KEMPER'S

a Jones Lang LaSalle company

Retail Ticker Germany

1st Half-Year 2009

Retail Development
Development of Prime Rent
Retail Figures
Short-Term Rental Cycle – High Streets

Retail Location Berlin

Due to its standing as a cultural and media centre, Berlin was ranked among the world's top 15 cities in a "Quality of Life" survey carried out by global magazine Monocle. In keeping with this, Berlin's shopping landscape also now meets international benchmarks and offers a multitude of modern and well-structured shopping destinations. In spite of the tense economic situation, retail rental prices have remained constant in 2009 at up to 220 euros.

Kurfürstendamm is Berlin's most prominent 1-A retail location and forms a shopping mile together with **Tauentzienstraße.** Here you will find the globally renowned KaDeWe department store as well as traditional chain stores and specialist shops, all of which are part of a retail structure that has been built up over several decades. Luxury watch manufacturer Rolex has opened a single-label store in a 250-m² retail space on the Kurfürstendamm. Prada is also opening its second start-up on the Kurfürstendamm. The Irish Ballymore group recently finalized its plans for a transformation of the Kudamm-Karrée, and building permits should be granted no later than the beginning of the second quarter of 2009. The plan is to create a hotel, retail and residential complex by 2012. The expansion of "The Corner" on Knesebeckstraße proves the attractiveness of Kudamm side streets. The level of demand has also remained stable on Tauentzienstraße. The rebuilding of the Tauentzienstraße 5 property opposite KaDeWe will add considerable value to this side of the street, which still requires more attractive new concepts to further its development

In April 2009 the reopening of the Karstadt department store will provide a major boost to what is traditionally the best section of **Schlossstraße** and increase the attractiveness of one of the most important retail locations in Berlin. This also applies to the rebuilding of the neighbouring Wertheim department store within the framework of the "Boulevard Berlin" project. There are plans to build 250 retail units with a total sales area of around 70,000 m², with completion expected in 2011. It then remains to be seen to what extent consumers will distribute their cash in this street, which has the highest density of shopping centres in Berlin.

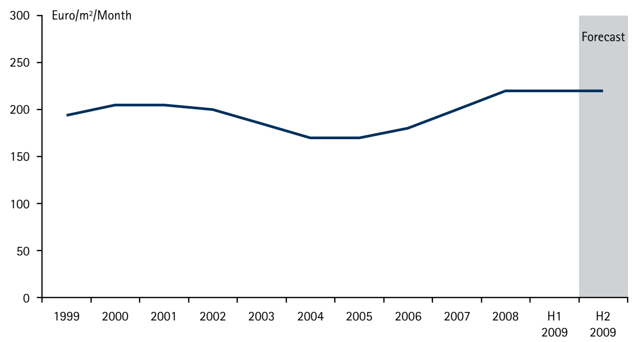
Alexanderplatz already has one major attraction thanks to the success of the "Alexa" shopping centre, and the opening of the "Die Mitte" project at the end of March 2009 will bring the square closer to completion. The planned rebuilding of the D2 and D3 plots around the Park-Inn Hotel will complete the construction activity in the square. It remains to be seen how far the successful redesign of this location will impact the flow of shoppers and rental price development in the eastern part of the capital. The Alexa centre has already been able to attract customers away from the surrounding shopping centres.

Out of the top locations in Berlin, **Friedrichstraße** has one of the highest percentages of chain stores at 72.9 %. This has been further underlined by the opening of the "Upper East Side" centre with Douglas, Zara, Esprit, and Marco Polo. The arrival on the street of Massimo Dutti with1,000 m², Emporio Armani, and BoConcept with 820 m² is evidence of the trend towards more high-end retailers. The hoped-for conversion of the existing car showrooms should be an important factor for the further development of the street. Mercedes-Benz is setting an example by moving its representative office to Boulevard Unter den Linden.

Wilmersdorfer Straße is the only pedestrianised shopping mile in Berlin. This retail location traditionally featured more local shops, but the opening of the Wilmersdorfer Arcaden with more than 100 shops has considerably expanded the retail offering and increased customer dwell time. However, there has been some criticism about the mix of tenants; there is certainly the potential for higher-quality tenants here.

Hackesche Markt/Berlin Mitte is plainly a key attraction for tourists and retailers. It started life purely as a trendy part of town, but in the meantime it has developed into a more conventional retail area with hip fashion labels and single-brand stores of diverse lifestyle brands. Tourists and locals can stroll among the many small shops and courtyards like in Covent Garden in London or the Marais quarter in Paris. At more than 100 Euro/m²/month, the rental prices are an indication of the growing vibrancy of the established brands that find their audience here.

Berlin: Development of Prime Rent



Net rent for a virtual shop, 100 m² sales space ground floor, without steps and columnfree frontage approximatly 6 m
Source: Kemper's Jones Lang LaSalle Retail

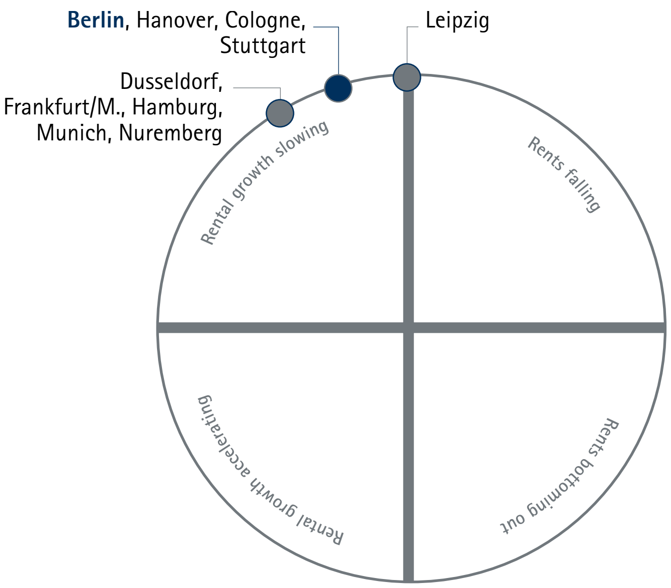
Berlin: Retail Figures

Population (in thousands)	3,425	06/2008
Population Development (in %)	1.0	2003-2008
Unemployment Rate (in %)	14.4	02/2009
Purchasing Power Index (in %)*	89.6	2009
Retail Purchasing Power Index (in %)*	93.9	2009
Retail Turnover Index (in %)*	104.0	2009
Centrality Index (in %)*	110.8	2009

