

# RICS Americas/RCA Commercial Real Estate Report Q1 2010



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RICS Americas, in conjunction with Real Capital Analytics (RCA) is proud to provide this quarterly review of Commercial Real Estate in the Americas.

All data contained within this report has been collected and provided by RCA. Please refer to [www.rcanalytics.com](http://www.rcanalytics.com) for more information regarding the definitions, methodology, and sources referred to in this report. The data is believed to be accurate at the time of publishing, but is not guaranteed and is subject to future revisions.

We welcome feedback on this report as we seek to continually improve and extend this publication to maximize its value to members.

## Q1 Investment Summary for the Americas

Robert M. White, Jr. FRICS  
President and Founder, Real Capital Analytics

The Americas posted the first significant gain in transaction volume in Q1 to approximately \$17 billion, up an impressive 68% from a year earlier. The Americas suffered the greatest decline in sales activity following turmoil in the financial markets and the recent increase in investment is about 6 months behind other regions across the globe. Thus the solid increase in sales across the Americas is a welcome sign, but since Q1'10 volume still just 12% of volume recorded in Q1'07, it still has a long way to go to catch up. Pricing for well leased, core properties improved and yields for property acquisitions in the Americas fell for the first time since they started rising in the fall of 2007.

The US, Canada, Mexico and Brazil all posted increases in sales volume in Q1'10 compared to a year earlier. Sales in Mexico tripled while sales in Canada doubled. Brazil also saw sales nearly double in Q1'10 after posting a strong increase in activity in Q4'09 as well. In the US, property sales increased by a healthy but more modest 63%. Easing of the credit crunch has started to help improve the investment climate in the US with the office and apartment sectors leading the recovery.

With investment yields falling in Europe and Asia since the summer, a wide gap currently exists for properties in the Americas where cap rates are still much higher, making them an attractive opportunity for cross-border buyers. Public companies such as REITs have also started to acquire property again and were responsible for the majority of investment in Canada and Brazil last quarter. Public companies are enjoying the best access to capital and are expected to be big buyers of property throughout the Americas in 2010.

While the first quarter statistics are encouraging and the increase in property sales in the Americas was robust, it is important to remember that investment remains at greatly diminished levels compared to just a few years ago, nevertheless, 2010 is off to a good start.



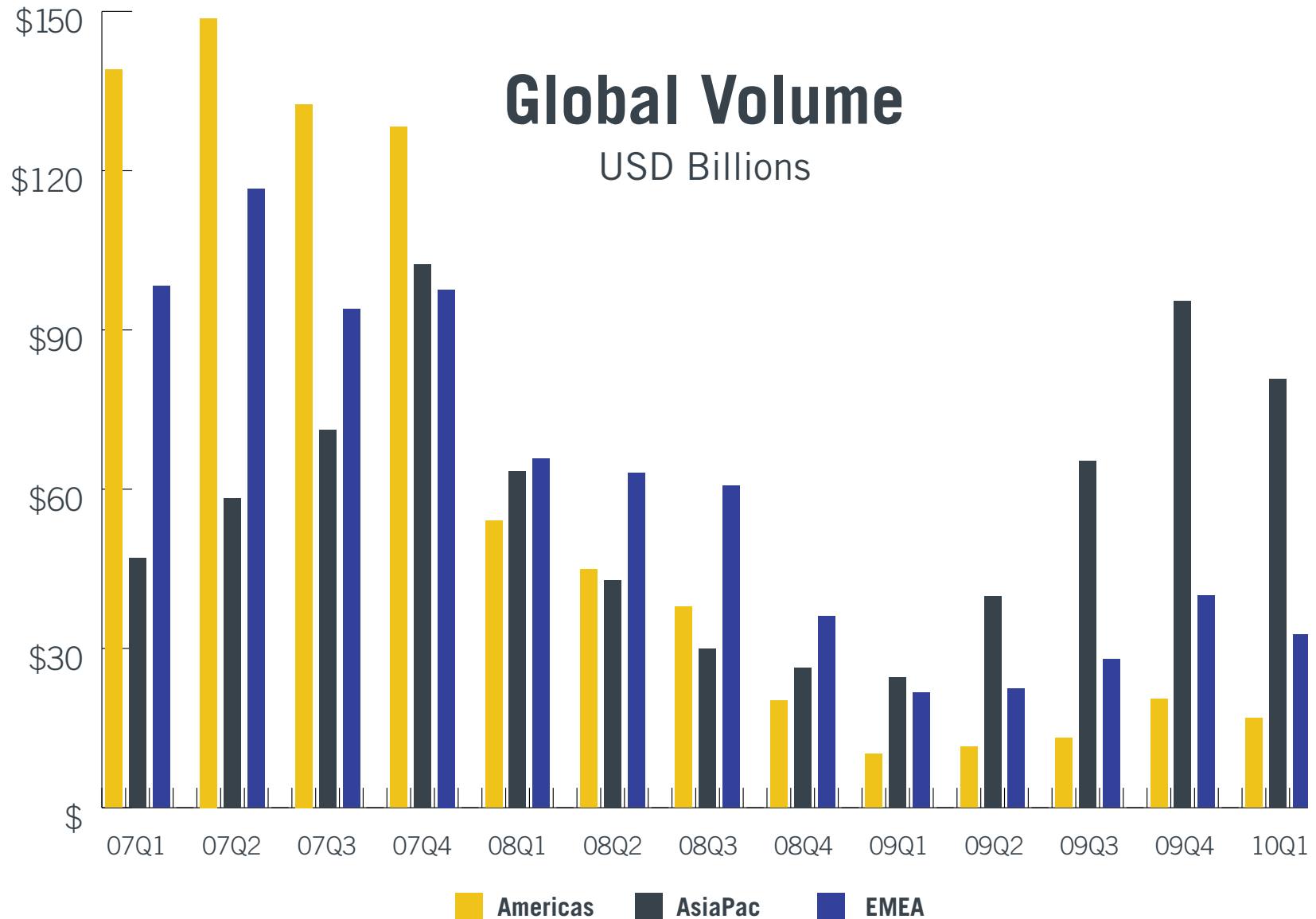
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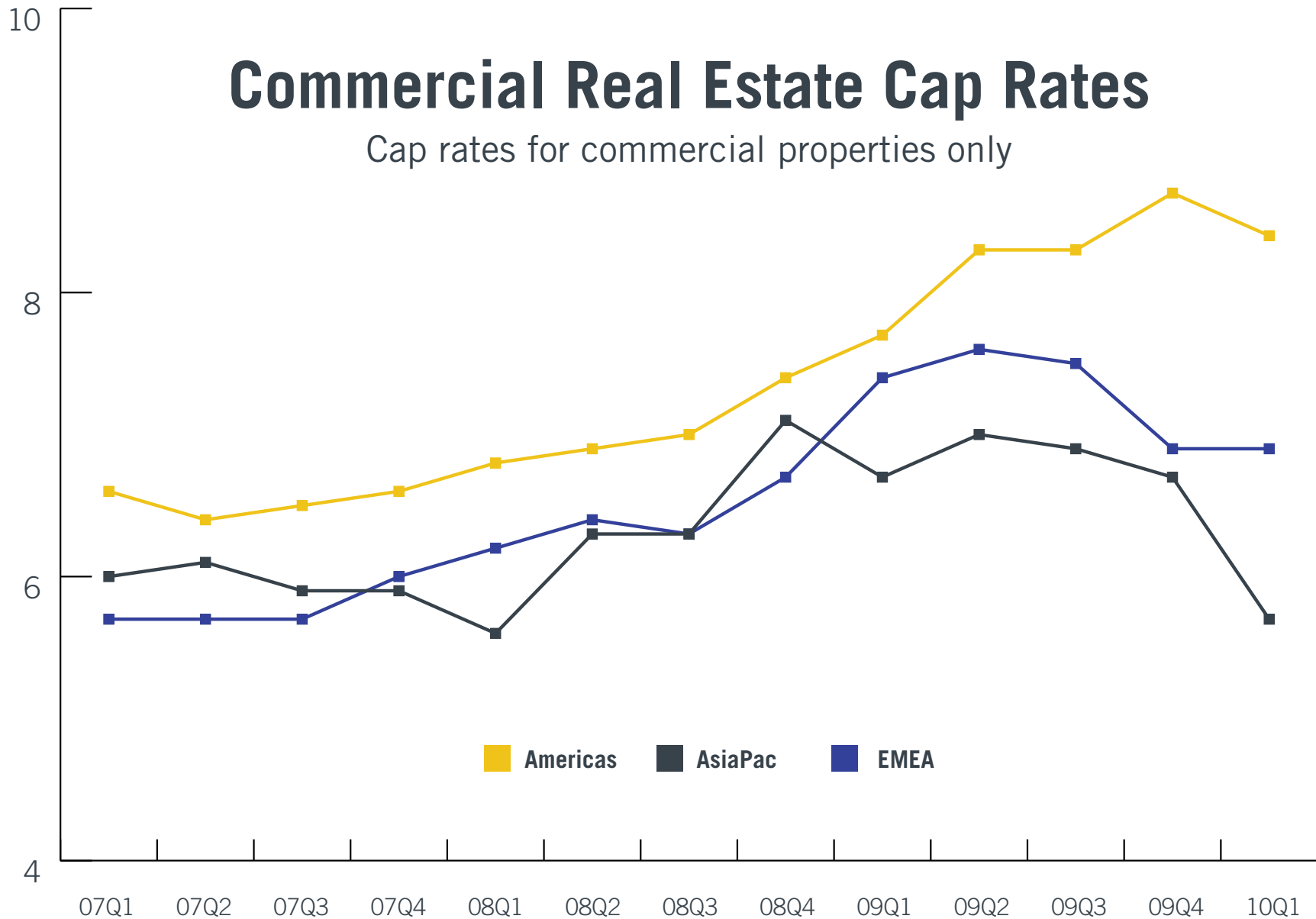
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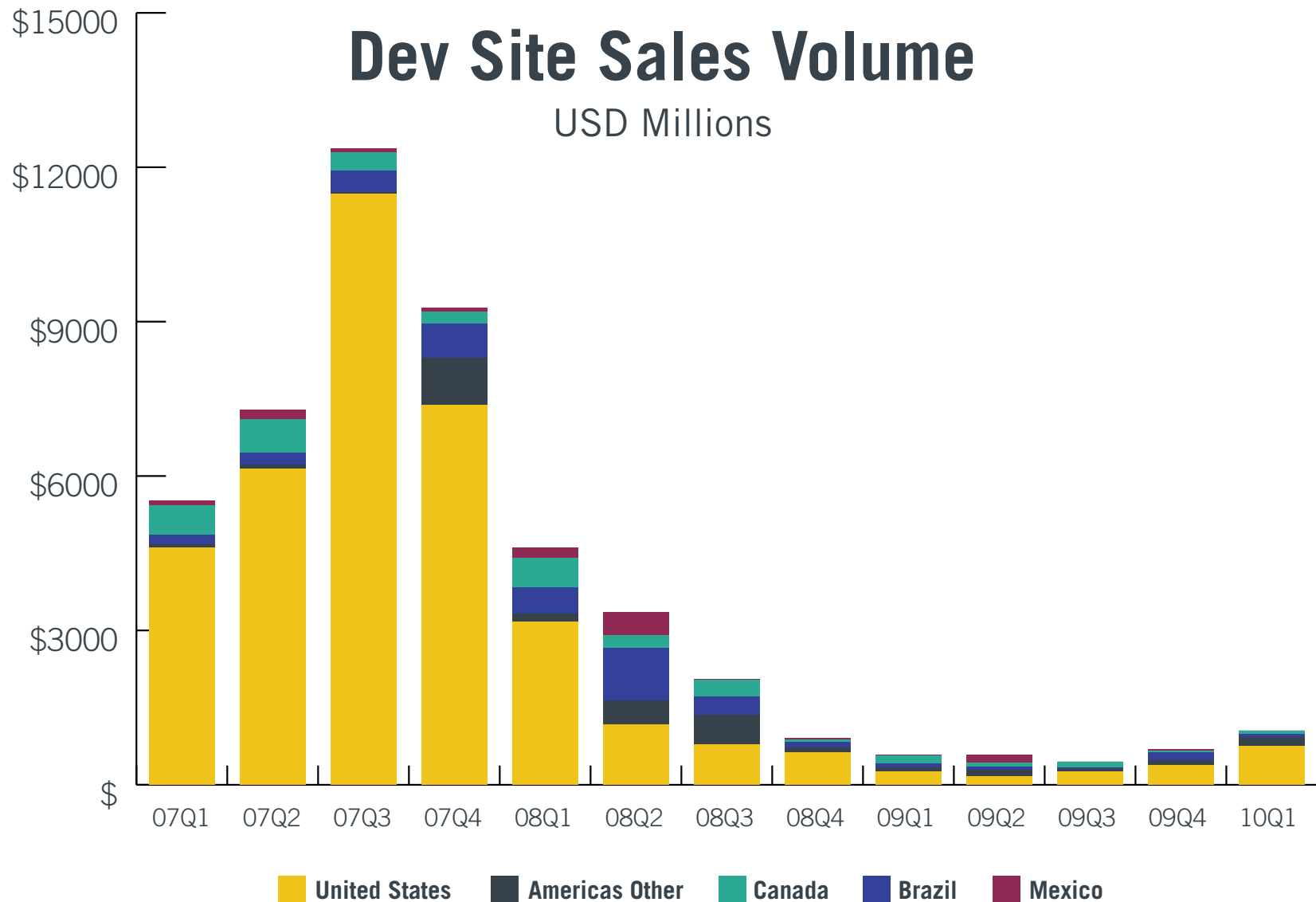
**Americas**

