company (in a form acceptable to the Company) on or before your termination date.

With respect to the vesting of this Award, the provisions of this Section 4 shall apply and supersede the terms of any other plan, program or arrangement maintained by the Company or the Company Group or any other agreement between you and the Company or the Company Group.

5. Number of Shares and Purchase Price. The number of Shares subject to your Award may be adjusted from time to time pursuant to the provisions of Section 12 of the Plan.

6. Issuance and Certificates. The Company will deliver to you a number of Shares equal to the number of vested Units subject to your Award, including any additional Units received pursuant to Section 5 above that relate to such vested Units, as soon as reasonably practicable after the applicable Vesting Date, but in no event later than December 31 of the calendar year in which the applicable Vesting Date occurs. However, if a scheduled delivery date falls on a date that is not a business day, such delivery date shall instead fall on the next business day. Notwithstanding the foregoing, in the event that (i) you are subject to the Company's policy permitting officers and directors to sell Shares only during certain "window periods," as in effect from time to time (the "Policy"), or you are otherwise prohibited from selling Shares in the open market, and any Shares subject to your Award are scheduled to be delivered on a day (the "Original Distribution Date") that does not occur during an open "window period" applicable to you or a day on which you are permitted to sell Shares pursuant to a written plan that meets the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as determined by the Company in accordance with the Policy, or does not occur on a date when you are otherwise permitted to sell Shares in the open market, and (ii) the Company elects not to satisfy its tax withholding obligations by withholding Shares from your distribution, then such Shares shall not be delivered on such Original Distribution Date and shall instead be delivered on the first business day of the next occurring open "window period" applicable to you pursuant to the Policy (regardless of whether you are still providing Continuous Service at such time) or the next business day when you are not prohibited from selling Shares in the open market, but in no event later than December 31 of the calendar year in which the applicable Vesting Date occurs.

There are no certificates evidencing the Units. Certificates evidencing the Shares to be delivered pursuant to this Agreement may be issued by the Company and registered in your name.

7. Transfer Restrictions. The Units are non-transferable. Shares that are received under your Award are subject to the transfer restrictions set forth in the Plan and any transfer restrictions that may be described in the Company's bylaws or charter or insider trading policies in effect at the time of the contemplated transfer.

8. No Rights as a Stockholder. A Unit (i) does not represent an equity interest in the Company, and (ii) carries no voting, dividend or dividend equivalent rights. You will not have an equity interest in the Company or any of such shareholder rights, unless and until the Shares are delivered to you in accordance with this Agreement.

9. Securities Laws. Upon the delivery of the Shares, you will make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement. Notwithstanding any other provision of the Plan or this Agreement to the contrary, unless there is an available exemption from such registration, qualification or other legal requirements, Units may not be converted into Shares prior to the completion of any registration or qualification of the Units or the Shares that is required to comply with applicable state and federal securities or any ruling or regulation of any governmental body or national securities exchange or compliance with any other applicable federal, state or foreign law that the Committee shall in its sole discretion determine in good faith to be necessary or advisable.

10. Legends on Certificates. The certificates representing the Shares delivered to you as contemplated by this Agreement shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed, and any applicable Federal or state laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

11. Award Not A Service Contract and No Entitlement to Future Grants . Your Award is not an employment or service contract, and nothing in your Award shall be deemed to create in any way whatsoever any obligation or right to continued employment or service with or to the Company Group. In addition, nothing in your Award shall obligate the Company, its stockholders, its Board or employees to continue any relationship that you might have as a member of the Board, as an employee or as any other type of service provider for the Company. You acknowledge and agree that this Award was granted in the Committee's discretion and that neither the grant of this Award nor the issuance of any Shares pursuant to this Award creates any entitlement to or expectation of any future grant of Units or any future benefits in lieu of Units.

12. Tax Consequences. You are responsible for any taxes due in connection with your receipt of this Award, including the vesting of such Award and delivery of Shares, and for declaring the Award to the relevant tax authority to which you are subject, if required.

13. Withholding Obligations.

(a) At the time your Award is made, or at any time thereafter as requested by the Company, you hereby authorize the Company to satisfy its withholding obligations, if any, from payroll and any other amounts payable to you (or, in the Company's discretion, from Shares that become deliverable upon vesting under this Award), and otherwise agree to make adequate provision for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company, if any, which arise in connection with the grant of or vesting of your Award or the delivery of Shares under the Award. Notwithstanding the foregoing, if you are a Section 16 officer of the Company under the Exchange Act, the Company will satisfy its withholding obligations, if any, by withholding a number of Shares that become deliverable upon vesting under this Award.