*Germany = 100
Source: Statistical Offices, Federal Employment Office, GfK, BBE

Short-Term Rental Cycle – High Streets

Source: Jones Lang LaSalle GmbH



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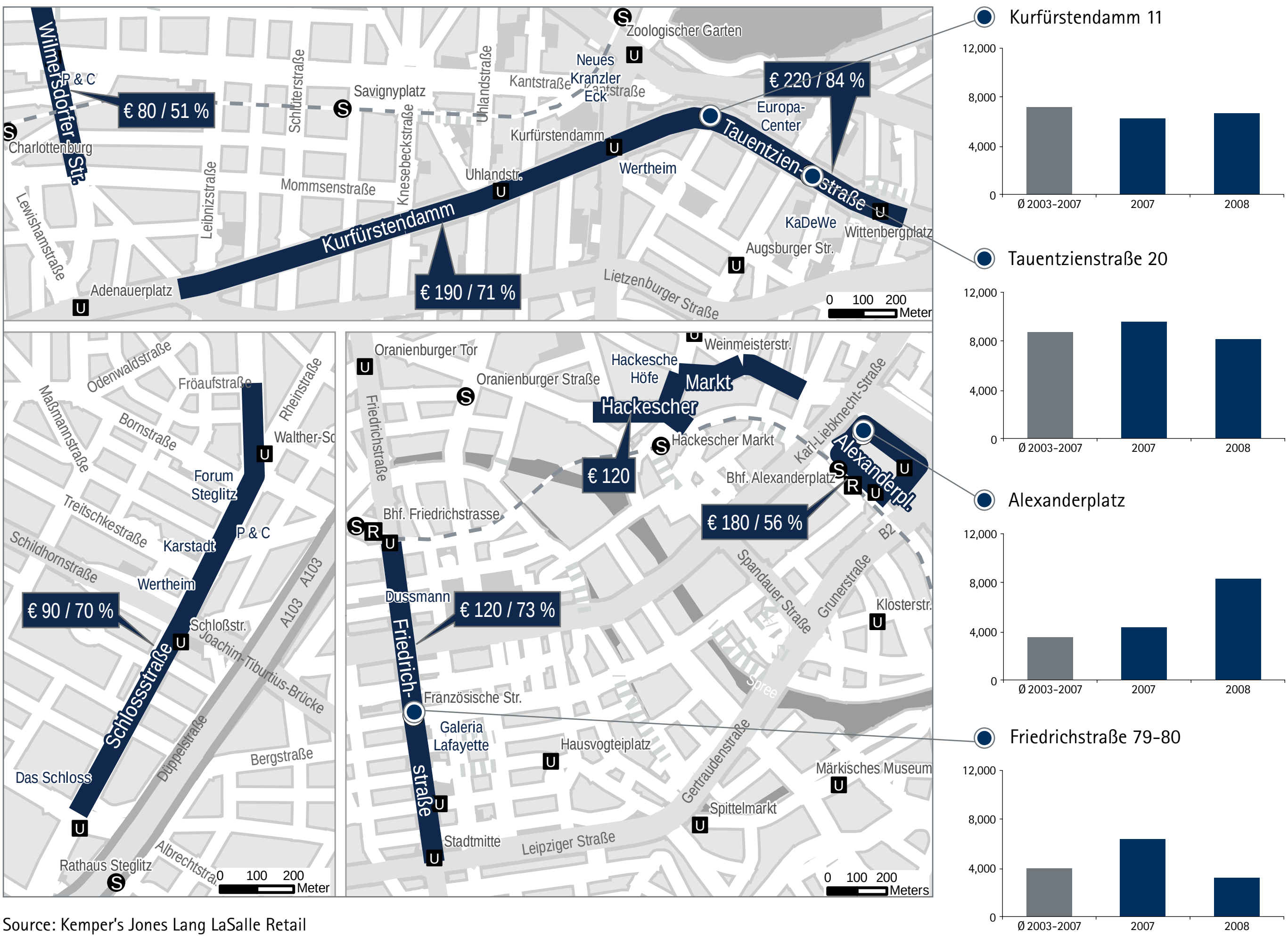
Berlin: High Streets

High Street with Prime Rent (Euro/m²/Month) / Chain Store Penetration Ratio (%)

Pedestrian Precinct

Counting Place with Pedestrian Flow: Survey on Saturdays from 1:00 p.m to 2:00 p.m.



Source: Kemper's Jones Lang LaSalle Retail

Retail Location Dusseldorf

Königsallee is one of the most frequented upmarket retail locations in Germany and is situated in Düsseldorf, the trade fair and fashion centre. Around 40 % of the 110 shops that line the Kö are well-known providers of luxury goods. In 2009 retail rental prices have remained constant in primary locations, in spite of the general downturn in the economy. In the very top locations rents have even increased by 2.2 % to up to 230 euros.

Younger retail concepts such as H&M, Esprit and American Apparel have been open for some time in the upper part of **Königsallee** between Bahnstraße und Grünstraße. The lower part of the boulevard is still dominated by luxury labels. International brands such as Prada, Tiffany, Bulgari and Gucci can be found here as well as German fasion designer Willy Bogner, who has has expanded his salesroom by a third. A major project under discussion on the Kö is the extensive modernization of the Kö-Galerie, which was opened in 1986. The intention is to create larger store spaces by reducing the number of retail units from 100 to 90.

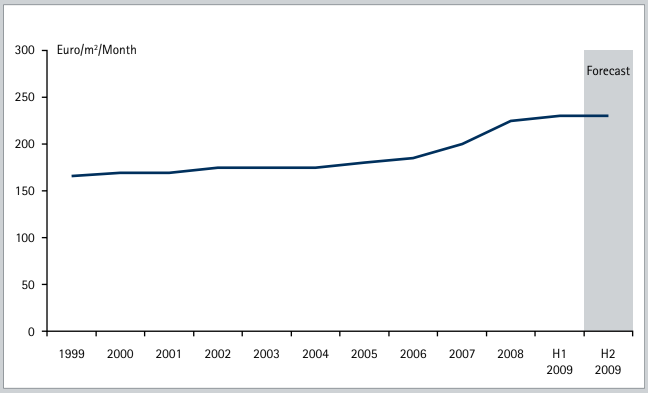
The most important project by far in the Düsseldorf Innenstadt is the "Kö-Bogen". In future this project should bring the two top locations of Königsallee und **Schadowstraße**, which form the central axis of Düsseldorf's retail market, even more into the centre. The Kö-Bogen surrounds the Schadowplatz and creates the best conditions to become the most central inner-city space. It is ideally integrated with these top locations and offers a unique opportunity to complete and strengthen this axis in future. Building work will start at the beginning of 2010. Two architecturally impressive retail and office complexes, designed by leading architect Daniel Libeskind, will then be built on the 9,300m² site by 2012/13 and will represent a visual highlight in the Düsseldorf city centre. The entire project will comprise around 40,200 m² of gross floor area. From the ground to the third floor around 19,500 m² is available for retail outlets and restaurants, while offices will occupy from the fourth floor upwards. It offers enough room for powerful flagship stores of international anchor tenants as well as a high-quality and diversified range of spaces with enormous appeal.

Access by car has been adversely affected by extensive roadworks in the lower part of Schadowstraße, but the upper pedestrianised part remains one of the most popular shopping streets in Düsseldorf. Shoe retailer Reno will move into its new flagship store at Schadowstraße 69 once building work is completed. Gerry Weber will also move into Schadowstraße 20-22, which is also currently under construction.

Demand remains unbroken for stores on **Flingerstraße**, the most frequented shopping mile in Düsseldorf that has constant rental price levels and low turnover. Young and trendy retail concepts are typically found here. This trend has had a thoroughly positive influence on neighbouring locations such as Mittelstraße, which has experienced a marked improvement as a result. The space previously used by More & More will in future be taken over by s.Oliver, which is opening its first store in a top location in Düsseldorf. Tally Weijl will use the rental space previously occupied by Springfield following a successful acquisition.

In January 2009 the Karlstadt-Carrée that lies on **Benrather Straße** was officially handed over. The newly created retail space will be fully used by fashion label Apropos. The opening of Karlstadt-Carrée will help bring a revival to the banking district, which lies between Königsallee and the Düsseldorf Altstadt (old town). Bang & Olufsen has already moved into Benrather Carree, and Filippa K, Tiger of Sweden and Baby Kochs have moved into Breite Straße.

