

# Commercial Real Estate

COMPANIES: CBG, JLL  
BGCP, FSRV, CUSHMAN & WAKEFIELD INC.

**Nearly all U.S. commercial real estate sources reported improved market conditions during 1H13 and expect further improvement during 2H13 and 2013, while European demand trends declined yy in Germany against difficult comparisons and in France on economic concerns, but U.K. sources were more positive.**

- Market conditions mixed vs. 2H12 for European sources, but nearly all expect stable conditions during 2H13
- 1H13 leasing demand better yy for nearly all U.S. sources, and same or better yy for 4 of 8 European sources; 1H13 leasing dollar spending up yy for nearly all U.S. sources but mixed in Europe, with U.K. sources most positive
- 1H13 dollar spending on commercial real estate sales up 3%–6% yy, up for 15 of 17 U.S. sources; European 1H13 spending flat–up slightly yy; U.S. sources expect 2H13 sales up 1%–4% yy while 5 of 8 European sources expect increases yy
- 1H13 asset-management activity same or better yy for 5 of 7 U.S. sources, same or better yy for all European sources
- Area to Watch: Rising rents likely to encourage Class B property owners to redevelop older buildings, transforming them into prime property for which tenants would pay higher rates and spurring recovery in Class B market

## KEY DATA

### U.S. 1H13 Market Conditions and Demand Improve vs. 2H12

(number of sources)

UNITED STATES	OVERALL CONDITIONS	LEASING DEMAND	SALES DEMAND
Better	15	12	15
Same	2	4	-
Worse	-	1	1
EUROPE			
Better	3	3	3
Same	4	1	3
Worse	4	4	4

BY GRAHAM DA PONTE

## SOURCES & BACKGROUND

**29 senior real estate brokers and developers**, comprising 17 in the United States (representing Atlanta; Chicago; Denver; Houston; Las Vegas; Los Angeles; New York; Orlando; Philadelphia; Phoenix; Portland, Ore.; Reno; St. Louis; San Diego; San Francisco; Seattle; and Washington, D.C.) and 12 in Western Europe (5 in Germany, 4 in France and 3 in the United Kingdom) who average approximately 18 years of experience in their respective markets

**REPEAT SOURCES** 21 (12 in the U.S. and 9 in Europe) from OTR Global's January report

**INTERVIEWS** Late June through mid-July

**AVERAGES** Straight

**OBJECTIVE** Assess 1H13 trends, as well as 2H13 and 2013 outlook, in leasing transactions, sales transactions and asset management in the U.S. and Western Europe

"It's busier across all markets. It's the busiest it's been since 2007."

*Middle Atlantic source*

See last page for Important Disclosures and Analyst Certification

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## UNITED STATES

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### Market conditions continue to improve

Nearly all United States sources said commercial real estate market conditions were better during the past six months — compared with about one-half in OTR Global's January report who said 4Q12 market conditions were better qq — and none said they were worse, crediting solid consumer confidence, easier financing and strong job growth. "It's busier across all markets. It's the busiest it's been since 2007," a Middle Atlantic source said.

All sources expect conditions to improve or remain steady during the next six months. "I definitely see things improving. Even if they inch along the way they've been inching along, that would be OK with me. Obviously, we would like more sooner, but I personally think the second half of this year is going to be a good one for our market as a whole," an Atlanta source said. A Phoenix source said, "We're a cyclical market during the year. At the end of the third and start of the fourth quarter, we see a lot of decisions happening, so toward the end of this year, we should see some improvement again."

Sources said growth drivers included tech incubators, warehousing, distribution/manufacturing centers, corporate headquarter relocation and housing construction, and several identified a "build-to-suit" trend spurring construction in a variety of segments. "There's a lot of people talking about building mixed-use/multifamily with retail. Most [of that] new construction has been driven by build-to-suit for tenants, so there's some grocery stores expanding, like **Wal-Mart [Stores Inc.]** and **Target [Corp.]**," a Chicago source said.

**Jones Lang LaSalle Inc.** and **CBRE Group Inc.** continued to lead the market during 1Q13. Although CBRE was also mentioned as losing share, most sources who commented said it was small and midsized local and regional brokers that were unable to compete for large deals with national names. "Years ago, you'd have two guys get tired of the corporate life and open their own office. By now, many of those guys have rejoined large firms. The boutique aspect of this business is definitely on the decline," a Portland, Ore., source said. Like CBRE, **FirstService Corp./Canada's** **Colliers International Property Consultants Inc.**, **Cushman & Wakefield Inc.** and **BGC Partners Inc.**'s Newmark Grubb Knight Frank were mentioned as both gaining and losing market share.