(b) Unless the tax withholding obligations of the Company, if any, are satisfied, the Company shall have no obligation to issue a certificate for such Shares or release such Shares.

14. Notices. Any notices provided for in your Award or the Plan shall be given in writing and shall be delivered by hand or sent by overnight courier, certified or registered mail, return receipt requested, postage prepaid, or electronic mail and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

15. Miscellaneous.

- (a) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Committee to carry out the purposes or intent of this Award.
- (b) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.
- (c) The waiver by either party of compliance with any provision of the Award by the other party shall not operate or be construed as a waiver of any other provision of the Award, or of any subsequent breach by such party of a provision of the Award.

16. Governing Plan Document. Your Award is subject to all interpretations, amendments, rules and regulations that may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of the Plan and any other document, the provisions of the Plan shall control.

17. Data Privacy Notification. *You are hereby notified of the collection, use and transfer, in electronic or other form, of your personal data as described in this Agreement, any other Award materials and the Company's Employee Personal Information Privacy Notice or Employee Privacy Notice and Consent Form, as applicable (the "Privacy Notice"), which is viewable at https://intranet.cbre.com/Sites/EMEA-DataPrivacy/en-GB/Documents/MASTER_Employee_Privacy_notice.pdf. Such personal data may be collected, used and transferred by and among, as applicable, the Company, the Company Group and any third parties assisting (presently or in the future) with the implementation, administration and management of the Plan, such as Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), or its successor, for the exclusive purpose of implementing, administering and managing your participation in the Plan. The Company's basis for the processing and transfer of the data is described in the Company's Privacy Notice. Where required under applicable law, personal data also may be disclosed to certain securities or other regulatory authorities where the Company's shares are listed or traded or regulatory filings are made, or to certain tax authorities for compliance with the Company's, the Employer's and/or your tax obligations. You understand that the collection, use and transfer of your personal data is mandatory for compliance with applicable law and necessary for the performance of the Plan and that your refusal to provide such personal data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the Plan.*

18. Appendices. Notwithstanding any provisions in this Agreement, if you reside in a country outside the United States or are otherwise subject to the laws of a country other than the United States, the Award shall be subject to the additional terms and conditions set forth in Appendix A to this Agreement and to any special terms and provisions (if any) as set forth in Appendix B for your country. Moreover, if you relocate outside the U.S., the special terms and conditions in Appendix A (applicable to all non-U.S. countries) and in Appendix B (applicable to your specific country) will apply to you, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A and Appendix B constitute part of this Agreement.

19. Imposition of Other Requirements. The Company reserves the right to impose other requirements on your participation in the Plan, on the Award and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require you to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Grant Date:

016790-0010-17195-Active.29478070.7

APPENDIX A

TO

RESTRICTED STOCK UNIT AGREEMENT

PROVISIONS APPLICABLE TO NON-U.S. COUNTRIES

This Appendix A includes additional terms and conditions that govern the Award granted to you under the Plan if you are a Participant and reside and/or work in a country outside the United States of America (or later relocate to such a country). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan and/or the Agreement to which this Appendix A is attached.

Nature of Grant. In accepting the grant of the Award, you acknowledge, understand and agree that:

- a. the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;
- b. the grant of the Award is exceptional, voluntary and occasional;
- c. all decisions with respect to future Units or other grants, if any, will be at the sole discretion of the Company;
- d. you are voluntarily participating in the Plan;
- e. the Award and any Shares subject to the Award, and the income and value of same, are not intended to replace any pension rights or compensation;
- f. unless otherwise expressly agreed in a writing by you with the Company, the Award and the Shares subject to the Award, and the income and value of same, are not granted as consideration for, or in connection with, the service you may provide as a director of a Subsidiary or Affiliate;
- g. the Award and any Shares subject to the Award, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, holiday pay, bonuses, long-service awards, pension or retirement or welfare benefits or similar mandatory payments;
- h. the future value of the Shares underlying the Award is unknown, indeterminable, and cannot be predicted with certainty;

i. no claim or entitlement to compensation shall arise from forfeiture of the Award resulting from the termination of your Continuous Service as provided for in the Plan or in the Agreement;

j. for purposes of the Award, and unless otherwise expressly provided in the Plan, the Agreement or determined by the Company, your Continuous Service will be considered terminated as of the date you are no longer actively providing services to the Company or any Parent, Subsidiary or Affiliate (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and unless otherwise expressly provided in the Plan, the Agreement or determined by the Company, your right to vest in the Award under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); the Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Award (including whether you may still be considered to be providing services while on a leave of absence);

k. unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by the Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; and

l. neither the Company nor any Parent, Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Award or of any amounts due to you pursuant to the settlement of the Award or the subsequent sale of any Shares acquired upon settlement.