Dusseldorf: Development of Prime Rent



Net rent for a virtual shop, 100 m² sales space ground floor, without steps and columnfree frontage approximatly 6 m
Source: Kemper's Jones Lang LaSalle Retail

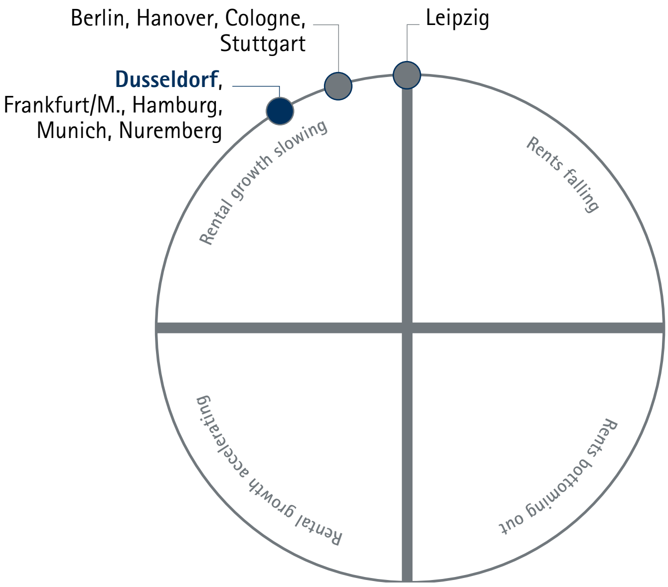
Dusseldorf: Retail Figures

Population (in thousands)	582	06/2008
Population Development (in %)	1.8	2003-2008
Unemployment Rate (in %)	9.8	02/2009
Purchasing Power Index (in %)*	119.8	2009
Retail Purchasing Power Index (in %)*	111.4	2009
Retail Turnover Index (in %)*	146.0	2009
Centrality Index (in %)*	131.1	2009

*Germany = 100
Source: Statistical Offices, Federal Employment Office, GfK, BBE

Short-Term Rental Cycle – High Streets

Source: Jones Lang LaSalle GmbH



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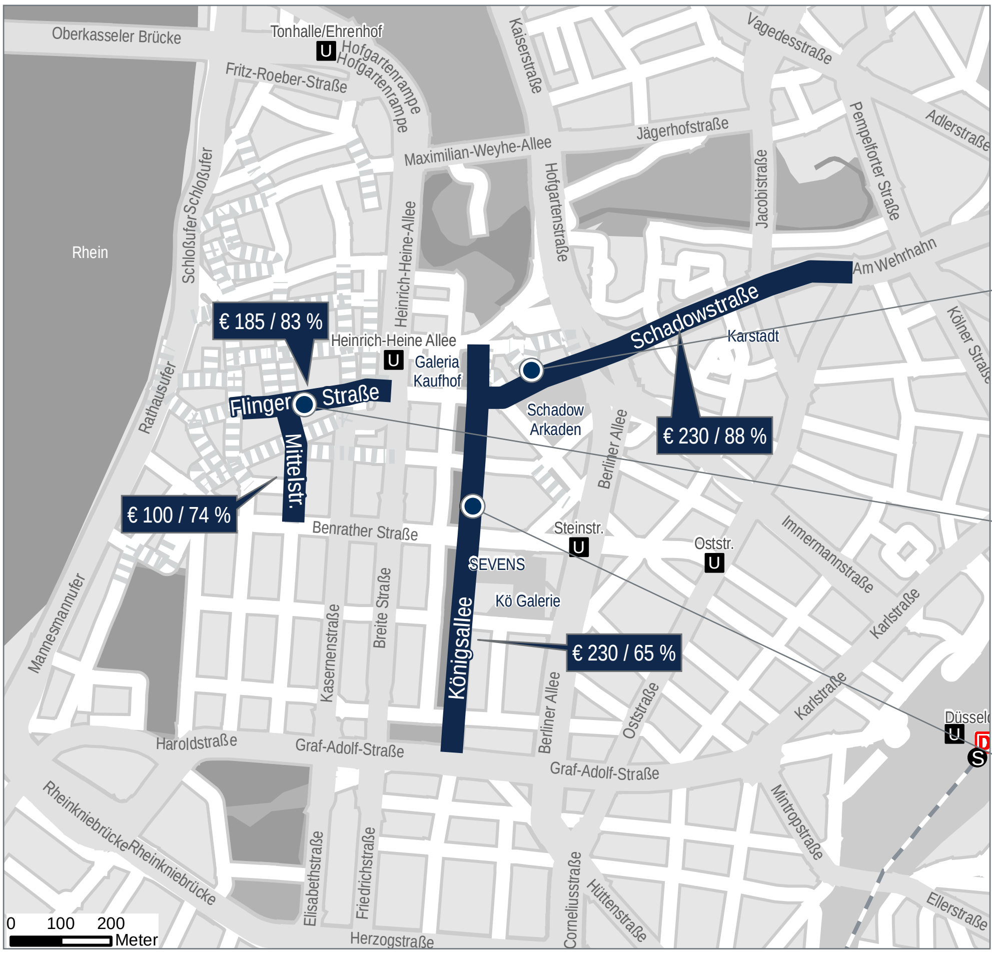
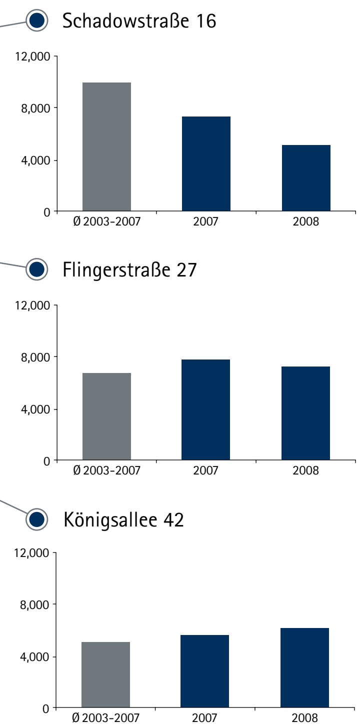
Dusseldorf: High Streets

High Street with Prime Rent (Euro/m²/Month) / Chain Store Penetration Ratio (%)

Pedestrian Precinct

Counting Place with Pedestrian Flow: Survey on Saturdays from 1:00 p.m to 2:00 p.m.





Source: Kemper's Jones Lang LaSalle Retail

Retail Location Frankfurt

Frankfurt am Main, famous as a financial and services centre of international standing, has considerable attraction for the surrounding area thanks to its position at the centre of the Frankfurt-Rhine-Main business region. The retail centre also profits from this and offers consumers a mix of cooperative, high-grade and luxury stores. Contrary to the nationwide trend, Frankfurt is one of the few cities to have achieved an increase in prime rents. The current rental price is up to 270 Euro/m²/month.

Zeil, Frankfurt's top location and one of the highest revenue-generating shopping streets in Germany, was still able to achieve a 3.8 % increase in rental prices year-on-year at a time of stagnant rental price development. "MyZeil", the new shopping and leisure centre that was opened in February 2009, is a new spectacular magnet for customers in Frankfurt's 1a location. The centre's 100 shops have increased Frankfurt's retail space by around 50,000 m², considerably strengthening the Main metropolis as a retail location. Even before the opening Frankfurt's centrality was 20% higher than the national average, and it's expected that this key indicator will further improve in the Innenstadt after the opening of MyZeil. The shopping centre has been ideally integrated with the existing shopping mile. In addition it has been possible to achieve an excellent mix of tenants and attract many retail concepts that are new to Frankfurt Innenstadt. The 100 retail units offer a range of goods that is targeted more at a younger, or young-minded, audience. Tenants include The North Face, Sidestep and Peak Performance, Tatuum, Replay, Napapijri, Run2, The Phone House and Quiksilver. Such stores are well complemented by the two anchor tenants Anson's and Saturn. Its focus on the low-priced sector was previously seen as the main drawback of the Zeil, but this will lose significance with the opening of MyZeil. It's expected that the opening of the shopping centre will be an important factor in raising the attractiveness of the Zeil as a whole.

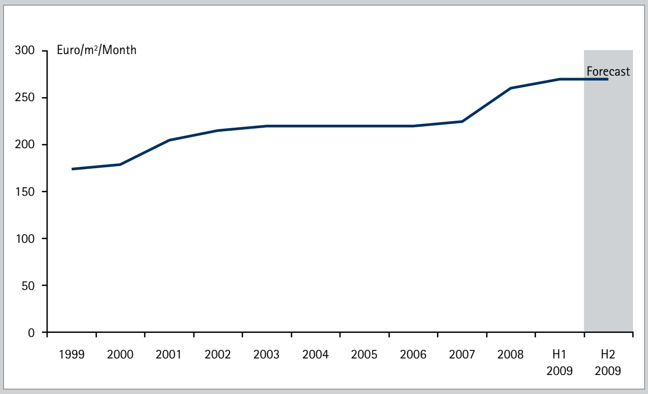
Rental price levels are constant in the **Rossmarkt, Steinweg and Biebergasse** locations, which lend themselves well to retail concepts in the upscale mid-price sector. However, the availability of space is very limited here. Kids' Glam & more, which specializes in clothes for small children, is a new arrival on Rossmarkt. It was previously located on the Opernplatz.