### BIG PLAYERS KEEP MARKET SHARE

### Leasing environment better yy

About three-fourths of sources described the commercial leasing market during 1H13 as better than during 2H12, and nearly all said it was better yy (compared with more than two-thirds in the January report discussing 4Q12 trends), with vacancy rates decreasing and absorption rates climbing. "We went through two or three years where we had negative net absorption and no construction starts, but that trend has changed the last couple of years. This year we're picking up — our absorption is up, and it looks like we're going to have a great second half," an Atlanta source said. Although several sources said the positive trend applied mainly to Class A properties, lower-quality real estate was expected to benefit as well. "Probably the next thing on the horizon might be some companies that can't afford to be in [Class A] markets [will] be moving down to Class B markets ... and those markets will begin to recover," a San Diego source said. Sources identified office renting related to job growth, mixed-use construction, longer-term leases, national restaurant chains, housing, IT and insurance as leasing drivers.

Spending on commercial leasing during 1H13 was up 3%–6% yy on average, with nearly all sources citing yy increases and sources in Denver and Portland citing high single-digit growth. "National

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companies are looking for [Class] A real estate. If it's not [Class] A, they're not going there," a Denver source said. Although most sources said volume drove leasing demand during 1H13, nearly one-half said price was becoming a factor. "Although rents increased slightly, the bulk is volume, but we are fast approaching the point where rents will rise — I'd say in the next 12 months," a Middle Atlantic source said.

Sources expect 2H13 leasing dollar spend to be flat—up 3% compared with 1H13 and up 1%–4% yy on average. "The market is hot right now, and there are deals in the pipeline that are going to be closing in the months down the road," a San Francisco source said. A Houston source said, "There's no signs of the market slowing down regarding demand for office space ... for the next 18–24 months."

Sources expect total 2013 leasing spending to be up 3%–6% yy, with nearly all predicting yy improvements. "We had a very good first half. Looking at what we see with the activity level now, it could be a banner second half. But even if it's not ... it's definitely better than last year. Even if we limp to the finish line, it's going to be up over last year, and total dollars will be up," an Atlanta source said.

## Sales growth modest against tough yy comps

Nearly all sources said commercial real estate sales demand during 1H13 was better compared with 2H12 and yy, with easier financing, rising rents and low interest rates as incentives to buy, and several sources said institutional investments were driving growth. "It seems like the investment market is better than it was last year, and it continues to be strong. ... Anything that is put on the market is getting multiple offers and is being bid up," a Chicago source said. However, some sources said although demand remained strong, supply was low, as the 2012 buying spree depleted inventory. "The demand is there, but there is nothing on the market — not one single Class A piece of property," an Orlando source said.

The dollar value of commercial real estate sales during 1H13 was up an average 1%–4% yy, and some sources blamed the modest improvement on difficult comparisons. "2012 brought the return of the institutional investor. As a result, a significant number of assets traded hands. More than \$6 billion in sales were made, and some of the city's premier office buildings were sold. Thus far in 2013, sales volume is down by more than 50% compared with the first half of 2012," a San Francisco source said.

Sources expect 2H13 sales to be flat—up slightly compared with 1H13 and up 3%–6% yy on average, and nearly all expect 2013 sales to be up yy. "We'll have another good year in '13, and then it will slow down in '14 [when interest rates go up]," a Reno source said.

Several sources warned rising interest rates were an area to watch. "Interest rates are the biggest driver on price right now. Capital is cheap. With the announcement [about] increasing interest rates, I'm not sure how that's going to play out over the next six months. ... If interest rates go up, then expectations start to change," an Arizona source said.

## Real estate still a good investment

Although five of seven sources said commercial real estate asset-management activity during 1H13 was the same or improved yy, two said it declined as lower foreclosure rates put fewer distressed properties on the market. "Institutional investors have left this area because there's no foreclosed properties to buy," a Reno source said. However, most said real estate remains a good investment. "Income levels on a gross basis are up because vacancies are down, rents are up, and the fees are a percentage of the higher collections," a Portland source said.

## EXPECTATIONS

"There's no signs of the market slowing down regarding demand for office space ... for the next 18–24 months."