Responsibility for Taxes. The following provisions supplement Section 13 of the Agreement:

You acknowledge that, regardless of any action taken by the Company or, if different, your employer (the “Employer”), the ultimate liability for all income tax, social insurance contributions, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you (“Tax-Related Items”) is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any applicable taxable or tax withholding event, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by any of the methods referred to in Section 13(a) of the Agreement. In addition, you authorize withholding from proceeds of the sale of Shares acquired upon settlement of the Award either through a voluntary sale, through a mandatory sale, through a “withhold to cover” program or any other scheme or program, in each case, arranged by the Company (on your behalf pursuant to this authorization without further consent by you).

The Company may withhold Shares otherwise deliverable under the Award for Tax-Related Items solely by considering applicable minimum statutory withholding amounts. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, you are deemed to have been issued the full number of Shares subject to the vested Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items.

Finally, if requested by the Company, you agree to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described.

Language. You acknowledge that you are proficient in the English language and understand, or have consulted with an advisor who is proficient in the English language so as to enable you to understand, the provisions of the Agreement and the Plan. If you have received the Agreement or any other document related to the Plan translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

APPENDIX B

TO

RESTRICTED STOCK UNIT AGREEMENT

COUNTRY-SPECIFIC PROVISIONS

This Appendix B includes additional terms and conditions that govern the Award granted to you under the Plan if you are a Participant and reside and/or work in one of the countries listed herein. If you are a citizen or resident of a country other than the one in which you currently are working and/or residing (or if you are considered as such for local law purposes), or if you transfer or relocate employment or residence to another country after the Grant Date, the Company, in its discretion, will determine the extent to which the terms and conditions herein will be applicable to you.

This Appendix B also includes information regarding securities and other laws of which you should be aware with respect to your participation in the Plan. The information is based on laws in effect in the respective countries as of February 2019. Such laws are often complex and change frequently. As a result, you should not rely on the information noted herein as the only source of information relating to the consequences of your participation in the Plan because the information may be out of date by the time you vest in the Award or sell the Shares acquired under the Plan. In addition, the information noted herein is general in nature and may not apply to your particular situation, and the Company is not in a position to assure you of any particular result. Accordingly, you should seek appropriate professional advice as to how the applicable laws may apply to your situation. That is your responsibility, and not the Company's.

If you are a citizen or resident of a country other than the one in which you currently are working and/or residing (or if you are considered as such for local law purposes), or if you transfer employment or residence to another country after the Grant Date, the information noted herein may not be applicable to you in the same manner.

Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan, the Agreement and/or the Appendix A which this Appendix B follows.

Australia

Australian Offer Document. This Award is intended to comply with the provisions of the Corporations Act 2001, ASIC Regulatory Guide 49 and ASIC Class Order CO 14/1000. Additional details are set forth in the Australian Offer Document, which you acknowledge has been provided to you with this Agreement.

Tax Information. Subdivision 83A-C of the Income Tax Assessment Act, 1997, applies to Awards granted under the Plan, such that the Award is intended to be subject to deferred taxation.

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Grant Date:

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Austria

No country-specific provisions.

Belgium

No country-specific provisions.

Canada

Form of Settlement. Notwithstanding any discretion contained in Section 10(f) of the Plan or anything to the contrary in the Agreement, the Award shall be settled in Shares only.

Securities Law Notice. You are permitted to sell Shares acquired upon the vesting and settlement of the Award through the designated broker appointed under the Plan, if any, provided the resale of Shares acquired under the Plan takes place outside of Canada through the facilities of a stock exchange on which the Shares are listed. The Shares are currently listed on the New York Stock Exchange (“NYSE”).

The following provisions apply if you are a resident of Quebec:

Language Consent. The parties acknowledge that it is their express wish that the Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de la Convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Authorization to Release and Transfer Necessary Personal Information. The following provision supplements Section 17 of the Agreement:

You hereby authorize the Company (including any Parent, Subsidiary or Affiliate) and the Company’s representatives to discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the Plan. You further authorize the Company, the Employer and any Parent, Subsidiary or Affiliate and the administrator of the Plan (including Merrill Lynch or any other stock plan service provider) to disclose and discuss the Plan with their advisors. You further authorize the Company, the Employer and any Parent, Subsidiary or Affiliate to record such information and to keep such information in your employee file.