Goethestraße is the luxury mile among Frankfurt's top locations and is where many of the top designers present their current collections. Demand for retail space remains stable here, with particular demand for small and medium-sized shops with space of 60-100 m² and 120-250 m² respectively. There is only a limited availability of larger units, so luxury retail concepts that require this kind of space also have to switch to the neighbouring Fressgass.

There are no vacancies whatsoever in **Fressgass** at the same rental price levels, as is the case in all 1a Frankfurt locations. As well as numerous gastronomic concepts, retail concepts among others have moved into this area from the expensive fashion segment due to the above-mentioned reasons.

Building work has started on two project developments, one being the commercial building project at Fressgass 30. Around 1,600 m² of retail space will be built here, spread over three retail units. A manufacturer of high-quality consumer electronics has been secured as anchor tenant and will open a flagship store at the end of 2009. The other project is the development on the corner of **Fressgass/Börsenstraße.** Hugo Boss and Tommy Hilfiger will occupy the newly built space with their own flagship stores. The opening of the shops on the site of the Frankfurter Volksbank is expected to take place in the first quarter of 2010.

Frankfurt: Development of Prime Rent



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Source: Kemper's Jones Lang LaSalle Retail

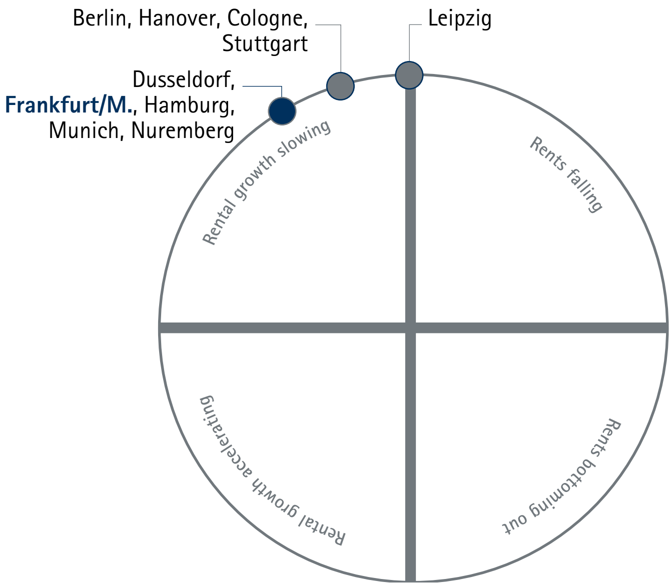
Frankfurt: Retail Figures

Population (in thousands)	663	06/2008
Population Development (in %)	3.0	2003-2008
Unemployment Rate (in %)	8.6	02/2009
Purchasing Power Index (in %)*	113.5	2009
Retail Purchasing Power Index (in %)*	107.8	2009
Retail Turnover Index (in %)*	125.1	2009
Centrality Index (in %)*	116.1	2009

*Germany = 100
Source: Statistical Offices, Federal Employment Office, GfK, BBE

Short-Term Rental Cycle – High Streets

Source: Jones Lang LaSalle GmbH



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Frankfurt: High Streets

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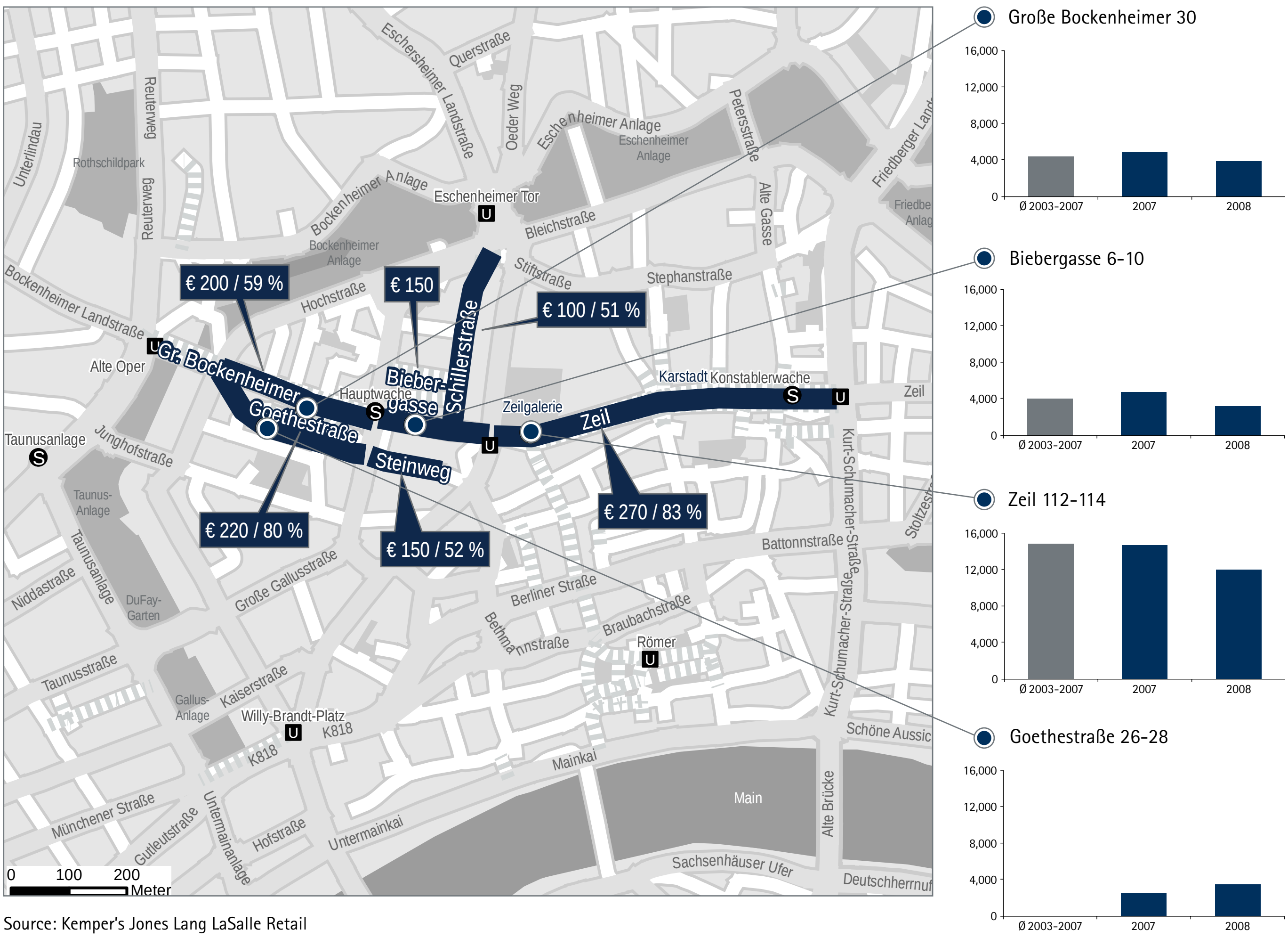


Source: Kemper's Jones Lang LaSalle Retail

Retail Location Hamburg

The retail market in Hamburg is spread over a number of top shopping locations and provides a varied choice for customers. The city centre is split into two parts: the eastern part is more consumer-oriented with department stores and national and international chain stores, while luxury and high-grade stores are largely characteristic of the western part. Demand from retailers for high-quality retail space in Hamburg remains high. The prime rent increased to 230 Euro/m²/month, and is expected to remain stable this year in spite of the poor economic situation.