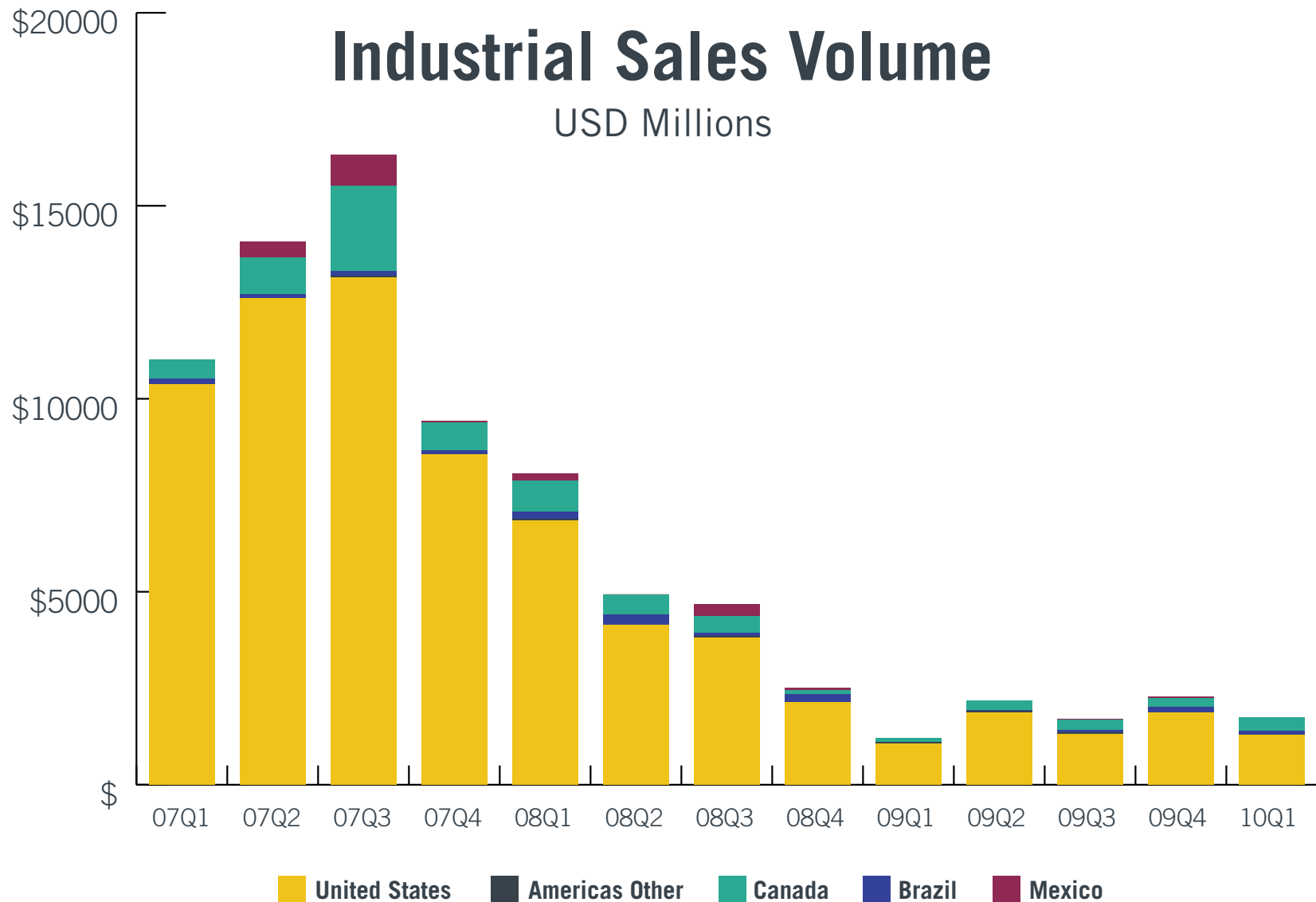
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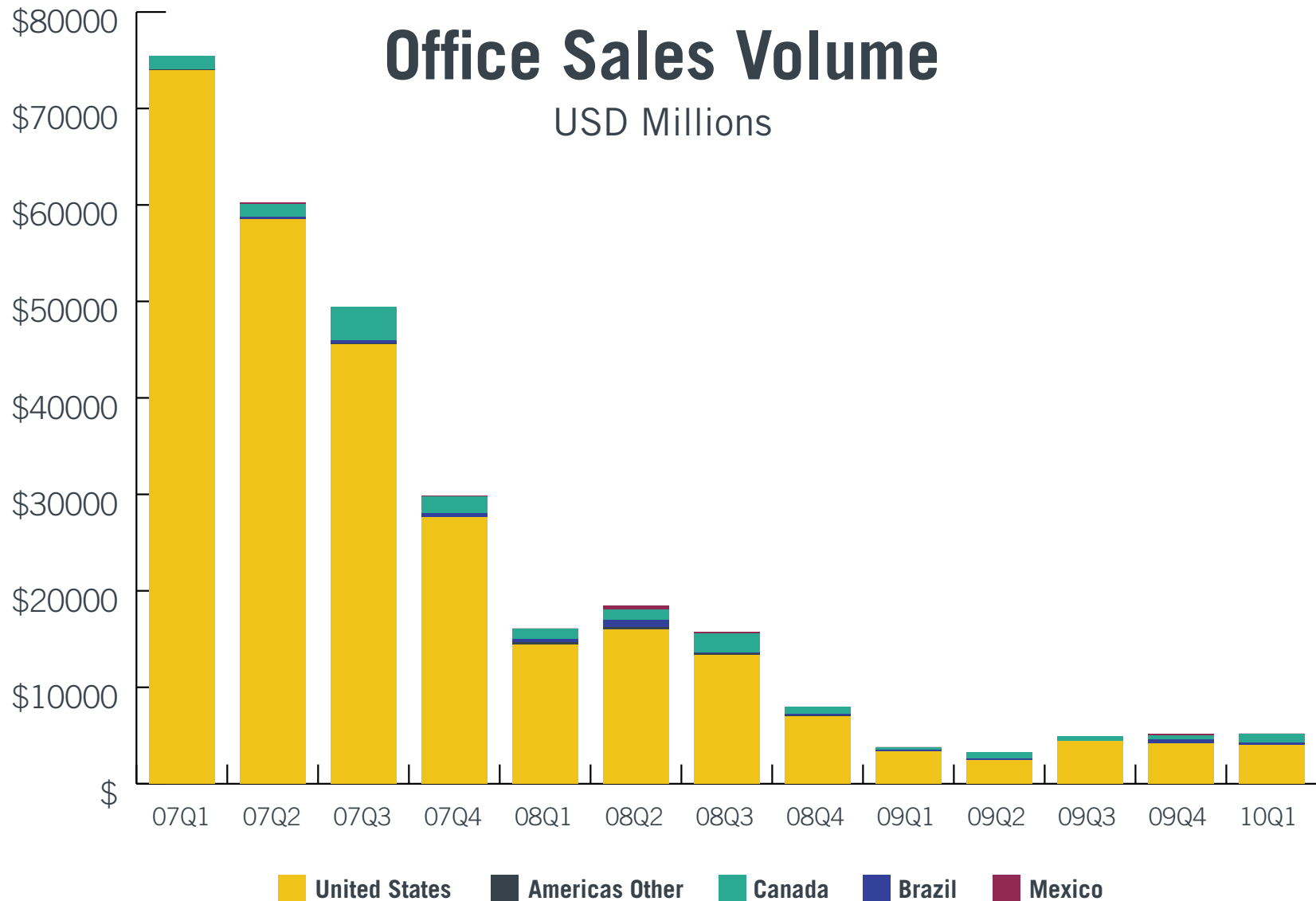
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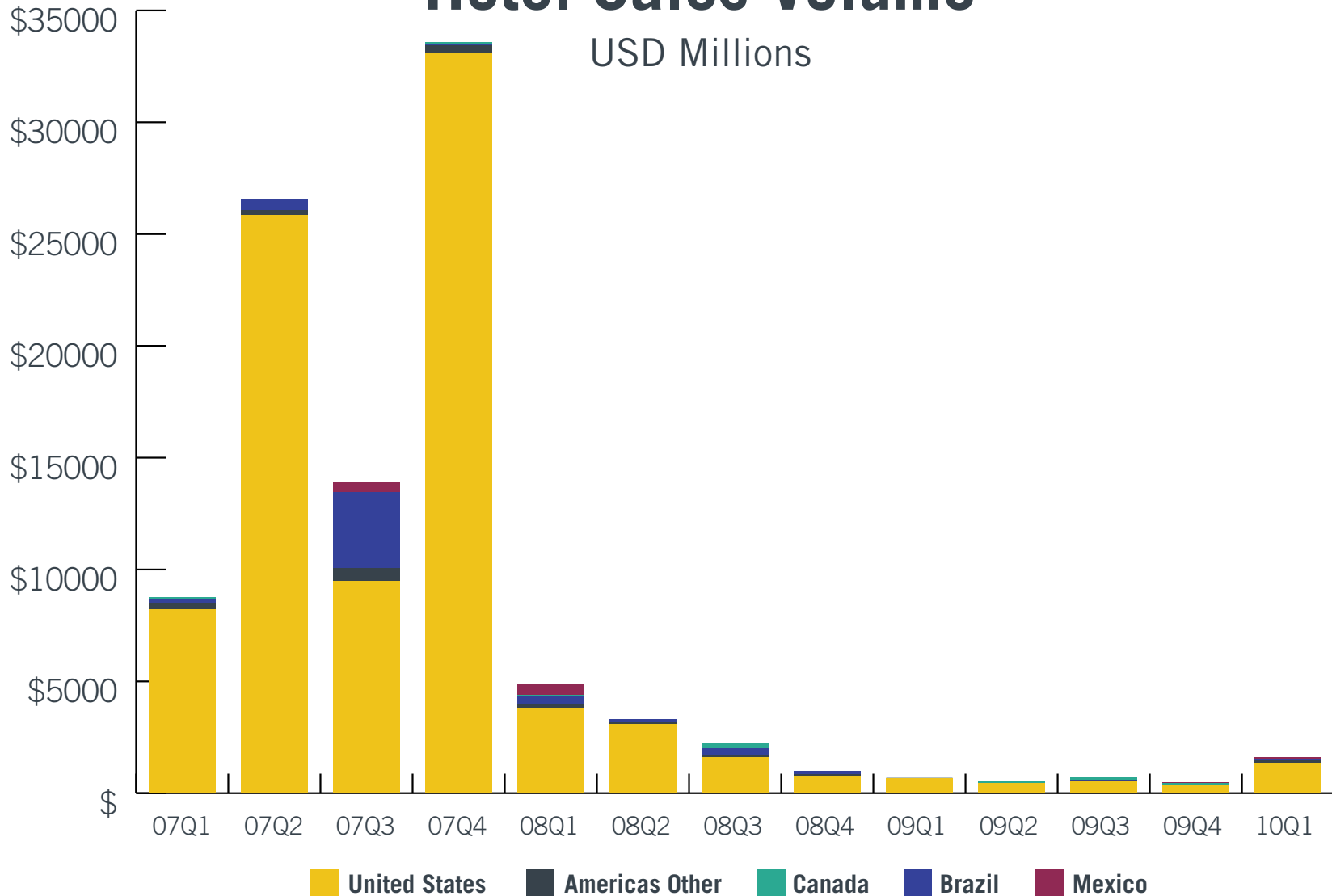