China

The following provisions apply only to Participants who are PRC nationals, unless otherwise determined by the Company or required by the PRC State Administration of Foreign Exchange (“SAFE”).

Mandatory Sale Restriction. To facilitate compliance with local regulatory requirements, you agree to the sale of any Shares to be issued to you under the Plan, including by the Company on your behalf if the Company so determines. The sale will occur, at the Company's election: (i) immediately upon vesting, (ii) following your termination of Continuous Service, or (iii) within any other time frame as the Company determines to be necessary to comply with local regulatory requirements. You further agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such shares (on your behalf pursuant to this authorization) and you expressly authorize the Company's designated broker to complete the sale of such shares. You acknowledge that the designated broker is under no obligation to arrange for the sale of the Shares at any particular price. Upon the sale of the Shares, the Company agrees to pay you the cash proceeds from the sale, less any brokerage fees or commissions and subject to any obligation to satisfy Tax-Related Items. You agree that the payment of the cash proceeds will be subject to the repatriation requirements described below.

You further agree that any Shares to be issued to you shall be deposited directly into an account with the designated broker. The deposited Shares shall not be transferable (either electronically or in certificate form) from the brokerage account. This limitation shall apply both to transfers to different accounts with the same broker and to transfers to other brokerage firms. The limitation shall apply to all Shares issued to you under the Plan, whether or not you continue to be employed by the Company Group. If you sell Shares that you acquire under the Plan, the repatriation requirements described below shall apply.

Exchange Control Restrictions. By participating in the Plan, you understand and agree that, if you are subject to exchange control laws in China, you will be required to immediately repatriate to China the proceeds from the sale of any Shares acquired under the Plan. You further understand that such repatriation of the proceeds may need to be effected through a special exchange control account established by the Company, the Employer or a Subsidiary or Affiliate, and you hereby consent and agree that the proceeds from the sale of Shares acquired under the Plan may be transferred to such account by the Company (or its designated broker) on your behalf prior to being delivered to you. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by the Company (or its designated broker) to effectuate such transfers.

Czech Republic

No country-specific provisions.

France

Language Consent. By accepting the grant, you confirm having read and understood the Plan and Agreement which were provided in the English language. You accept the terms of those documents accordingly.

En acceptant l'attribution, vous confirmez avoir lu et compris le Plan et l'Accord, qui ont été fournis en langue anglaise. Vous acceptez les termes de ces documents en connaissance de cause.

Germany

No country-specific provisions.

Hong Kong

Sale Restriction. Shares received at vesting are accepted as a personal investment. In the event that the Award vests and Shares are issued to you (or your heirs) within six (6) months of the Grant Date, you (or your heirs) agree that the Shares will not be offered to the public or otherwise disposed of prior to the six (6)-month anniversary of the Grant Date.

Securities Law Notice. *WARNING:* The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You should exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. Neither the grant of the Award nor the issuance of Shares upon vesting and settlement of the Award constitutes a public offering of securities under Hong Kong law and are available only to Participants. The Agreement, the Plan and other incidental communication materials distributed in connection with the Award (i) have not been prepared in accordance with and are not intended to constitute a “prospectus” for a public offering of securities under the applicable securities legislation in Hong Kong and (ii) are intended only for the personal use of each Participant and may not be distributed to any other person.

India

No country-specific provisions.

Ireland

No country-specific provisions.

Italy

Acknowledgement of Terms. You acknowledge that by accepting this Award, you have been given access to the Plan document, have reviewed the Plan and this Agreement in their entirety, and fully understand and accept all provisions of the Plan and this Agreement. Further you specifically and expressly approve the following sections of this Agreement: (i) Section 4 – Vesting; (ii) Section 6 – Issuance and Certificates; (iii) Section 11 – Award Not a Service Contract and No Entitlement to Future Grants; (iv) Section 13 – Withholding Obligations (including the Responsibility for Taxes section in Appendix A which supplements Section 13); (v) Section 16 – Governing Plan Document; and (vi) the Nature of Grant section in Appendix A.

Japan

No country-specific provisions.

Netherlands

No country-specific provisions.

New Zealand

Securities Law Notice.

Warning

This is an offer of rights to receive Shares underlying the Award. Shares give you a stake in the ownership of the Company. Shares are quoted on the NYSE. This means you may be able to sell them on the NYSE if there are interested buyers. You may get less than you invested. The price will depend on the demand for the Shares.

If the Company runs into financial difficulties and is wound up, you will be paid only after all creditors have been paid. You may lose some or all of your investment.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share scheme. As a result, you may not be given all the information usually required. You also will have fewer other legal protections for this investment.