## RISING INTEREST RATES

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## EUROPE

### Leasing activity slower in Germany, better in the U.K.

Although 1H13 commercial real estate leasing demand improved for two of three U.K. sources compared with 2H12 and yy, demand deteriorated for four of five responding French and German sources. “The market is down, as the negative economic situation has an impact on real estate, and very large deals were signed last year, making comparisons negative for 2013,” a French source said. The value of European commercial leasing activities during 1H13 was down 4%–7% yy on average, declining significantly for both responding German sources, although one said the deterioration was against difficult comparisons. “We continue to have a good number of customers, and we see the overall situation in Berlin quite positive, but last year, customers leased huge volumes, like [more than] 5,000 square meters. This year, customers are looking for smaller offices. There has been no big fish so far,” the source said.

French leasing monetary value was down for two of three sources during 1H13 yy, driven mostly by volume, and one source said landlords were offering aggressive concessions. “The volume of transactions is strongly down, but the biggest change is incentives: Some owners now offer three months free of charge per year for a six-year contract. Owners are ready to [offer] big sacrifices to keep tenants,” one said.

U.K. sources reported the strongest leasing dollar spend during 1H13, up for two yy and flat for one. “There is a lot of demand from tech and media companies for London. In the regions, it is steady,” one said.

Sources expect 2H13 European leasing spending to be down an average 1%–4% compared with 2H12 and down 3%–6% yy, with decreases forecast by all three responding French sources compared with 1H13 and two predicting yy declines. “Some very large deals were signed in 2H12, and no equivalent is expected in 2H13,” one said. Both responding German sources expect decreases compared with 2H12 but had mixed opinions about yy trends. “Even if the demand is good in terms of customer numbers, we will earn significantly less in 2013,” one said. Meanwhile, two U.K. sources expect 2H13 leasing spending to be up compared with 1H13 and one flat, and all expect increases yy. However, one said, “Our forecasts have been pushed back. In 2012, we thought that 2013 will be better; now, we think it won’t be till next year.”

Sources expect total dollars spent during 2013 on commercial leasing to be down 4%–7% yy on average. Both responding German sources expect yy decreases because of fewer large deals, while two of three French sources expect decreases because of the economic slowdown. Meanwhile, two U.K. sources expect leasing spending to be up yy while one expects a flat comparison.

### Volume drives sales

European commercial real estate sales during 1H13 were flat–up slightly yy on average, but three of four French sources reported declines yy. All sources reporting sales decreases said the change was led by volume rather than price. “There is a big decrease in large projects and also in the small-surface segment,” a French source said. Sources reporting increases cited volume as well. A German source said, “Overall, we see the monetary value of our activity increase. Although we do not have such mega-deals as in 2012, the overall demand for normal-size/volume objects is better.”

Sources expect 2H13 sales to be down 2%–5% yy on average, with two of three U.K. sources and three of four French sources expecting yy decreases. A U.K. source said, “We expect a slightly less

“Some very large deals were signed in 2H12, and no equivalent is expected in 2H13.”

**2H13, 2013 OUTLOOK MIXED**

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strong finish to the year than last because central London sees volumes fall and 2012 was strong. There is lack of supply.” Sources also expect overall 2013 sales to be flat—down 3% yy on average, with two of three sources in Germany and three of four in France expecting declines.

## Investment activity up in all countries

Four of six European sources said flows into commercial real estate asset management increased yy while none reported a decrease, in line with OTR Global's 4Q12 findings. “We definitely see more activity year to year. Investors are willing to take more risks, and the portfolio allows them to spread that risk,” a U.K. source said. A French source said, “We see some investors coming back, like U.S. funds and insurance companies.”

Nearly all sources expect 2H13 and 2013 commercial real estate asset management activity to increase yy, and none expects a decline. “I expect a very good year, with high demand from international companies,” a French source said.

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**Contributors:** John Fischer, Birgit Heitfeld, Lydia Norton, Andrea Plannerer, Fabrice Pozzoli-Montenay and Inge Schlaile

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*U.K. source*

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## United States

### ON MARKET CONDITIONS

"Negotiations are insane. If it's 12,000 square feet or 20,000, landlords are trying to get more, and tenants are trying to get more. The vacancies in the market have dropped, and good real estate is almost impossible to get into. Rates are up, and the competition is intense."