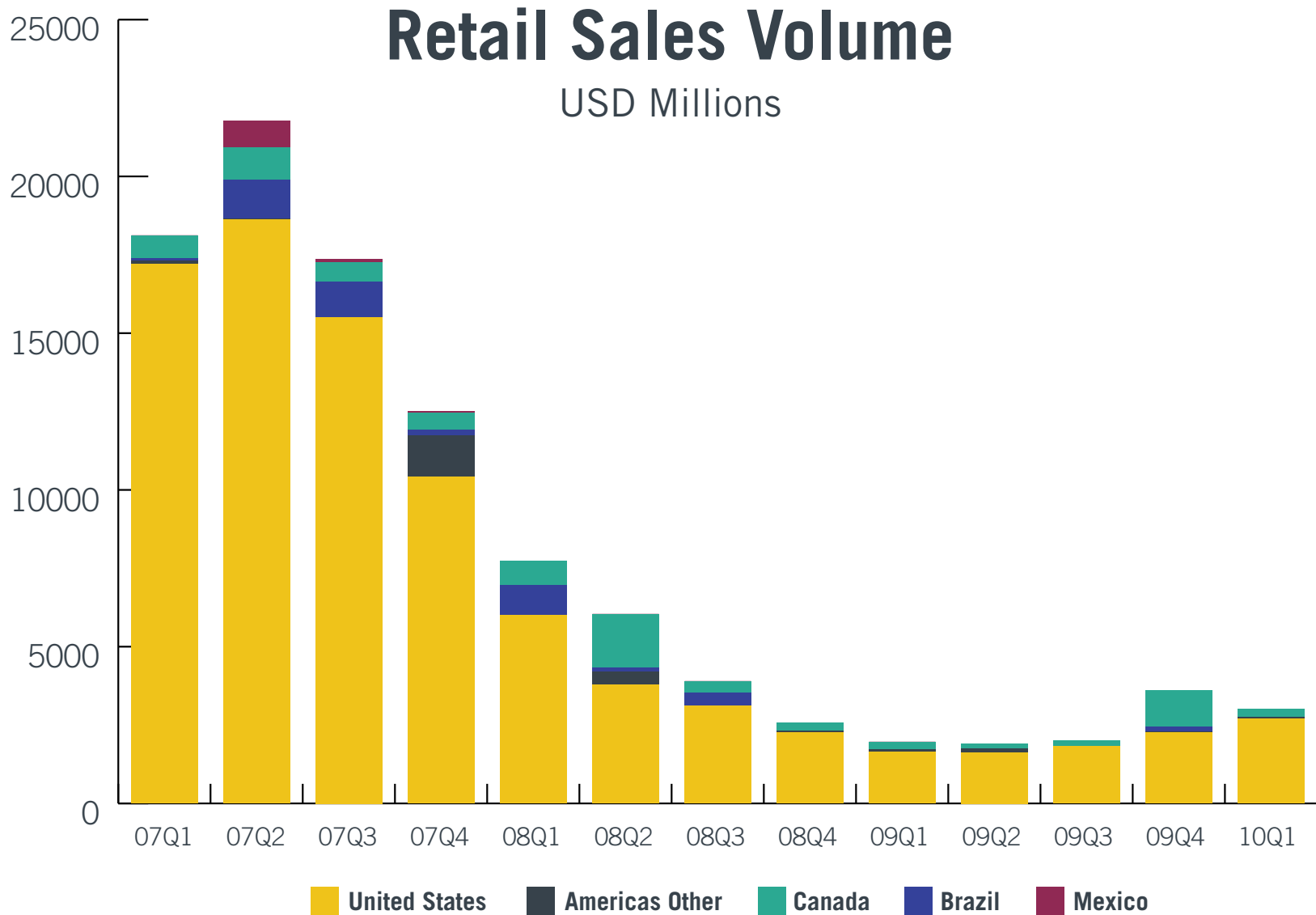




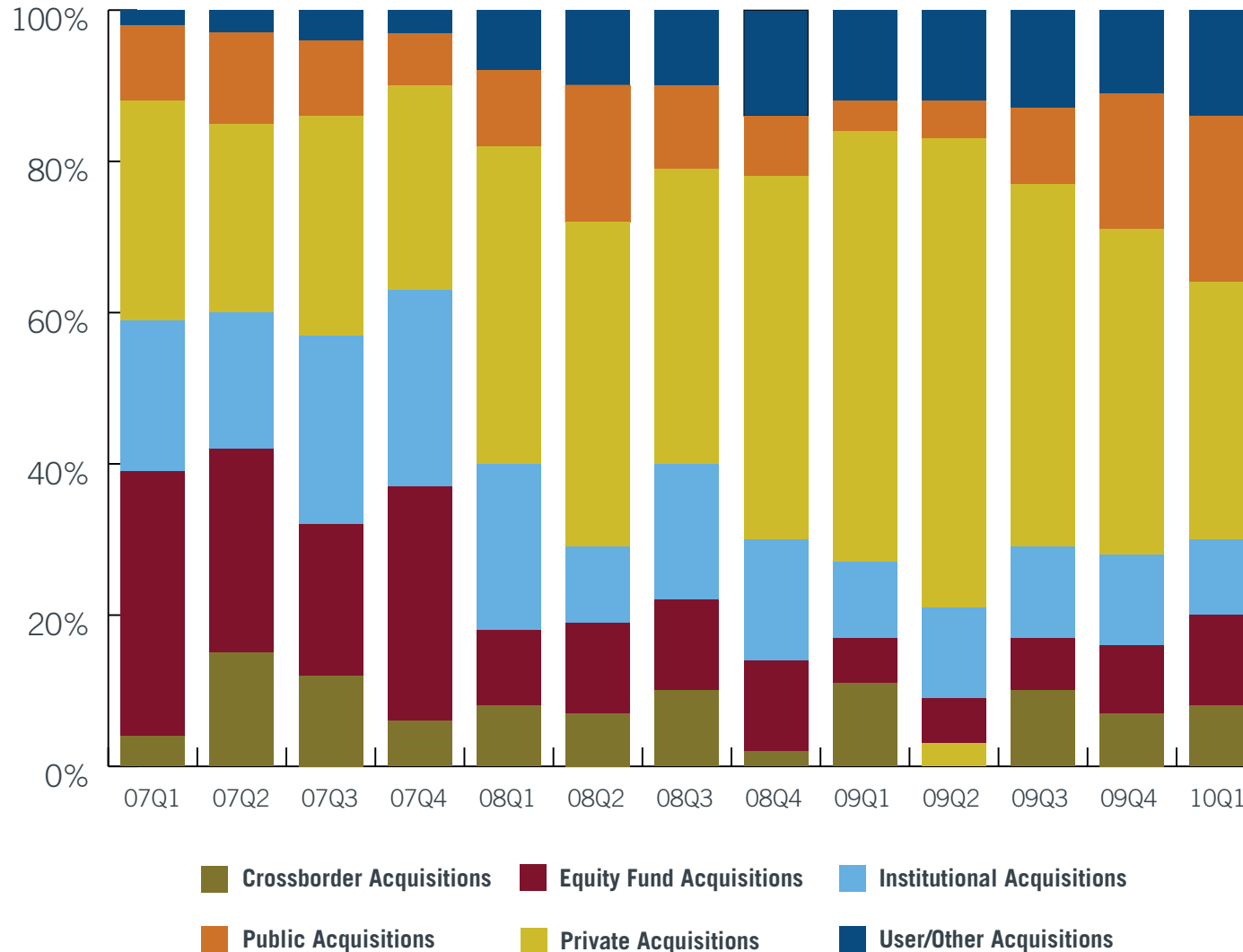
# Hotel Sales Volume

USD Millions