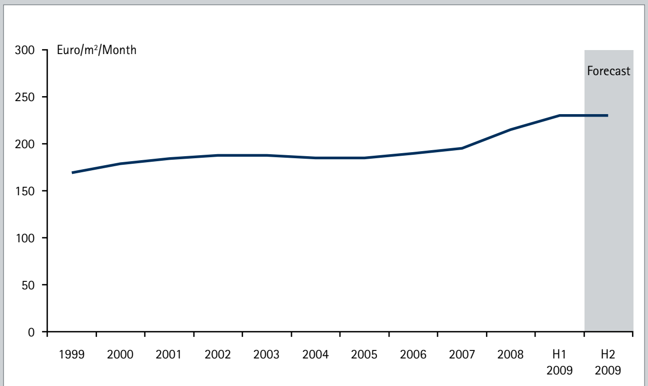
The most important and most-frequented shopping streets in Hamburg are the **Spitalerstraße** and the **Mönckebergstraße**. At peak times up to 10,000 people visit these locations per hour. Prime rents are relatively stable on Spitalerstraße at up to 230 Euro/m², but there is more rental price fluctuation on Mönckebergstraße, which has lower rents of up to 190 Euro/m². The last retailers to move here were Calvin Klein and Swarovski, which leased 300 m² and 68 m² in Levantehaus respectively. Early in the year O2 is taking over the former space of Fortis Bank at Mönckebergstraße 27. In April renovation work will begin on the so-called Hamburg-Pavillion. A long-time tenant of the listed building was Burger King. After the reconstruction it will become a cultural centre, housing the Hamburg Department of Culture and a Starbucks coffee house. The well-established **Europa-Passage** forms a connecting route to the western city centre. The Block House steakhouse chain has opened a new branch on **Jungfernstieg**.

In the western part of the city it is becoming even more difficult for trendy labels targeted at younger consumers to find suitable space. There is more interest in **Poststraße** and **Gerhofstraße**, **Große Bleichen** and parts of **Gänsemarkt**, where prime rents are around 150 Euro/m² for almost every rental space. The Gänsemarkt is particularly appealing to tenants from the young fashion and sports clothing segments, as illustrated by the recent arrivals of Urban Outfitters, Replay and Northland. Gänsemarkt-Passage has also been able to attract new tenants in the last few months, such as Street One and Cecil and the Pandora jewellery store.

There is still a great deal of development on the **Neuer Wall** luxury shopping-mile. Bornhold Haus filled the last building gap. The commercial building will offer around 2,000 m² of retail space and should be opened early in 2009. Joop and St. Emile are the tenants. Rental prices in the luxury sector are up 215 Euro/m². In the last few months, potential tenants have turned their attention to other locations because of the lack of space. Hohe Bleichen has particularly profited from this. **Hohe Bleichen** is still in a transformational phase and has been developing well for some time now, as illustrated by the fact that an array of prominent companies such as Prada, Chanel, Strenesse and Ralph Lauren have moved into the area. Etro and Brunello Cucinelli have recently leased space here. The Hohe Bleichen 9 and 11 projects and plans for another Hamburg Business Improvement District (BID) have a large influence on the development of this district.

Ballindamm on the Inner Alster has increasingly developed into a prime location for furniture shops. Banks previously dominated the street, and many new shops have now rented space on the ground floors of the financial institutions. The most recent arrival was the Ulrich Stein furniture store in October, previously based on Neuer Wall. Neuer Wall has lost its former function as a location for furniture stores. At the end of last year Bulthaup relocated its store to Ballindamm 17. The German Wallpaper Institute has opened a showroom in the freed-up space at number 10.

Hamburg: Development of Prime Rent



Net rent for a virtual shop, 100 m² sales space ground floor, without steps and columnfree frontage approximatly 6 m
Source: Kemper's Jones Lang LaSalle Retail

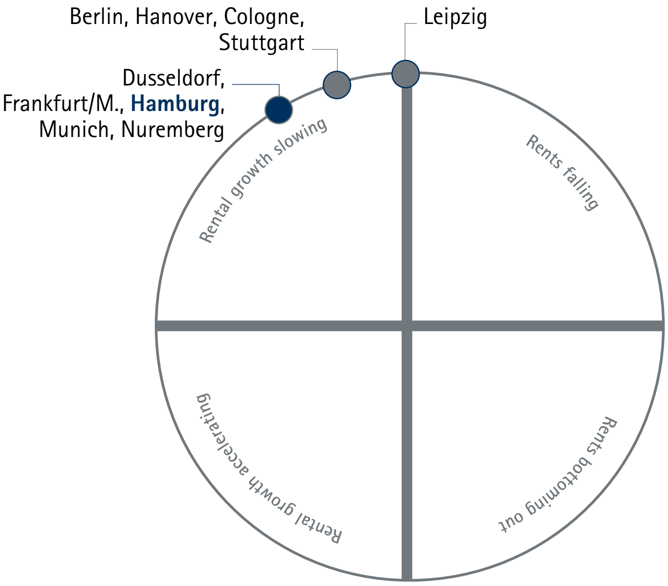
Hamburg: Retail Figures

Population (in thousands)	1,771	06/2008
Population Development (in %)	2.4	2003-2008
Unemployment Rate (in %)	8.7	02/2009
Purchasing Power Index (in %)*	106.3	2009
Retail Purchasing Power Index (in %)*	103.8	2009
Retail Turnover Index (in %)*	121.7	2009
Centrality Index (in %)*	117.3	2009

*Germany = 100
Source: Statistical Offices, Federal Employment Office, GfK, BBE

Short-Term Rental Cycle – High Streets

Source: Jones Lang LaSalle GmbH



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Hamburg: High Streets

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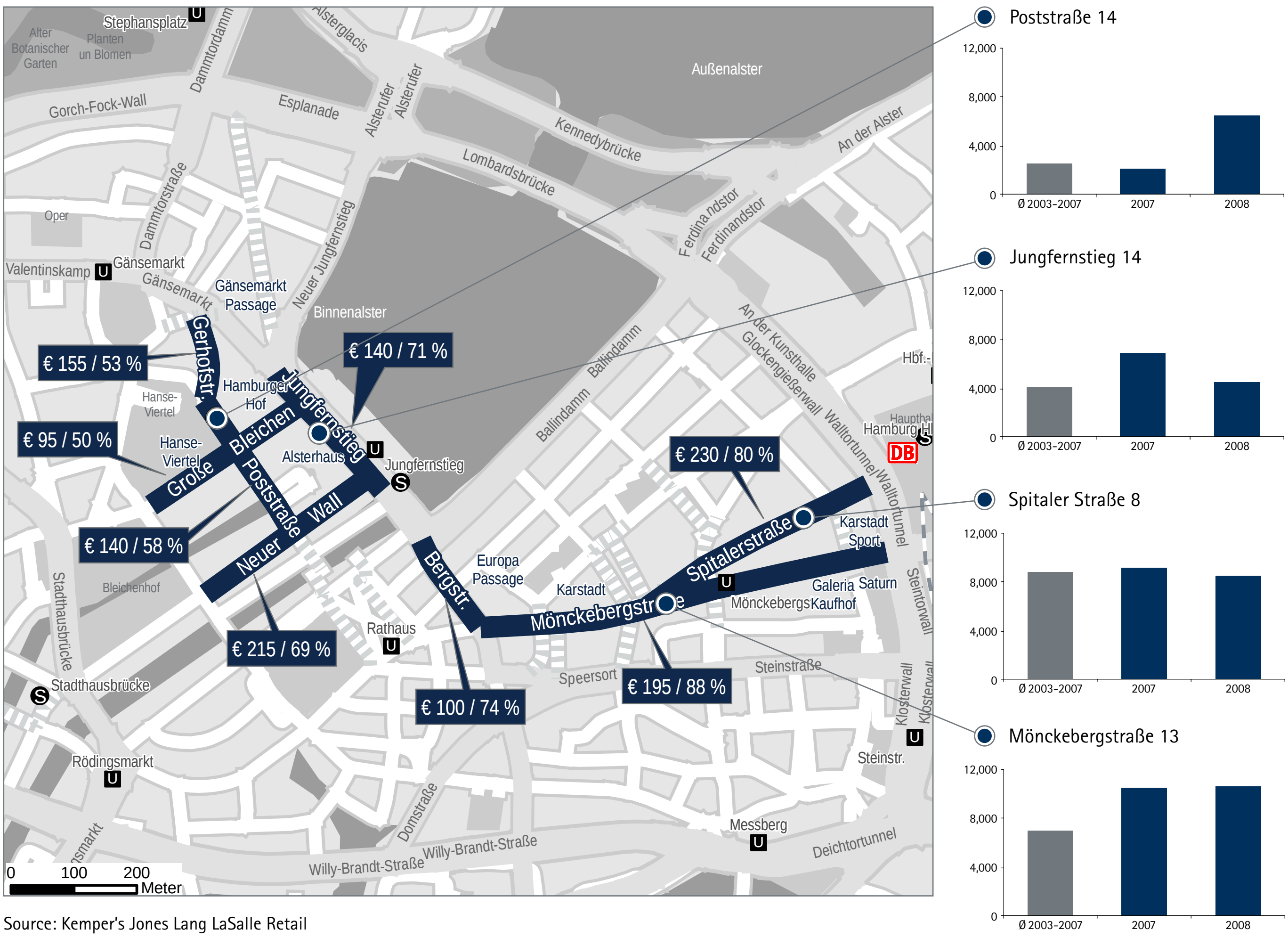