*Colorado*

"Las Vegas follows national trends. Locally, job growth and business relocations to southern Nevada have driven better demand." *Nevada*

"A market can only stay strong for so long before it corrects itself. I still think it's going to be pretty strong over the next six months."

*California*

### ON LEASING DEMAND

"We're seeing longer-term leases, firms with organic growth and expanding, which is something we hadn't seen in the previous 18 months."

*Missouri*

"Rents are a little higher. Concessions are little bit lower. Companies are a little bit more bullish now and aren't as frightened as they were a year ago ... to commit to a longer-term lease. In fact, some companies are seeing rents going up and [deciding they] want to jump in now and lock in on a longer term because rents are going up." *California*

"The volume and velocity of leasing activity taking place during 2012 surpassed highs recorded even during the dot-com boom of the late 1990s. Year-to-year leasing activity in 2Q13 declined by 24%." *California*

"One surprise that has developed over the past 12 months is that demand improvement for Class B space is outpacing demand improvement for Class A because call center demand is expanding more than corporate space demand." *Nevada*

"In the first six months of this year, we were at about 2.1 million square feet of positive absorption. Overall for 2012, we came in at 3.5 million square feet." *Texas*

### ON SALES DEMAND

"A lot of institutional investors are back in the market." *California*

"Demand is through the roof, but there's nothing to buy." *Oregon*

"It's better, but it's not a lot better. It seems like our capital markets group had a strong year last year, [although] they're very active this year. So if it's better, it's just a little bit better." *California*

"People say we won't go back to the good old days, but I think we will at some point." *Middle Atlantic*

### ON EXPECTATIONS

"The [Class] A stuff is starting to lease up; the landlords want to go ahead and get it stabilized. The [Class] B and [Class] C centers might be a long-term hold till all of the [Class] A properties get rented [and they can command higher rents]." *Colorado*

"I think [sales will] increase unless there's some kind of anomaly. I think everything will be up the second half." *Georgia*

"The total dollars may decline, but I say that because I'm not sure how many premiere buildings are on the market. The volume might be higher in total square footage, but is it Class A in a nice submarket versus another area [that] can't [command] the same price?" *Texas*

### ON MARKET TRENDS

"A new style in the last year or two are these incubators. You get a lot of these new tech companies that have a lot more resources at their hands, and they can start these little companies. ... Ultimately, you're bringing better, more focused groups into the market to lease space than your fly-by-night startups. These have the right people behind them, and they have more experience." *California*

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## Europe

### ON MARKET CONDITIONS

"Investors may be a bit more risk-friendly." *United Kingdom*

"There is no reason for improvement: economy is still slow, and there are less big real estate projects to drive activity up." *France*

"The demand for investing is there, but some wait because the prices of the real estate objects have gone up again." *Germany*

### ON LEASING DEMAND

"We have the same number of customers, but they are looking for much smaller spaces. Yet we see the market as very positive in Berlin, where many companies and startups try to set their footing. Also, still more public institutions move to here or within Berlin." *Germany*

"Leasing demand is down, as changing offices is seen as a loss of efficiency in crisis time and owners are more prone to negotiate in order to keep customers." *France*

"There is more economic confidence in the U.K. There are fewer concerns about a euro collapse, and U.S. confidence in the economy has increased." *United Kingdom*

### ON LEASING EXPECTATIONS

"We do not expect big deals to be fixed this year ... like in 2012. Even if the demand in terms of number of customers is good, we will earn significantly less in 2013. So 2H[13] may be a little weaker even than 1H[13] in our projection." *Germany*

"2012 was quite active, but 2013 is clearly down for leasing. Only first-quality buildings in big business areas are still in demand." *France*

### ON SALES DEMAND

"There is more activity outside London. Investors are getting bored of competition in London. With the incoming U.K. economic recovery, the gap now is its widest for 20 years, so it is mostly tactical buys." *United Kingdom*

"Prices remain high for quality and new buildings, but medium-sized buildings — especially old ones — have real problems to find a buyer." *France*

"While we had fewer really big deals in 2012, we now have more 'normal'-size deals." *Germany*

"Demand remains good for prime quality buildings, but there are fewer huge operations than in 2012, while low-quality buildings are unsellable if they are not close to a city center." *France*

### ON SALES EXPECTATIONS

"I expect a very good year, especially in the business districts, with high demand from international companies and international investors." *France*

"2H12 was very strong. We expect [full-]year 2013 to be flat year to year — 1H[13] was exceptional already, but we do not [expect] this development [to continue at] the same strength in 2H[13]. [Still], we are happy with overall market conditions." *Germany*

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## 1a. Are commercial real estate conditions in your market better, worse or about the same compared with six months ago?