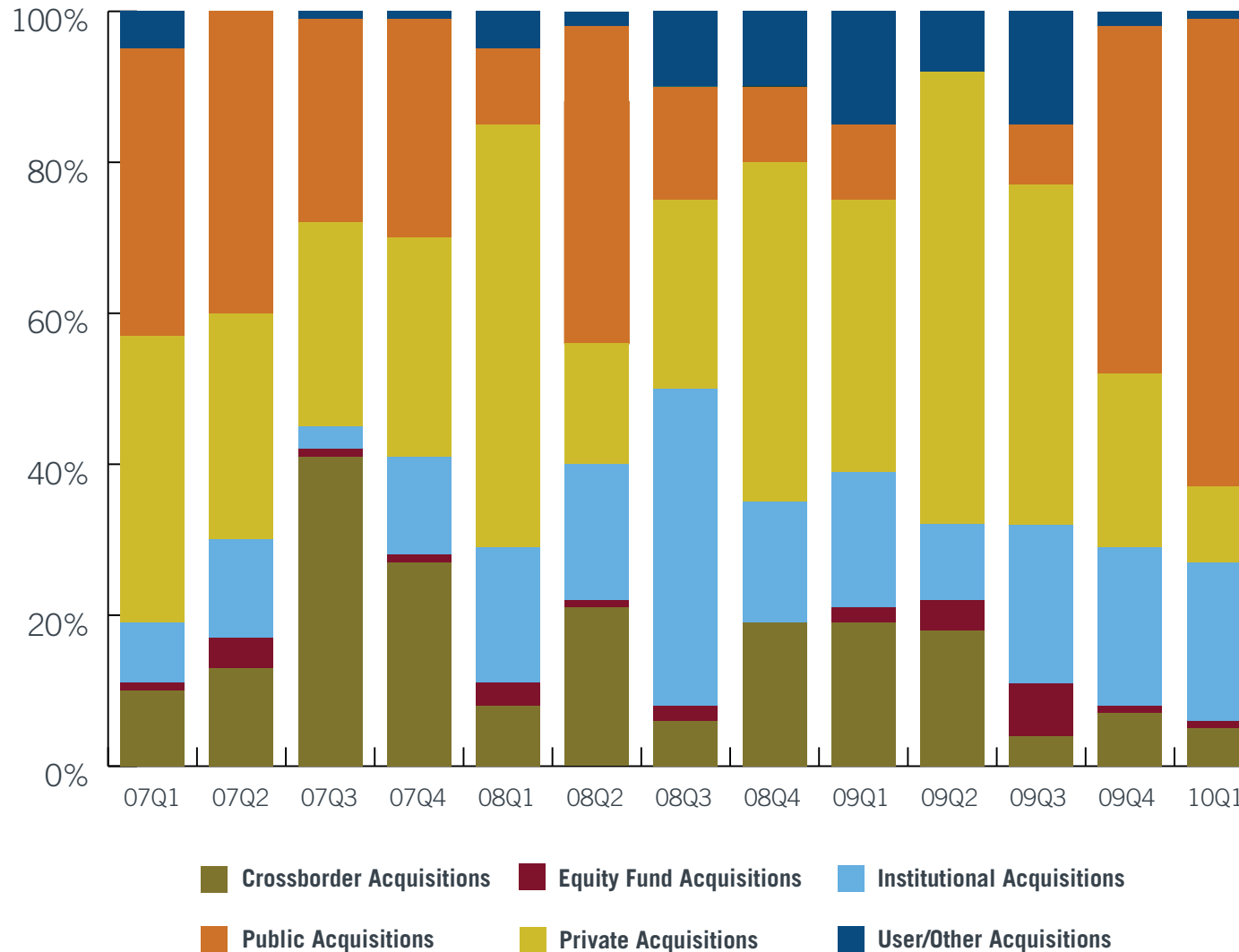




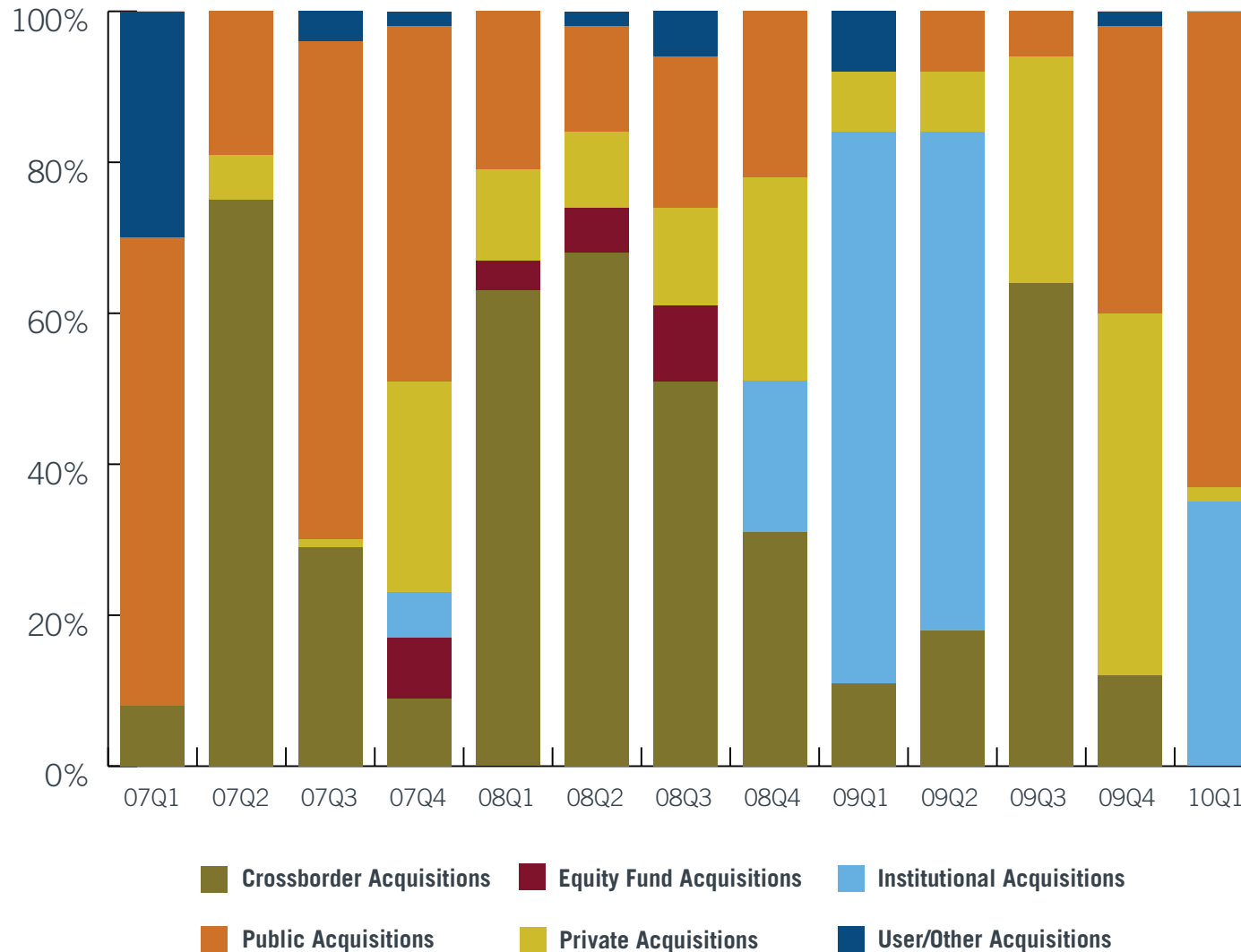
# Known Buyer Composition – United States