Source: Kemper's Jones Lang LaSalle Retail

Retail Location Hanover

After Hamburg, Hanover is the second-largest shopping city in North Germany and is currently experiencing stable demand in its prime locations. There is an increasing demand for retail space from companies in the textiles industry as well as accessories stores. The ratio of chain stores in the Große Packhofstraße is 95.2 %, even more than Schildergasse in Cologne and the highest level of all leading shopping miles in Germany. Prime rents, which are attained in Große Packhofstraße and Bahnhofstraße, have remained stable year-on-year at 180 Euro/m²/month. In 2009, prime rents are expected to remain stable in spite of the poor economic situation. According to a current study by the Madsack publishing group on the attractiveness of the Hanover city centre, people living in the Hanover region have a much more positive view of the city compared to the previous study. The construction projects as well as the varied choice in the city centre were cited as the most positive factors.

Georgstraße and **Bahnhofstraße** are the most-frequented streets in Hanover. Space on the consumer-oriented shopping streets is in strong demand from national and international chain stores. The young fashion label Mustang as well as the Triumph lingerie and underwear company have leased space in Georgstraße.

A number of projects are shaping the development of the **Große Packhofstraße** shopping street. Erdmann-Haus is being replaced by a new building, which will provide modern retail space for up to two tenants. Görtz and Görtz 17 have opened on 3,200 m² of space in the completed House of Görtz. Otherwise, the lingerie chain Hunkemöller has leased more than 150 m² and Accessorize more than 50 m² of the space formerly occupied by Xanaka. Gerry Weber is opening a store around 1,000 m² in size. Fossil opened a store on a 220-m² plot a few months ago. Building work is going well on the former Heutelbeck, where s.Oliver will open for business early this year.

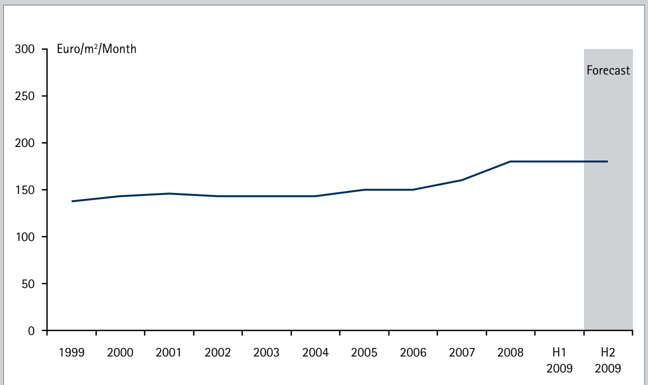
The reconstruction of **Kröpcke-Center** starts early 2009 with the development of Kröpcke-Loch. This new project will give a new look to the central plaza of the Innenstadt. The existing Kröpcke-Center will be expanded into the newly created space. Behind a new, more striking store frontage there will be more space for the main tenant Peek & Cloppenburg as well as space for a further five shops. According to contracts with the city, the building work must be completed by the end of 2013.

Further along on **Karmarschstraße**, Hanover's long-established silverware store Vogelsang has opened its new shop. Sport Scheck will renovate its branch during normal business operation.

The **Ernst-August-Galerie** was opened several months ago and has so far been profitable for operating company ECE. Expectations have been far exceeded with around 35,000 visitors a day and a larger catchment area than was originally assumed. Shops in the city centre have also profited from the innercity location of the gallery. The **Kurt-Schumacher-Straße** area has become more important as a B-location. Besides BlueSky and Backyard, a hairdressing salon has also leased space in Rosenquartier – to be completed in March 2009.

Shop- and landowners on **Luisenstraße** are transforming the street into a thoroughfare at their own cost. From early 2009 measures will be taken to cover the pavements with greenery and to make them appear wider. The discussion about a renovation or rebuilding of the Pavillion on Raschplatz also concerns the route between the city centre and **Raschplatz** via the Lister Meile. The development options range from improvements in fire protection through extensive modernization to a complete rip-out and build. As there are still unresolved questions over financing and the relocation of the tenant, the socio-cultural centre, the project is still uncertain.

Hanover: Development of Prime Rent



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Source: Kemper's Jones Lang LaSalle Retail

Hanover: Retail Figures

Population (in thousands)	518	06/2008
Population Development (in %)	0.2	2003-2008
Unemployment Rate (in %)	9.5	02/2009
Purchasing Power Index (in %)*	102.0	2009
Retail Purchasing Power Index (in %)*	103.3	2009
Retail Turnover Index (in %)*	139.7	2009
Centrality Index (in %)*	135.2	2009

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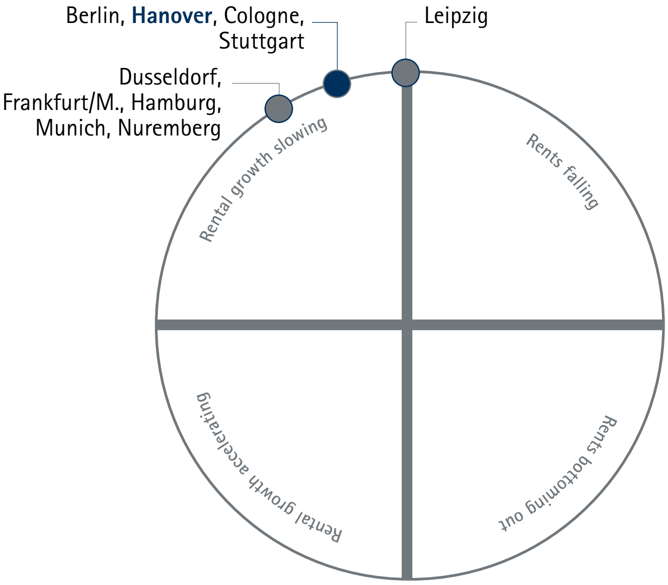