	U.S.	U.K.	FRANCE	GERMANY	EUROPE	TOTAL
Better:	15	2	1	-	3	18
Same:	2	-	1	3	4	6
Worse:	-	-	2	2	4	4
No response:	-	1	-	-	1	1

## 1b. Do you expect commercial real estate conditions in your market to be better, worse or about the same six months from now?

Better:	13	2	-	-	2	15
Same:	4	1	3	5	9	13
Worse:	-	-	1	-	1	1

## 2. Did the costs of running a commercial real estate operation in your market during 1H13 increase, decrease or remain the same compared with six months ago?

Increased:	3	-	-	2	2	5
Remained the same:	8	1	3	3	7	15
Decreased:	-	-	1	-	1	1
Don't know:	4	-	-	-	-	4
No response:	2	2	-	-	2	4

## 3a. Did any commercial real estate firms in your market gain share during 1H13 yy? (Some sources gave more than one answer while others did not respond.)

JLL:	6	-	-	-	-	6
CBRE:	3	-	-	-	-	3
Colliers:	1	-	-	-	-	1
Cushman & Wakefield:	1	-	-	-	-	1
DTZ (UGL Ltd.):	1	-	-	-	-	1
Newmark Grubb Light Frank:	1	-	-	-	-	1

## 3b. Did any commercial real estate firms in your market lose share during 1H13 yy? (Some sources gave more than one answer while others did not respond.)

Small/medium brokers:	5	-	-	-	-	5
CBRE:	3	-	-	-	-	3
Cassidy Turley:	1	-	-	-	-	1
Cushman & Wakefield:	1	-	-	-	-	1
Colliers:	1	-	-	-	-	1
Newmark Grubb Light Frank:	1	-	-	-	-	1

## 4a. Was 1H13 commercial real estate leasing demand in your market better, worse or about the same as during 2H12?

Better:	12	2	1	-	3	15
Same:	4	1	-	-	1	5
Worse:	1	-	2	2	4	5
Not applicable:	-	-	1	3	4	4

## 4b. Was 1H13 commercial real estate leasing demand in your market better, worse or the same yy?

Better:	15	2	1	-	3	18
Same:	1	1	-	-	1	2
Worse:	1	-	2	2	4	5
Not applicable:	-	-	1	3	4	4



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## 5a. Did total 1H13 dollars spent on commercial real estate leasing in your market increase, decrease or remain the same yy?

	U.S.	U.K.	FRANCE	GERMANY	EUROPE	TOTAL
Up 16%–20%:	-	-	1	-	1	1
Up 6%–10%:	2	-	-	-	-	2
Up 1%–5%:	9	2	-	-	2	11
Up:	4	-	-	-	-	4
Flat :	1	1	-	-	1	2
Down 11%–15%:	-	-	-	2	2	2
Down 16%–20%:	-	-	2	-	2	2
Down 31%–40%:	1*	-	-	-	-	1
Not applicable:	-	-	1	3	4	4
<b>Average:</b>	<b>Up 3%–6%</b>	<b>Up 1%–4%</b>	<b>Down 6%–9%</b>	<b>Not averaged</b>	<b>Down 4%–7%</b>	<b>Flat–up slightly</b>

\* Outlier excluded to avoid skewing averages

## 5b. Was the overall change in total dollars spent on commercial real estate leasing in your market during 1H13 yy driven more by price or by volume?

Price:	5	1	-	-	1	6
Volume:	9	-	2	1	3	12
Price and volume:	2	1	1	1	3	5
Not applicable:	1	1	1	3	5	6

## 6a. Do you expect total 2H13 dollars spent on commercial real estate leasing in your market during to increase, decrease or remain the same compared with 1H13?

Up 51%–60%:	1*	-	-	-	-	1
Up 1%–5%:	6	1	-	-	1	7
Up:	4	1	-	-	1	5
Flat:	5	1	-	1	2	7
Down:	-	-	2	-	2	2
Down 1%–5%:	-	-	-	1	1	1
Down 6%–10%:	-	-	1	-	1	1
Not applicable:	1	-	1	3	4	5
<b>Average:</b>	<b>Flat–up 3%</b>	<b>Up 1%–4%</b>	<b>Not averaged</b>	<b>Not averaged</b>	<b>Down 1%–4%</b>	<b>Flat–up slightly</b>

\* Outlier excluded to avoid skewing averages

## 6b. Do you expect total 2H13 dollars spent on commercial real estate leasing in your market to increase, decrease or remain the same yy?