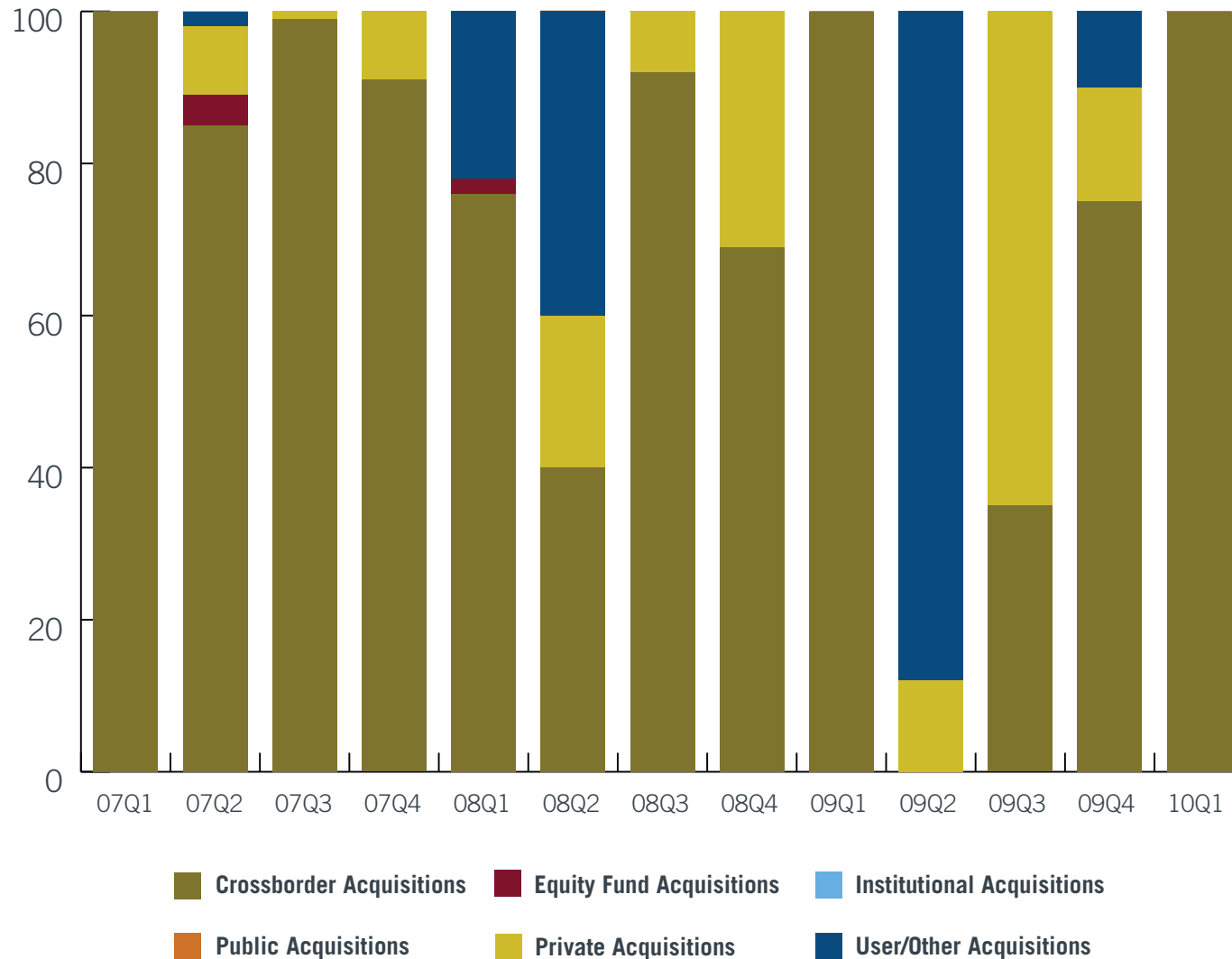
# Known Buyer Composition – Canada



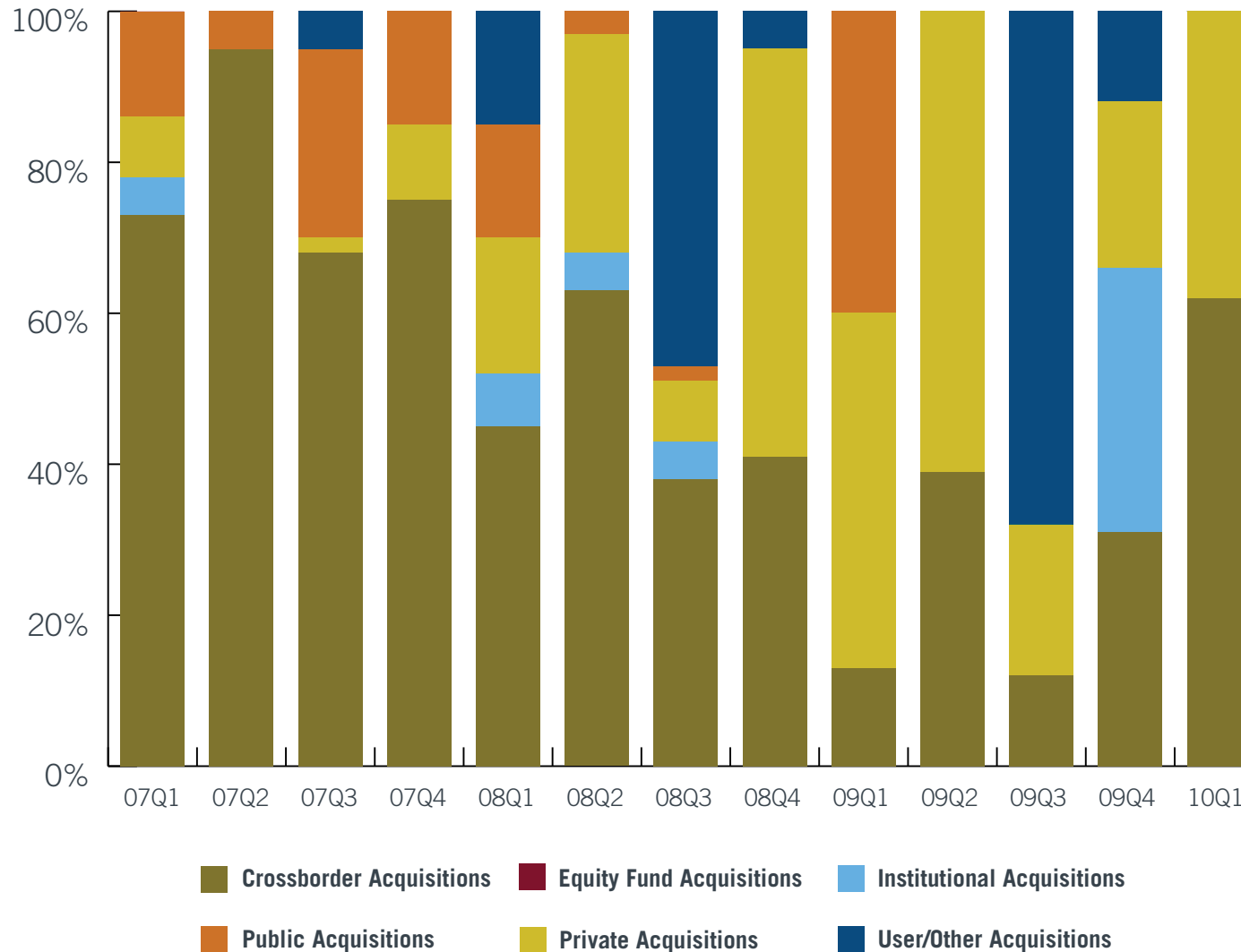
# Known Buyer Composition—Brazil