In compliance with applicable New Zealand securities laws, you are entitled to receive, in electronic or other form and free of cost, copies of the Company's latest annual report, relevant financial statements and the auditor's report on said financial statements (if any).

You should ask questions, read all documents carefully, and seek independent financial advice before committing yourself.

Norway

No country-specific provisions.

Poland

No country-specific provisions.

Portugal

Language Consent. You hereby expressly declare that you have full knowledge of the English language and have read, understood and fully accepted and agreed with the terms and conditions established in the Plan and the Agreement.

Conhecimento da Língua. *Você expressamente declara ter pleno conhecimento do idioma inglês e ter lido, entendido e totalmente aceito e concordou com os termos e condições estabelecidas no plano e no acordo.*

Puerto Rico

No country-specific provisions.

Romania

No country-specific provisions.

Russia

U.S. Transaction and Sale Restrictions. You understand that your acceptance of the Award results in a contract between you and the Company that is completed in the United States and that the Plan is governed by the laws of the State of Delaware, without regard to its conflict of law provisions. Further, any Shares to be issued to you upon vesting and settlement of the Award shall be delivered to you through a bank or brokerage account in the United States. You are not permitted to sell or otherwise transfer the Shares directly to individuals or legal entities in Russia, nor are you permitted to bring any certificates representing the Shares into Russia.

Securities Law Notice. This Agreement, the Plan and all other materials you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of securities pursuant to the Plan has not and will not be registered in Russia; hence, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia.

Singapore

Sale Restriction. You agree that any Shares issued to you upon vesting and settlement of the Award will not be offered for sale or sold in Singapore prior to the six (6)-month anniversary of the Grant Date, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the Singapore Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA") or pursuant to, and in accordance with the conditions of, any other applicable provision(s) of the SFA.

Securities Law Notice. The Award is being made to you in reliance on the "Qualifying Person" exemption under section 273(1)(f) of the SFA and is not being made with the view to the underlying Shares being subsequently offered for sale to any other party. The Plan has not been nor will it be lodged or registered as a prospectus with the Monetary Authority of Singapore.

Chief Executive Officer and Director Notification Obligation. If you are the Chief Executive Officer ("CEO") or a director (including an alternate, substitute, or shadow director) of the Company's Singapore Subsidiary or Affiliate, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Company's Singapore Subsidiary or Affiliate in writing when you receive an interest (*e.g.*, an Award or Shares) in the Company or any Parent, Subsidiary or Affiliate. In addition, you must notify the Company's Singapore Subsidiary or Affiliate when you sell Shares or shares of any Parent, Subsidiary or Affiliate (including when you sell Shares issued upon vesting and settlement of the Award). These notifications must be made within a prescribed period of time from acquiring or disposing of any interest in the Company or any Parent, Subsidiary or Affiliate. In addition, a notification of your interests in the Company or any Parent, Subsidiary or Affiliate must be made within a prescribed period of time from becoming the CEO or a director.

Slovakia

No country-specific provisions.

South Korea

No country-specific provisions.

Spain

Labor Law Acknowledgment. The following provision supplements the Nature of Grant section in Appendix A:

By accepting the Award, you acknowledge that you understand and agree that you consent to participation in the Plan and that you have received a copy of the Plan.

You further understand that the Company has unilaterally, gratuitously and in its sole discretion decided to grant Awards under the Plan to employees of the Company or any Parent, Subsidiary or Affiliate throughout the world. The decision to grant the Awards is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any Parent, Subsidiary or Affiliate on an ongoing basis other than as set forth in this Agreement. Consequently, you understand that any grant is given on the assumption and condition that it shall not become a part of any employment contract (either with the Company or any Parent, Subsidiary or Affiliate) and shall not be considered a mandatory benefit, salary for any purpose (including severance compensation) or any other right whatsoever. Further, you understand and freely accept that there is no guarantee that any benefit shall arise from any gratuitous and discretionary grant since the future value of the Shares is unknown and unpredictable.

Additionally, you understand that the vesting and settlement of the Award is expressly conditioned on your continued and active rendering of service to the Employer such that if your Continuous Service terminates for any reason other than as expressly provided in Section 4 of the Agreement, your Award will cease vesting immediately effective as of the date of termination of your Continuous Service. This will be the case, for example, even if (1) you are considered to be unfairly dismissed without good cause (*i.e.*, subject to a “*despido improcedente*”); (2) you are dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) you terminate Continuous Service due to a change of work location, duties or any other employment or contractual condition; (4) you terminate Continuous Service due to the Company’s or any Parent’s, Subsidiary’s or Affiliate’s unilateral breach of contract; or (5) your Continuous Service terminates for any other reason whatsoever, in each case other than as expressly provided in Section 4 of the Agreement. Consequently, upon termination of your Continuous Service for any of the above reasons, you will automatically lose any rights to Awards granted to you that were unvested on the date of termination of your Continuous Service, as described in the Agreement.