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Pedestrian Precinct

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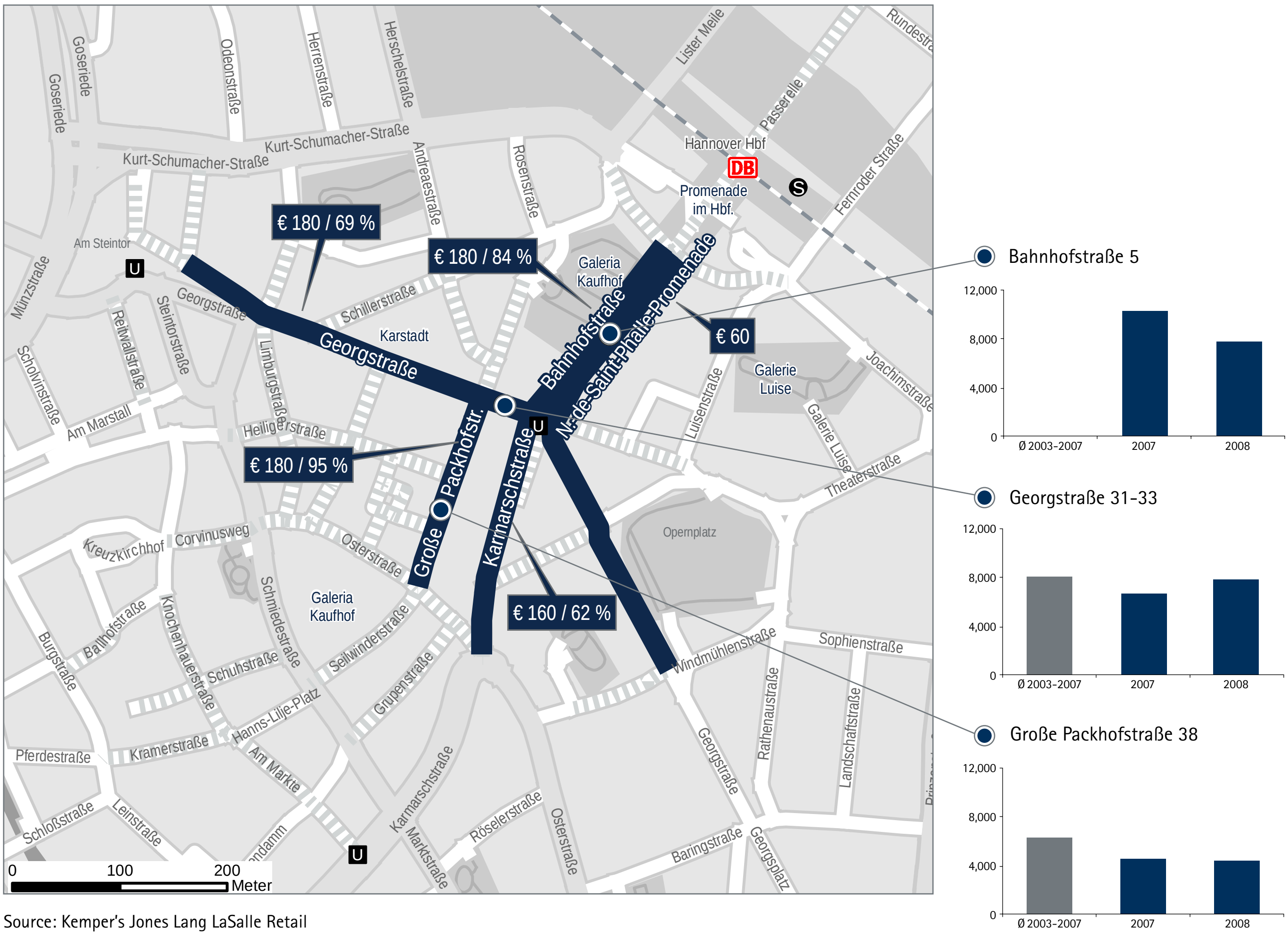


Source: Kemper's Jones Lang LaSalle Retail

Retail Location Cologne

Cologne is the largest city in North-Rhine Westphalia and is one of the most popular shopping cities in Germany due to its attractive shopping miles. The current economic situation has so far had no appreciable effect on retail rental price levels; prime rents have remained constant at up to 215 Euro.

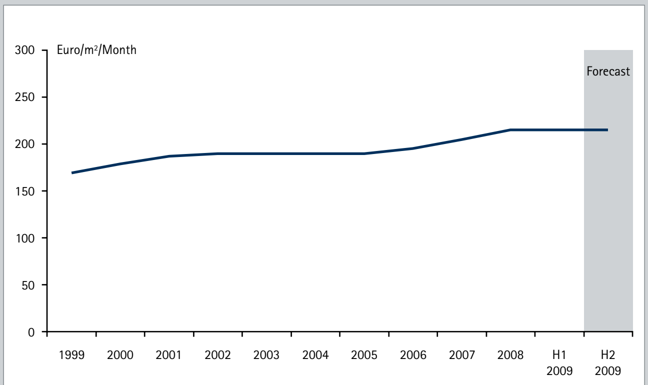
Schildergasse and **Hohe Straße**, the two top retail locations with a high ratio of chain stores, provide a wide choice of different tenants focusing mainly on young fashion and footwear. Practically every popular young fashion label can be found on Hohe Straße, which is predominantly geared towards a young audience. The Tamaris shoe label is taking over the former Geox space early in 2009. Mobile phone operator O2 is also planning to open a new 800-m² flagship store on the corner of Hohe Straße/Schildergasse. The space formerly occupied by Wehmeyer on Schildergasse has been re-let to the Görgensgruppe, which has opened another Kult multi-label concept store. Early in 2009 Roland-Schuhe is taking over the space previously occupied by Pohland at Schildergasse 49 and is opening a flagship store on around 2,000 m². This will further consolidate the position of Schildergasse as a leading footwear destination. At Hohe Straße 67 a new four-storey building with around 1,950 m² of retail space is being developed on the 440-m² site, replacing an older building. Textiles company C & A has already been signed up as a tenant and will be opening a shop under the new chain-store label Avanti. Construction work started in February 2008 and should be completed in April 2009.

Ehrenstraße offers traditional shops but is largely dominated by stores selling unusual and extravagant goods. This location is becoming increasingly interesting for chain stores, however, and the chain-store ratio has increased from 62.3 % to 67.3 % in the past two years. The British fashion label Ben Sherman is one new arrival. It has opened its first German store on Ehrenstraße and offers menswear, womenswear and footwear collections on a total space of 160 m².

The main focus of Cologne **Mittelstraße** with its 70 largely high-value shops is on fashion and footwear. A large number of well-known brands are represented here. With constant rental price levels, there has been a slight increase in the chain-store ratio (from 55.5 % to 59.7 %). The most recent example is the young fashion retailer Stefanel, which has taken over the Toni Gard-Shop with retail space of 600 m². A further new arrival is Seeberger & Schneider with its first hat shop at Mittelstraße 34. The company is a new start-up of the companies Seeberger (Weiler), which operates its own hat factory, and Friedrich W. Schneider (Cologne), which owns the licence for the Stetson headwear brand. Both will help sustain the high-quality focus of the location.

Breite Straße has meanwhile become one of the most interesting shopping streets in Cologne, and has been able to increase its appeal in the last two years. In March 2009 bed company Max Kühl opened a 1,000-m² retail space in DuMont Carrée off Breite Straße. The space at Breite Straße 42-46 will be converted into a new residential, office and retail complex as part of a new-building project. Breite Straße 100 is also expected to be turned into retail space. There is considerable potential for an increase in attractiveness here, thereby further strengthening the passage between Ehrenstraße and Breite Straße.