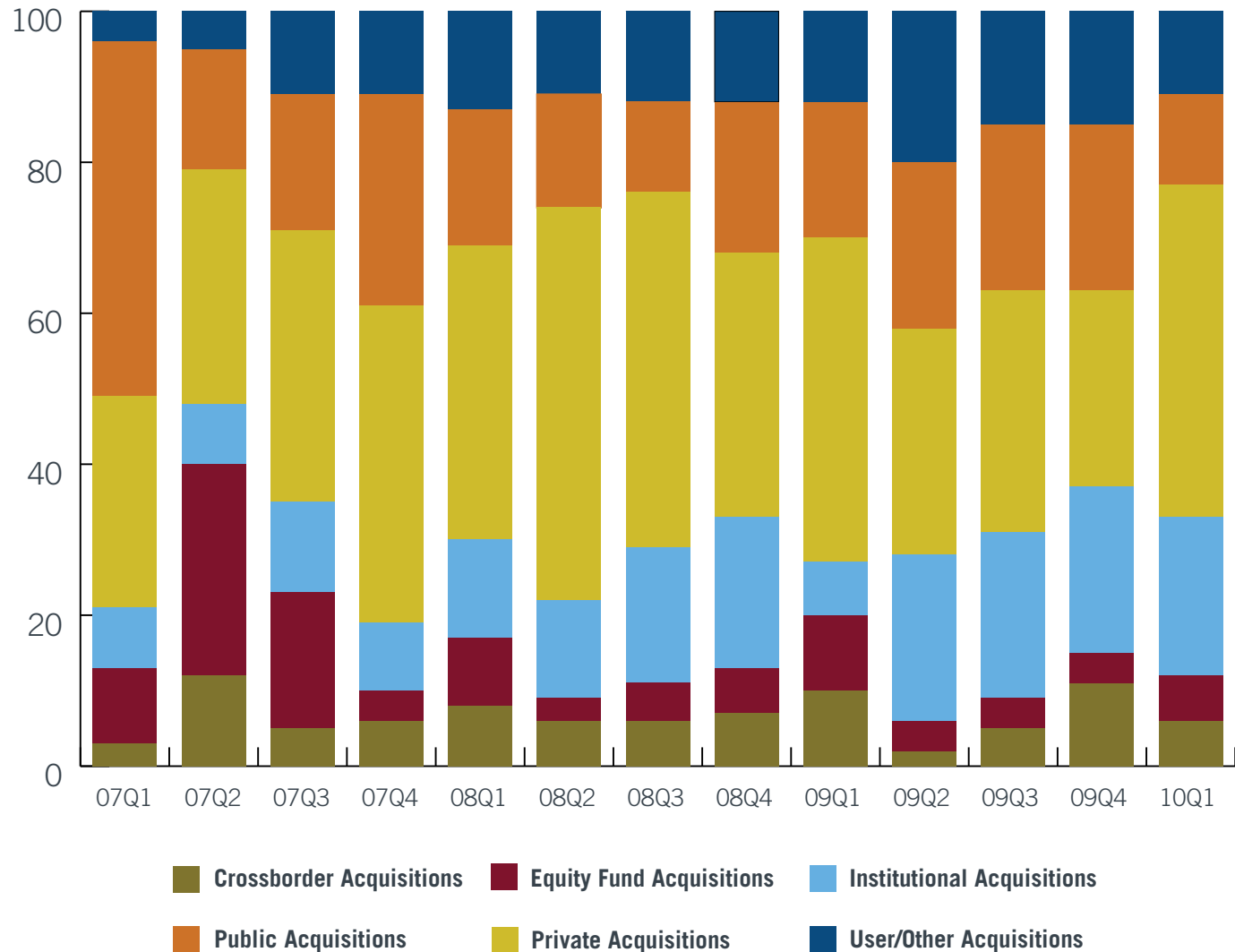
## Known Buyer Composition – Mexico



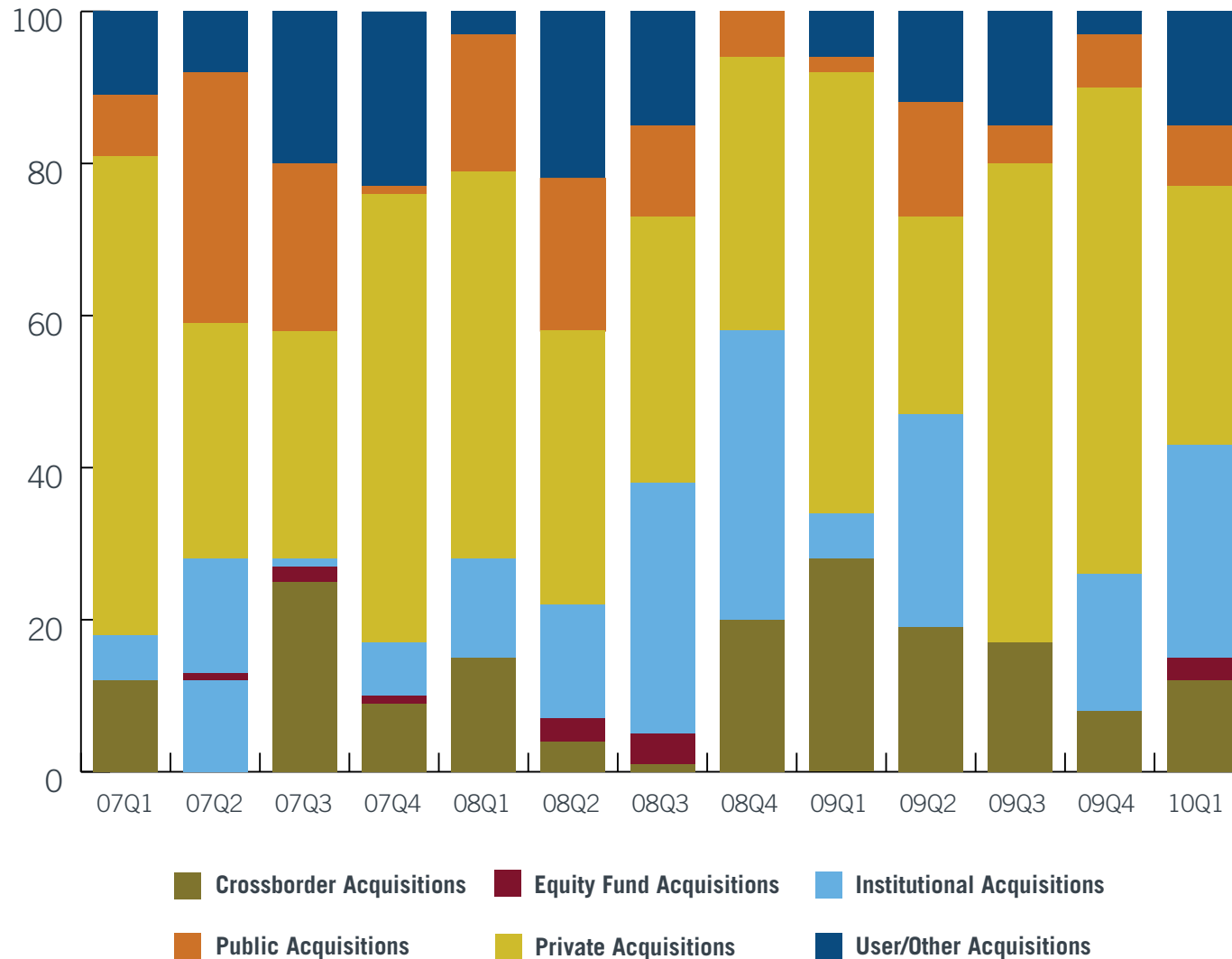
# Known Buyer Composition—Americas Other