Finally, you understand that this grant would not be made to you but for the assumptions and conditions referred to herein; thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then any grant of an Award shall be null and void.

Securities Law Notice. No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the offer of the Award. The Agreement has not been nor will it be registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

Sweden

No country-specific provisions.

Switzerland

Securities Law Notice. The Award is considered a private offering in Switzerland and is therefore not subject to securities registration in Switzerland. Neither this document nor any other materials relating to the Award (a) constitutes a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, (b) may be publicly distributed or otherwise made publicly available in Switzerland or (c) has been or will be filed with, approved by or supervised by any Swiss regulatory authority (*e.g.*, the Swiss Financial Market Supervisory Authority).

Taiwan

Securities Law Notice. The Award and the Shares to be issued pursuant to the Plan are available only for Participants. The Award is not a public offer of securities by a Taiwanese company.

United Kingdom

Tax Acknowledgment. The following provisions supplement Section 13 of the Agreement as further supplemented by the Responsibility for Taxes section in Appendix A:

Without limitation to Section 13 of the Agreement and the Responsibility for Taxes section in Appendix A, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items as and when requested by the Company or the Employer or by Her Majesty’s Revenue and Customs (“**HMRC**”) (or any other tax or other relevant authority). You also agree to indemnify and keep indemnified the Company and the Employer against any taxes or other amounts that they are required to pay or withhold or have paid or will pay to HMRC (or any other tax or other relevant authority) on your behalf.

Notwithstanding the foregoing, if you are a director or an executive officer (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In such case, if the amount of any income tax due is not collected from or paid by you within ninety (90) days of the end of the U.K. tax year (April 6 - April 5) in which

an event giving rise to the indemnification described above occurs, the amount of any uncollected income tax may constitute a benefit to you on which additional income tax and national insurance contributions (“NICs”) may be payable. You understand and agree that you will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Company or the Employer (as applicable) for the value of any employee NICs due on this additional benefit, which the Company or the Employer may recover from you by any of the means referred to in the Plan or the Agreement.

Grant Date:

016790-0010-17195-Active.29478070.7

**CBRE Group, Inc.
2019 Equity Incentive Plan
Restricted Stock Units
Grant Notice**

CBRE Group, Inc. (the “Company”), pursuant to its 2019 Equity Incentive Plan (the “Plan”), hereby grants to the “Participant” identified below an award (the “Award”) of that number of Restricted Stock Units set forth below (the “Units”). In general, each Unit is the right to receive one (1) share of the Company’s Class A Common Stock (the “Shares”) at the time such Unit vests. This Award is subject to all of the terms and conditions set forth herein and in the Restricted Stock Unit Agreement (the “Agreement”) and the Plan (collectively, the “Award Documents”), both of which are attached hereto and incorporated herein in their entirety.

Participant: _____
 Grant Date: _____
 Number of Units: _____
 Fair Market Value on Grant Date (Per Share): _____

Vesting Schedule: Subject to Section 4 of the Agreement, the Units subject to the Award shall vest in full on the earlier of the one (1)-year anniversary of the Grant Date or the next annual meeting of stockholders.

Consideration: No payment is required for the Shares, although payment may be required for the amount of any withholding taxes due as a result of the delivery of the Shares as described in greater detail in the Agreement.

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of the Award Documents and the Plan’s Prospectus, and understands and agrees to terms set forth in the Award Documents. Participant acknowledges that he or she is accepting the Award by electronic means and that such electronic acceptance constitutes Participant’s agreement to be bound by all of the terms and conditions of the Award Documents. By accepting the Award, Participant consents to receive any documents related to participation in the Plan and the Award by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company. Participant also acknowledges that this Grant Notice must be returned to the Company (including through electronic means). Participant further acknowledges that as of the Grant Date, the Award Documents set forth the entire understanding between Participant and the Company regarding the acquisition of Units and Shares and supersede all prior oral and written agreements on that subject with the exception of (i) Awards previously granted and delivered to Participant under the Plan, and (ii) the following agreements only, if any:

Other Agreements: None.