Up 6%–10%:	-	-	1	-	1	1
Up 1%–5%:	9	2	-	1	3	12
Up:	6	1	-	-	1	7
Flat:	2	-	-	-	-	2
Down:	-	-	1	-	1	1
Down 21%–25%:	-	-	1	1	2	2
Not applicable:	-	-	1	3	4	4
<b>Average:</b>	<b>Up 1%–4%</b>	<b>Up 2%–5%</b>	<b>Not averaged</b>	<b>Not averaged</b>	<b>Down 3%–6%</b>	<b>Flat–up slightly</b>

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## 6c. Do you expect total 2013 dollars spent on commercial real estate leasing in your market to increase, decrease or remain the same yy?

	U.S.	U.K.	FRANCE	GERMANY	EUROPE	TOTAL
Up 21%–25%:	-	-	1	-	1	1
Up 6%–10%:	2	-	-	-	-	2
Up 1%–5%:	10	2	-	-	2	12
Up:	4	-	-	-	-	4
Flat:	-	1	-	-	1	1
Down 6%–10%:	-	-	-	1	1	1
Down 16%–20%:	-	-	1	-	1	1
Down 21%–25%:	1*	-	1	1	2	3
Not applicable:	-	-	1	3	4	4
<b>Average:</b>	<b>Up 3%–6%</b>	<b>Up 2%–5%</b>	<b>Down 5%–8%</b>	<b>Down 14%–19%</b>	<b>Down 4%–7%</b>	<b>Flat-up slightly</b>
<b>2012 average:</b>	<b>Up 7%–10%</b>	<b>Down 3%–6%</b>	<b>Down 8%–13%</b>	<b>Down 4%–7%</b>	<b>Down 4%–7%</b>	<b>Up 2%–5%</b>

\* Outlier excluded to avoid skewing averages

## 7a. Was 1H13 commercial real estate sales demand in your market better, worse or about the same compared with 2H12?

Better:	15	-	1	2	3	18
Same:	-	1	1	1	3	3
Worse:	1	2	2	-	4	5
Don't know:	1	-	-	-	-	1
Not applicable:	-	-	-	2	2	2

## 7b. Was 1H13 commercial real estate sales demand in your market during better, worse or about the same yy?

Better:	15	2	1	2	5	20
Same:	1	-	-	1	1	2
Worse:	1	1	3	-	4	5
Not applicable:	-	-	-	2	2	2

## 8a. Did total 1H13 dollars spent on commercial real estate sales in your market increase, decrease or remain the same yy?

Up 91%–100%:	-	-	-	1*	1	1
Up 31%–40%:	1	-	-	-	-	1
Up 16%–20%:	-	-	1	-	1	1
Up 11%–15%:	1	-	-	-	-	1
Up 6%–10%:	-	1	-	1	2	2
Up 1%–5%:	4	1	-	-	1	5
Up:	6	-	-	-	-	6
Flat:	1	1	-	1	2	3
Down:	2	-	-	-	-	2
Down 6%–10%:	-	-	1	-	1	1
Down 11%–15%:	-	-	2	-	2	2
Down 41%–50%:	1	-	-	-	-	1
Don't know:	1	-	-	-	-	1
Not applicable:	-	-	-	2	2	2
<b>Average:</b>	<b>Up 1%–4%</b>	<b>Up 2%–5%</b>	<b>Down 3%–6%</b>	<b>Not averaged</b>	<b>Flat-up slightly</b>	<b>Flat-up 3%</b>

\* Outlier excluded to avoid skewing averages

## 8b. Was the overall change in total 1H13 dollars spent on commercial real estate sales in your market yy driven more by price or by volume?

Price:	1	-	-	1	1	2
Volume:	11	2	4	1	7	18
Price and volume:	3	1	-	-	1	4
Don't know:	1	-	-	-	-	1
Not applicable:	1	-	-	3	3	4

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## 9a. Do you expect total 2H13 dollars spent on commercial real estate sales in your market to increase, decrease or remain the same compared with 1H13?