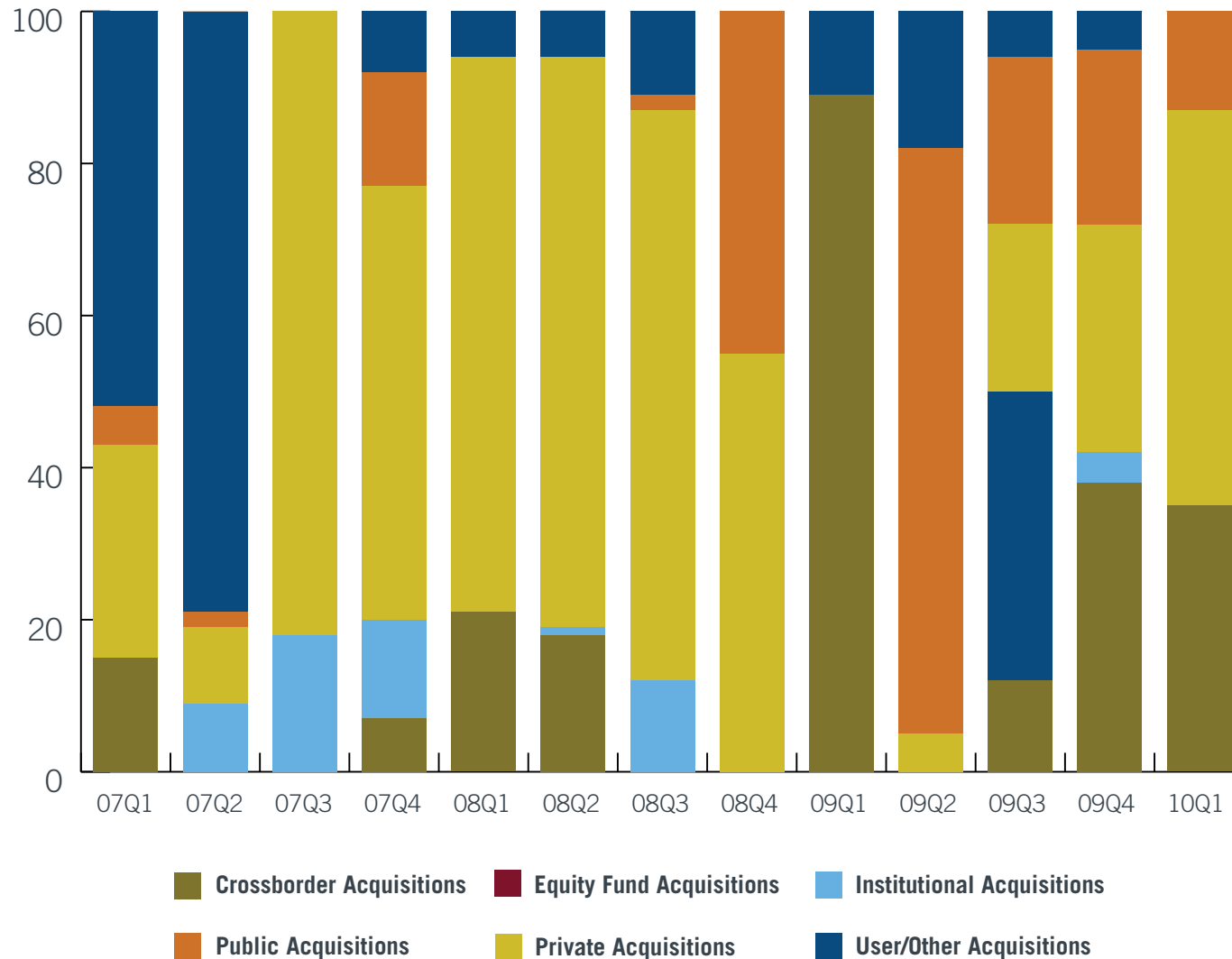
# Known Seller Composition—United States