<p>CBRE Group, Inc.</p> <p>By: _____ _____ Signature</p> <p>Title: _____ Date: _____</p>	<p>Participant:</p> <p>X _____ _____ Signature</p> <p>Date: _____</p>
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- Attachments:**
- I. Restricted Stock Unit Agreement
 - II. CBRE Group, Inc. 2019 Equity Incentive Plan

CBRE Group, Inc.
2019 Equity Incentive Plan
Restricted Stock Unit Agreement

Pursuant to the provisions of the Company's 2019 Equity Incentive Plan ("Plan"), the terms of the Grant Notice to which this Restricted Stock Unit Agreement is attached ("Grant Notice") and this Restricted Stock Unit Agreement (the "Agreement"), CBRE Group, Inc. (the "Company") grants you that number of Restricted Stock Units (the "Units") as set forth in the Grant Notice as of the date specified in the Grant Notice ("Grant Date"). Defined terms not explicitly defined in this Agreement or in the Grant Notice but defined in the Plan shall have the same definitions as in the Plan.

The details of your Award are as follows:

- 1. The Award.** The Company hereby awards to you the aggregate number of Units specified in your Grant Notice. Each Unit is the right to receive one (1) share of the Company's Class A Common Stock (the "Shares") on the Vesting Date (as defined below). The Units and the Shares are awarded to you in consideration for your continued service to the Company or its Subsidiaries and Affiliates (the "Company Group").
- 2. Documentation.** As a condition to the award of the Units, you agree to execute the Grant Notice and to deliver the same to the Company (including through electronic means), along with such additional documents as the Committee may require, within the time period prescribed by the Company or else this Award shall be forfeited without consideration. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and the Award by electronic means or request your consent to participate in the Plan by electronic means. By accepting the Award, you consent to receive such documents by electronic delivery and agree to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company.
- 3. Consideration For The Award.** No cash payment is required for the Units or the Shares, although you may be required to tender payment in cash or other acceptable form of consideration for the amount of any withholding taxes due as a result of delivery of the Shares.
- 4. Vesting.** Except as otherwise specified in this Agreement and the Plan, the Units will vest as provided in the Grant Notice (the "Vesting Date"). Any Units which have not vested as of the date of your termination of Continuous Service shall thereupon be forfeited immediately and without any further action by the Company, except as otherwise directed by the Committee.
- 5. Number of Shares and Purchase Price.** The number of Shares subject to your Award may be adjusted from time to time pursuant to the provisions of Section 12 of the Plan.
- 6. Issuance and Certificates.** The Company will deliver to you a number of Shares equal to the number of vested Units subject to your Award, including any additional Units received pursuant to Section 5 above that relate to such vested Units, as soon as reasonably practicable after the applicable Vesting Date, but in no event later than December 31 of the

Grant Date:

calendar year in which the applicable Vesting Date occurs. However, if a scheduled delivery date falls on a date that is not a business day, such delivery date shall instead fall on the next following business day. Notwithstanding the foregoing, in the event that (i) you are subject to the Company's policy permitting officers and directors to sell Shares only during certain "window periods," as in effect from time to time (the "Policy"), or you are otherwise prohibited from selling Shares in the open market, and any Shares subject to your Award are scheduled to be delivered on a day (the "Original Distribution Date") that does not occur during an open "window period" applicable to you or a day on which you are permitted to sell Shares pursuant to a written plan that meets the requirements of Rule 10b5-1 under the Exchange Act, as determined by the Company in accordance with the Policy, or does not occur on a date when you are otherwise permitted to sell Shares in the open market, and (ii) the Company elects not to satisfy its tax withholding obligations by withholding Shares from your distribution, then such Shares shall not be delivered on such Original Distribution Date and shall instead be delivered on the first business day of the next occurring open "window period" applicable to you pursuant to the Policy (regardless of whether you are still providing Continuous Service at such time) or the next business day when you are not prohibited from selling Shares in the open market, but in no event later than December 31 of the calendar year in which the applicable Vesting Date occurs.

There are no certificates evidencing the Units. Certificates evidencing the Shares to be delivered pursuant to this Agreement shall be issued by the Company and shall be registered in your name as soon as reasonably practicable after the date on which the Shares are delivered pursuant to this Agreement. However, the Company shall not be liable to the Participant for damages relating to any delays in issuing the certificates to him/her, any loss of the certificates, or any mistakes or errors in the issuance of the certificates or in the certificates themselves.

7. Transfer Restrictions. The Units are non-transferable. Shares that are received under your Award are subject to the transfer restrictions set forth in the Plan and any transfer restrictions that may be described in the Company's bylaws or charter or insider trading policies in effect at the time of the contemplated transfer.

