

PRESS RELEASE



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ASIA & EUROPE LEAD CONTINUED SURGE IN GLOBAL OFFICE INVESTMENT; CROSS-BORDER ACTIVITY SEES SUBSTANTIAL RISE

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Six Out of 12 Major Global Markets Experienced More Than 30% Increase in Office Investment Volume in 2006

New York, NY – January 31, 2007 – CB Richard Ellis Group, Inc., the world's leading commercial real estate services firm, today announced that investment in office buildings continues to surge around the globe, with markets in Asia and Europe experiencing the most significant increases in activity in 2006, according to its inaugural edition of Global InvestmentView, a new semi-annual report. Investment across borders has also increased, as competition among investors, yield compression, and a limited pool of desirable assets has led investors to broaden their geographic search for opportunities.

At year-end 2006, six out of 12 major global markets posted more than 30% year-over-year increases in office investment volume. In Asia, Beijing recorded RMB\$29.8 billion (US\$3.7 billion) in activity, well above the prior year's RMB\$16.7 billion (US\$2.1 billion). Singapore saw S\$4.4 billion (US\$2.7 billion) in investment sales, more than twice the S\$1.9 billion (US\$1.2 billion) registered in 2005. Meanwhile, Shanghai posted significant volume totaling RMB\$22.6 billion (US\$2.8 billion) in 2006.

In the United States, the New York investment market showed no signs of cooling, as more than US\$23.3 billion of office properties traded in 2006, up 31% from 2005's US\$17.7 billion. In the major European markets, London was the most liquid property market with a 2006 investment volume of £15.0 billion (US\$27.6 billion), while Paris' €16.9 billion (US\$21.2 billion) nearly doubled its previous year's €9.1 billion (US\$11.4 billion) total.

Concurrent with the increased investment volume was a substantial rise in cross-border investment activity. In Asia, the Shanghai market led the way, attracting nearly RMB6.4 billion (US\$803 million), more than twice the RMB3.0 billion (US\$376 million) recorded in 2005. American investors were responsible for RMB2.5 billion (US\$313 million) of Shanghai's investment sales total, up from RMB2.0 billion (US\$251 million) a year earlier. In Hong Kong, the top foreign investors were Australian buyers, who acquired over HK\$5.0 billion (US\$643 million) in assets during the past year.

Middle Easterners were the biggest foreign investors in the U.S., with over US\$5.0 billion in acquisitions. In 2005, Australians were the largest foreign investors in the U.S., purchasing over

US\$8.5 billion in real estate, and adding another US\$3.7 billion in investments in 2006. Foreign investment in Canada reached CAN\$4.0 billion (US\$3.5 billion), surpassing its 2004 peak of CAN\$2.8 billion (US\$2.4 billion).

“The increasing volume of global office investment activity over the past five years reflects the abundant institutional and private investor capital that has been allocated to real estate and the migration of this capital across borders in pursuit of opportunity,” said Gregory S. Vorwaller, President of CBRE’s Investment Properties Group. “Diversification across both geography and property types will continue to drive investment portfolio decisions around the world.”

Global InvestmentView reports on global investment values worldwide, cross-continental investment, and trends in yields and capitalization rates. Other findings in the report include:

- Since 2002, 10 out of the 12 major global markets experienced a 100% increase in office investment volume.
- Rising global investment—partially fueled by an enormous growth in institutional capital—has significantly increased competition for core office properties, causing cap rates and yields to fall worldwide.
- The cap rate in the U.S. rose above 7% in the second quarter of 2006—the first time in nearly four years that it has increased. Cap rate compression in Canada has continued, albeit at a significantly slower pace compared to the previous two years.

Market	Office Investment Activity				Yield/Cap Rates Year-End 2006
	Full-Year 2006 (local currency)	Full-Year 2005 (local currency)	% Change from '05 (local currency)	Full-Year 2006 (US\$)	
Singapore	S\$4.4 billion	S\$1.9 billion	131.6%	\$2.7 billion	4.90%
Madrid	€2.2 billion	€1.0 billion	120.0%	\$2.7 billion	4.25%
Paris	€16.9 billion	€9.1 billion	85.7%	\$21.2 billion	4.00%
Beijing	RMB29.8 billion	RMB16.7 billion	78.4%	\$3.7 billion	8.00%
Chicago	\$8.1 billion	\$5.8 billion	39.7%	\$8.1 billion	6.30%
New York	\$23.3 billion	\$17.7 billion	31.6%	\$23.3 billion	6.30%
London	£15.0 billion	£13.6 billion	10.3%	\$27.6 billion	3.75%
Shanghai	RMB22.6 billion	RMB21.9 billion	3.2%	\$2.8 billion	8.00%
Los Angeles	\$8.3 billion	\$10.3 billion	-19.4%	\$8.3 billion	6.00%
Sydney	AUD\$2.5 billion	AUD\$3.3 billion	-25.8%	\$1.8 billion	5.50%
Toronto	CAN\$1.6 billion	CAN\$2.3 billion	-30.4%	\$1.4 billion	6.50%
Hong Kong*	HK\$14.8 billion	HK\$23.4 billion	-36.6%	\$1.9 billion	4.50%

Source: CBRE Research

* Hong Kong investment totals are for the 12-month period December 1, 2005 thru November 30, 2006, compared with the 12-month period December 1, 2004 thru November 30, 2005.

Conversion note: Conversions from local currencies to U.S. dollars are based on the average conversion rate for the full year 2006.

Note to reporters:

If you are interested in obtaining a chart containing full conversions to U.S. currency, a full copy of the report, or to arrange to speak with a CBRE professional, please contact Robert McGrath at 212.984.8267 or robert.mcgrath@cbre.com, or Larry Koestler at 212.984.8123 or larry.koestler@cbre.com.

About CB Richard Ellis

CB Richard Ellis Group, Inc. (NYSE:CBG), an S&P 500 company headquartered in Los Angeles, California, is the world's largest commercial real estate services firm (in terms of 2005 revenue). With approximately 21,000 employees, the Company serves real estate owners, investors and occupiers through more than 200 offices worldwide (excluding affiliate and partner offices). CB Richard Ellis offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; research and consulting. Please visit our Web site at www.cbre.com.