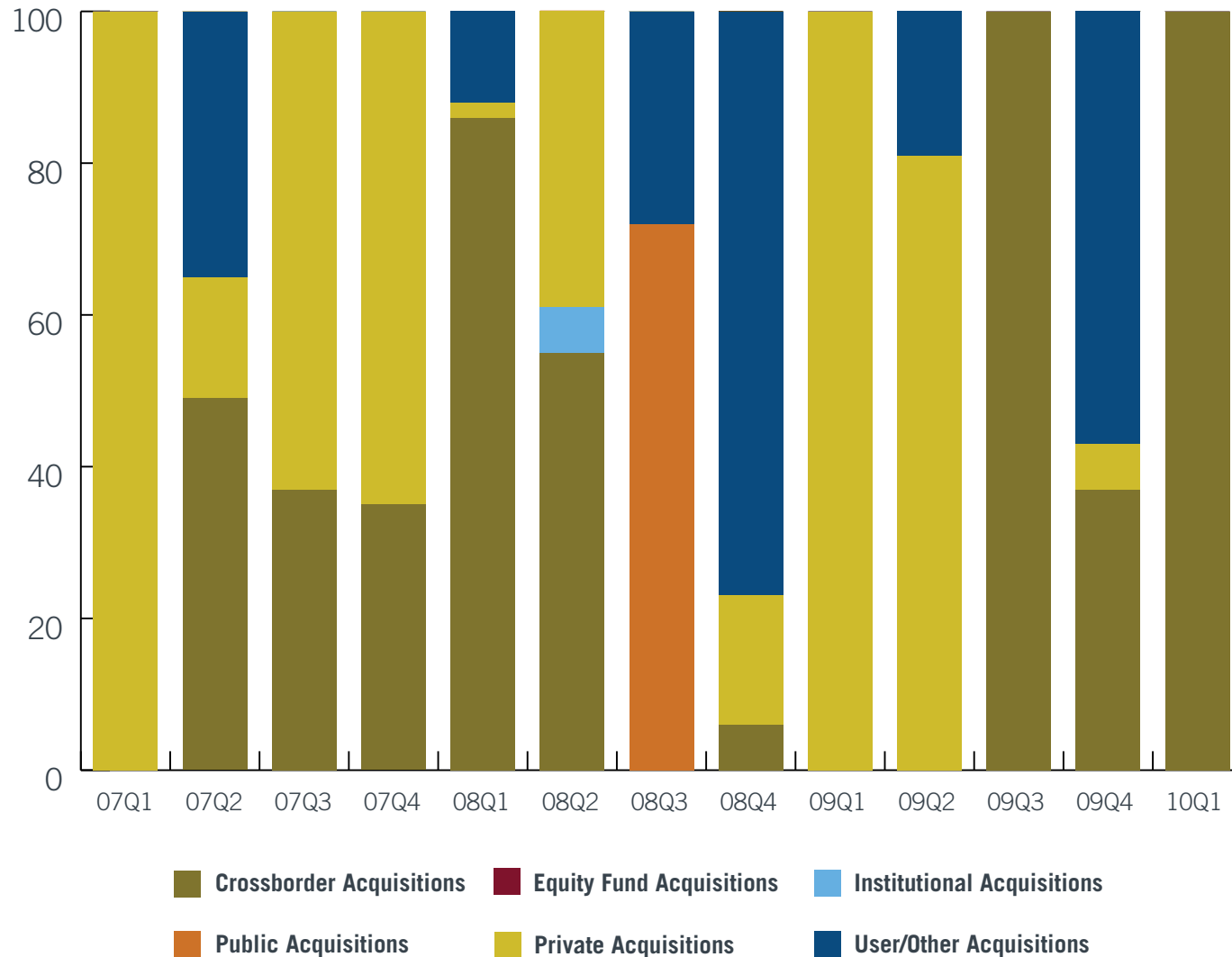
# Known Seller Composition – Canada



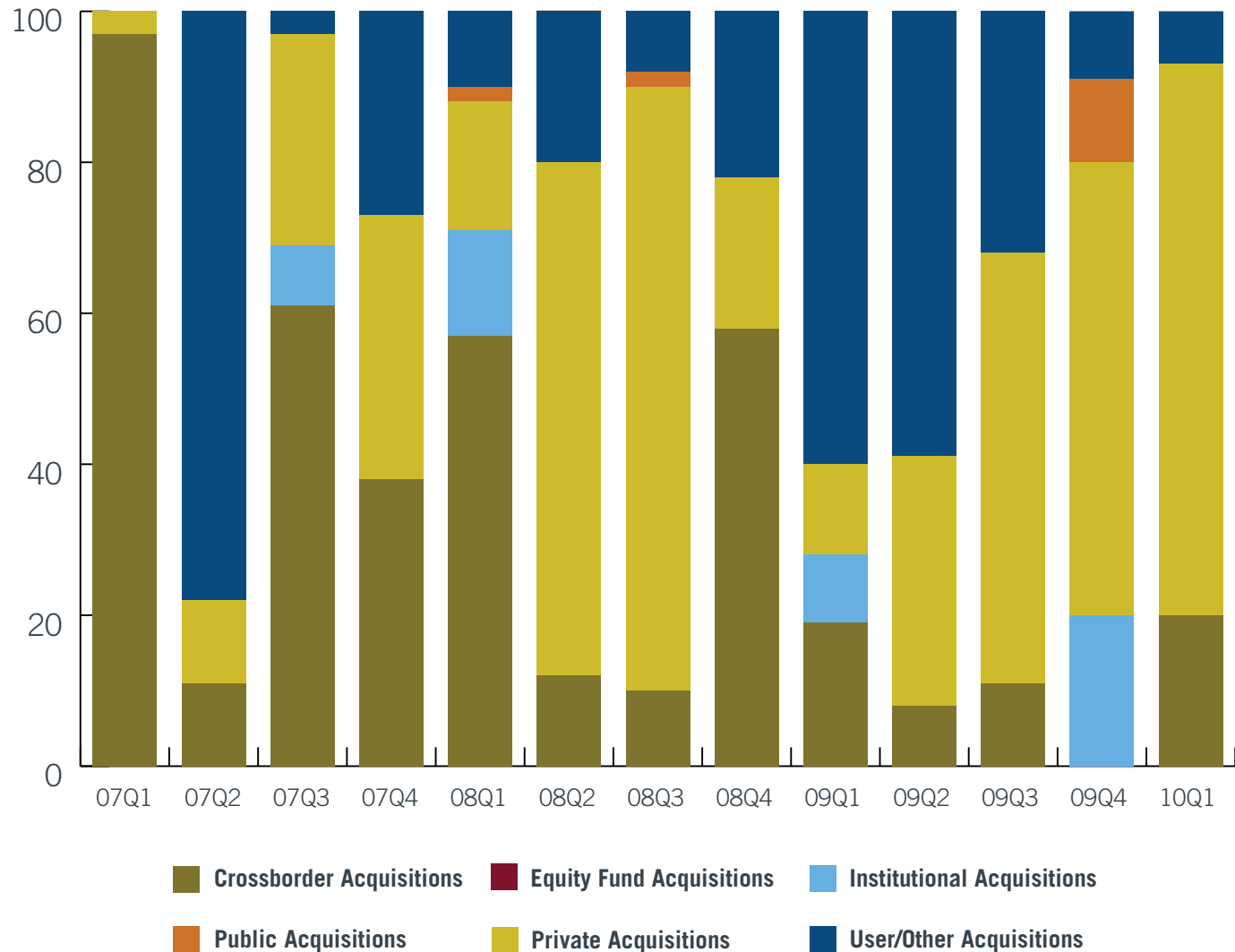
# Known Seller Composition – Brazil



## Known Seller Composition – Mexico



# Known Seller Composition – Americas Other



# Select Transactions – Latin America

Latin America										
Property	Address	City	Country	Property Type	Buyer	Seller	Qtr	Price	Units/SF	Cap Rate
Ventura Tower II	Avenida Republica Do Chile 300	Rio De Janeiro	Brazil	Office	PMV- Participacoes Morro Vermelho S.A.	GoldenTree InSite Partners	09Q4	\$240.3	516,672	
fmr Banco Real HQ	Avenida Paulista 1374	Sao Paulo	Brazil	Office	Brazilian Finance & Real Estate	Banco Santander	10Q1	\$151.4	167,186	
Shopping Metro Santa Cruz	Av Domingos De Morais 2564	Sao Paulo	Brazil	Retail	BR Malls Participacoes SA	JHSF Participacoes SA	09Q4	\$108.9	236,808	
DP Louveira I / II	R Luiz Mazzalli 450	Louveira	Brazil	Industrial	BR Properties	Anhanguera do Brasil Projetos Ltda	09Q4	\$91.4	1,550,016	
Le Meridien Copacabana	Avenida Atlantica 1020	Rio De Janeiro	Brazil	Hotel	Windsor Group	Previ	09Q3	\$87.1	496	
Edificio Torre Nacoes Unidas	Av Engenheiro Luiz Carlos Berrini 1376	Sao Paulo	Brazil	Office	BR Properties	REC Berrini	10Q1	\$83.7	263,718	
Edificio J.M.Pinheiro Neto	Rua Hungria 1100	Sao Paulo	Brazil	Office	Credit Suisse	JHSF Participacoes SA	09Q4	\$68.0	127,015	
Hotel Marriot Larcomar	Avenida Malecon De La Reserva	Lima	Peru	Hotel	Parque Arauco SA	Grana & Montero S.A.A.	10Q1	\$65.0	300	
Casa das Caldeiras	Avenida Francisco Matarazzo	Sao Paulo	Brazil	Dev Site	Helbor Empreendimentos SA	Setin	09Q4	\$56.4	380,000	
Four Seasons Hotel Mexico	Paseo De La Reforma 500	Mexico City	Mexico	Hotel	Meridia Capital	Strategic Hotels & Resorts	09Q4	\$54.0	240	6.2%

## Select Transactions – Canada

Canada										
Property	Address	City	Country	Property Type	Buyer	Seller	Qtr	Price	Units/SF	Cap Rate
Sunridge Mall	2525 36 St Ne	Calgary	Canada	Retail	Primaris Retail REIT	Ivanhoe Cambridge	09Q4	\$239.7	758,625	
Adelaide Place	150 York St	Toronto	Canada	Office	Dundee REIT	Ontario Pension Board (OPB)	10Q1	\$201.0	655,000	
Woodgrove Centre	102-6631 Island Hwy N		Canada	Retail	Primaris Retail REIT	Ivanhoe Cambridge	09Q4	\$195.3	719,000	
fmr Canadian National Express	151 Front St W	Toronto	Canada	Office	Allied Properties	Northam Realty Advisors	09Q4	\$179.3	325,772	10.0%
Bayshore Shopping Centre	100 Bayshore Dr	Ottawa	Canada	Retail	KingSett Capital		09Q4	\$150.0	742,204	
Langara Gardens	501 W 57th Ave	Vancouver	Canada	Apartment	Langara Gardens	Liberty Investments Ltd	09Q4	\$144.8	605	
Grandview Corners	160th St And 24th Ave	Surrey	Canada	Retail	RioCan REIT		09Q4	\$129.4	529,827	6.9%
Place Innovation	2311-2351 Alfred-nobel Blvd	St Laurent	Canada	Office	Brookfield Asset Management		09Q3	\$120.0	900,000	
Wosk Towers	1600 Beach Ave	Vancouver	Canada	Apartment		Wosk family	09Q4	\$110.8	598	
77 Bloor St	77 Bloor St	Toronto	Canada	Office	Morguard REIT		09Q4	\$94.7	370,000	

## Select Transactions – United States

United States										
Property	Address	City	Country	Property Type	Buyer	Seller	Qtr	Price	Units/SF	Cap Rate
WorldWide Plaza	825 Eighth Ave	New York	United States	Office	George Comfort & Sons	Macklowe Properties	09Q3	\$590.3	1,600,000	5.2%
FlatIron Crossing	1 W Flatiron Crossing Dr	Broomfield	United States	Retail	GI Partners	Macerich	09Q3	\$347.3	722,855	7.5%
Opry Mills	433 Opry Mills Dr	Nashville	United States	Retail	Simon Property Group	KanAm Group	10Q1	\$312.7	1,157,231	8.8%
fmr Drake Hotel	440 Park Ave	New York	United States	Dev Site	CIM Group	Macklowe Properties	10Q1	\$305.2	24,280	
Great Mall of the Bay Area	447 Great Mall Dr	Milpitas	United States	Retail	Simon Property Group	KanAm Group	10Q1	\$288.1	1,378,497	10.1%
Electronic Arts HQ	240 Shoreline Dr	Redwood City	United States	Office	Electronic Arts Inc	Selco Service Co	09Q3	\$233.0	660,000	
1625 Eye St	1625 Eye St	Washington	United States	Office	EDGE Fund Advisors	Brookfield Properties	09Q4	\$226.0	386,000	
Anadarko Petroleum Corporation Tower	1201 Lake Robbins Dr	Spring	United States	Office	Anadarko Petroleum Corp.	Wachovia	10Q1	\$213.3	1,050,000	
1999 K Street NW	1999 K St	Washington	United States	Office	DekaBank	Vornado Realty Trust	09Q3	\$207.9	249,000	6.3%
Lloyd Center	2201 Lloyd Ctr	Portland	United States	Retail	Blackstone	Glimcher Realty Trust	10Q1	\$190.0	1,443,014	10.0%



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