8. No Rights as a Stockholder. A Unit (i) does not represent an equity interest in the Company, and (ii) carries no voting, dividend or dividend equivalent rights. You will not have an equity interest in the Company or any of such shareholder rights, unless and until the Shares are delivered to you in accordance with this Agreement.

9. Securities Laws. Upon the delivery of the Shares, you will make or enter into such written representations, warranties and agreements as the Committee may reasonably request in order to comply with applicable securities laws or with this Agreement. Notwithstanding any other provision of the Plan or this Agreement to the contrary, unless there is an available exemption from such registration, qualification or other legal requirements, Units may not be converted into Shares prior to the completion of any registration or qualification of the Units or the Shares that is required to comply with applicable state and federal securities or any ruling or regulation of any governmental body or national securities exchange or compliance with any other applicable federal, state or foreign law that the Committee shall in its sole discretion determine in good faith to be necessary or advisable.

Grant Date:

10. Legends on Certificates. The certificates representing the Shares delivered to you as contemplated by this Agreement shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which such Shares are listed, and any applicable Federal or state laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

11. Award not A Service Contract. Your Award is not an employment or service contract, and nothing in your Award shall be deemed to create in any way whatsoever any obligation or right to continued employment or service with or to the Company Group. In addition, nothing in your Award shall obligate the Company, its stockholders, its Board or employees to continue any relationship that you might have as a member of the Board, as an employee or as any other type of service provider for the Company.

12. Tax Consequences. You are responsible for any taxes due in connection with your receipt of this Award, including the vesting of such Award and delivery of Shares, and for declaring the Award to the relevant tax authority to which you are subject, if required.

13. Withholding Obligations.

(a) At the time your Award is made, or at any time thereafter as requested by the Company, you hereby authorize the Company to satisfy its withholding obligations, if any, from payroll and any other amounts payable to you (or, in the Company's discretion, from Shares that become deliverable upon vesting under this Award), and otherwise agree to make adequate provision for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company, if any, which arise in connection with the grant of or vesting of your Award or the delivery of Shares under the Award.

(b) Unless the tax withholding obligations of the Company, if any, are satisfied, the Company shall have no obligation to issue a certificate for such Shares or release such Shares.

14. Notices. Any notices provided for in your Award or the Plan shall be given in writing and shall be delivered by hand or sent by overnight courier, certified or registered mail, return receipt requested, postage prepaid, or electronic mail and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

15. Miscellaneous.

(a) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Committee to carry out the purposes or intent of this Award.

Grant Date:

(b) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.

(c) The waiver by either party of compliance with any provision of the Award by the other party shall not operate or be construed as a waiver of any other provision of the Award, or of any subsequent breach by such party of a provision of the Award.

16. Governing Plan Document. Your Award is subject to all interpretations, amendments, rules and regulations that may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of the Plan and any other document, the provisions of the Plan shall control.

17. Data Privacy Notification. *You are hereby notified of the collection, use and transfer, in electronic or other form, of your personal data as described in this Agreement, any other Award materials and the Company's Employee Personal Information Privacy Notice or Employee Privacy Notice and Consent Form, as applicable (the "Privacy Notice"), which is viewable at https://intranet.cbre.com/Sites/EMEA-DataPrivacy/en-GB/Documents/MASTER_Employee_Privacy_notice.pdf. Such personal data may be collected, used and transferred by and among, as applicable, the Company, the Company Group and any third parties assisting (presently or in the future) with the implementation, administration and management of the Plan, such as Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), or its successor, for the exclusive purpose of implementing, administering and managing your participation in the Plan. The Company's basis for the processing and transfer of the data is described in the Company's Privacy Notice. Where required under applicable law, personal data also may be disclosed to certain securities or other regulatory authorities where the Company's shares are listed or traded or regulatory filings are made, or to certain tax authorities for compliance with the Company's, the Employer's and/or your tax obligations. You understand that the collection, use and transfer of your personal data is mandatory for compliance with applicable law and necessary for the performance of the Plan and that your refusal to provide such personal data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the Plan.*

**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: August 9, 2019

/s/ Robert E. Sulentic
Robert E. Sulentic
President and Chief Executive Officer

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

I, Leah C. Stearns, 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: August 9, 2019

/s/ LEAH C. STEARNS

Leah C. Stearns

Chief Financial Officer

**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 Leah C. Stearns, 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 June 30, 2019, 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: August 9, 2019

/s/ Robert E. Sulentic

Robert E. Sulentic

President and Chief Executive Officer

/s/ LEAH C. STEARNS

Leah C. Stearns

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.