	U.S.	U.K.	FRANCE	GERMANY	EUROPE	TOTAL
Up 6%–10%:	1	-	-	-	-	1
Up 1%–5%:	1	1	-	-	1	2
Up:	5	-	-	-	-	5
Flat:	7	2	1	2	5	12
Down:	2	-	2	-	2	4
Down 6%–10%:	-	-	1	-	1	1
Down 41%–50%:	-	-	-	1*	1	1
No response:	1	-	-	-	-	1
Not applicable:	-	-	-	2	2	2
<b>Average:</b>	<b>Flat-up slightly</b>	<b>Flat-up 3%</b>	<b>Down 3%–6%</b>	<b>Not averaged</b>	<b>Flat-down slightly</b>	<b>Flat-up slightly</b>

\* Outlier excluded to avoid skewing the averages

## 9b. Do you expect total 2H13 dollars spent on commercial real estate sales in your market to increase, decrease or remain the same yy?

Up 11%–15%:	1	-	-	-	-	1
Up 6%–10%:	1	-	1	1	2	3
Up 1%–5%:	3	1	-	-	1	4
Up:	5	-	-	-	-	5
Flat:	3	-	-	1	1	4
Down:	1	1	-	1	2	3
Down 6%–10%:	-	1	1	-	2	2
Down 11%–15%:	-	-	2	-	2	2
Down 41%–50%:	1*	-	-	-	-	1
No response:	2	-	-	-	-	2
Not applicable:	-	-	-	2	2	2
<b>Average:</b>	<b>Up 3%–6%</b>	<b>Down 2%–5%</b>	<b>Down 6%–9%</b>	<b>Not averaged</b>	<b>Down 2%–5%</b>	<b>Flat-up slightly</b>

\* Outlier excluded to avoid skewing the averages

## 9c. Do you expect total 2013 dollars spent on commercial real estate sales in your market to increase, decrease or remain the same yy?

Up 21%–25%:	-	-	1	-	1	1
Up 16%–20%:	1	-	-	-	-	1
Up 11%–15%:	1	-	-	-	-	1
Up 6%–10%:	1	-	-	1	1	2
Up 1%–5%:	3	1	-	-	1	4
Up:	8	-	-	-	-	8
Flat:	1	-	-	2	2	3
Down:	1	1	-	-	1	2
Down 6%–10%:	-	1	-	-	1	1
Down 11%–15%:	-	-	3	-	3	3
Down 41%–50%:	1*	-	-	-	-	1
Not applicable:	-	-	-	2	2	2
<b>Average:</b>	<b>Not averaged</b>	<b>Down 2%–5%</b>	<b>Down 3%–6%</b>	<b>Up 2%–5%</b>	<b>Flat-down 3%</b>	<b>Up 1%–4%</b>

\* Outlier excluded to avoid skewing the averages

## 10a. Was 1H13 commercial real estate asset management activity in your market better, worse or the same yy?

Better:	2	2	1	1	4	6
Same:	3	1	1	-	2	5
Worse:	2	-	-	-	-	2
Don't know:	1	-	-	-	-	1
No response:	-	-	1	-	1	1
Not applicable:	9	-	1	4	5	14

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## 10b. Did 1H13 flows into commercial real estate asset management businesses in your market increase, decrease or remain the same yy?

	U.S.	U.K.	FRANCE	GERMANY	EUROPE	TOTAL
Up 41%–50%:	-	1	-	-	1	1
Up 1%–5%:	-	1	1	-	2	2
Up:	2	-	1	-	1	3
Flat:	3	1	-	1	2	5
Down:	2	-	-	-	-	2
No response:	1	-	1	-	1	2
Not applicable:	9	-	1	4	5	14

## 11a. Do you expect 2H13 commercial real estate management activity in your market to increase, decrease or remain the same yy?

Increase:	1	1	2	1	4	5
Remain the same:	5	1	-	-	1	6
Don't know:	1	1	-	-	1	2
No response:	1	-	1	-	1	2
Not applicable:	9	-	1	4	5	14

## 11b. Do you expect 2013 commercial real estate management activity in your market to increase, decrease or remain the same yy?

Increase:	2	2	2	1	5	7
Remain the same:	1	-	-	-	-	1
Decrease:	2	-	-	-	-	2
Don't know:	1	1	-	-	1	2
No response:	2	-	1	-	1	3
Not applicable:	9	-	1	4	5	14

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