Cologne: Development of Prime Rent



Net rent for a virtual shop, 100 m² sales space ground floor, without steps and columnfree frontage approximatly 6 m
Source: Kemper's Jones Lang LaSalle Retail

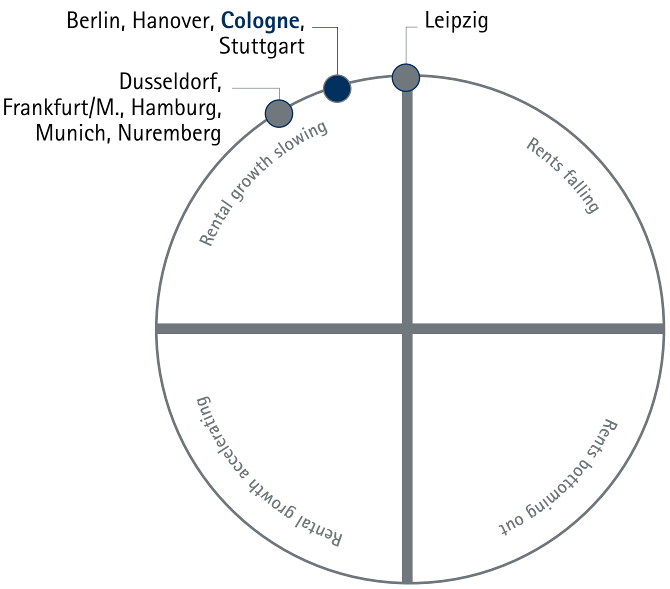
Cologne: Retail Figures

Population (in thousands)	997	06/2008
Population Development (in %)	2.9	2003-2008
Unemployment Rate (in %)	10.6	02/2009
Purchasing Power Index (in %)*	109.2	2009
Retail Purchasing Power Index (in %)*	105.4	2009
Retail Turnover Index (in %)*	136.1	2009
Centrality Index (in %)*	129.1	2009

*Germany = 100
Source: Statistical Offices, Federal Employment Office, GfK, BBE

Short-Term Rental Cycle – High Streets

Source: Jones Lang LaSalle GmbH



Note:

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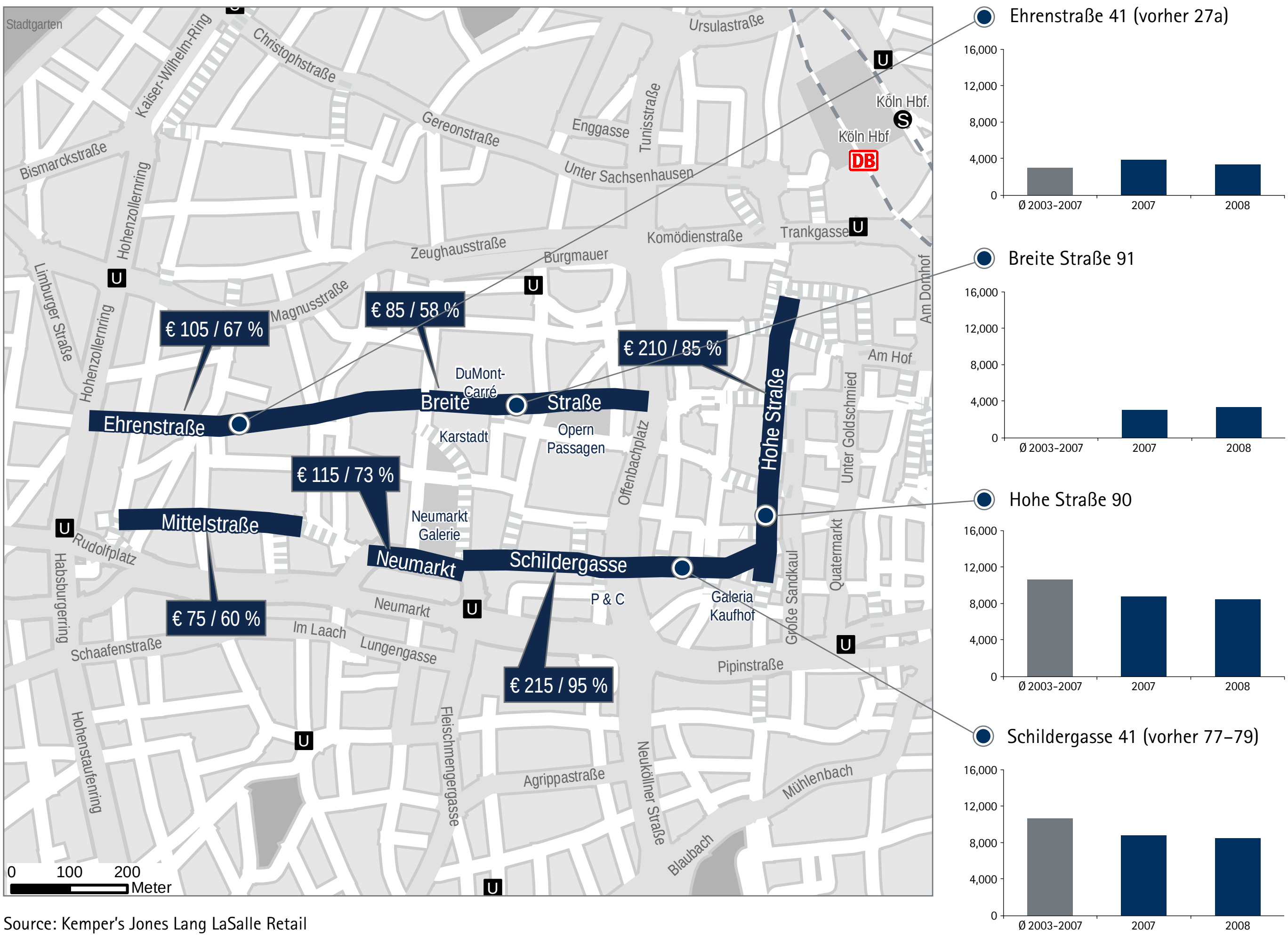
Cologne: High Streets

High Street with Prime Rent (Euro/m²/Month) / Chain Store Penetration Ratio (%)

Pedestrian Precinct

Counting Place with Pedestrian Flow: Survey on Saturdays from 1:00 p.m to 2:00 p.m.



Source: Kemper's Jones Lang LaSalle Retail

Retail Location Leipzig

Almost 20 years after the reunification of Germany the university city of Leipzig, along with Berlin, has developed into the strongest retail centre in eastern Germany. On a national level, Leipzig comes 15th in the ranking of the 20 cities with the highest retail rental prices. Leipzig is keeping pace with the general trend in 2009 and will be able to maintain prime rental prices at 115 Euro/m2/month in spite of the poor economic outlook.

Petersstraße remains the strongest shopping location in Leipzig in 2009 and achieves the highest rental prices due to continued strong demand for attractive rental space. There is little fluctuation of retailers in Petersstraße, a factor that reinforces the sustainability of the location and makes it one of the top shopping locations in the new federal states. Even large spaces such as the former SinnLeffers site in Petershof are in strong demand from potential new users.

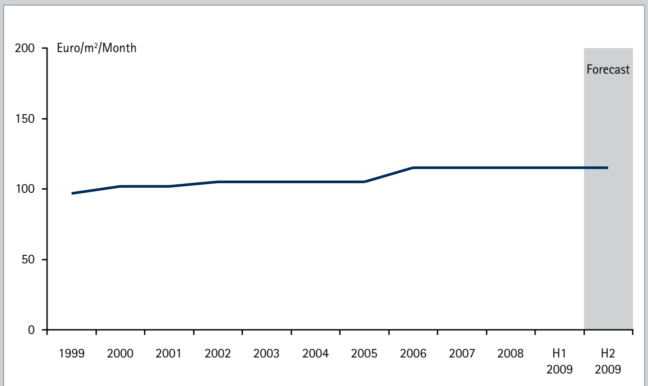
There has been a constant positive development on **Neumarkt**, which is experiencing an increased footfall frequency thanks to the arrival of new concepts such as the Conrad-Elektronik Store on three storeys, Gravis and The North Face, as well as department stores Galeria Kaufhof and Karstadt. This is further supported by the direct access to Petersstraße via Mädler-Passage and Messehof-Passage.

Grimmaische Straße has gained new momentum and attractiveness thanks to the recently completed project development "Universitätsneubau" (university rebuilding) and its retail concepts such as Promod, Starbucks and Puma, as well as the renovation of the city's second-oldest building, Handelshof, and its new retail offerings including Tom Tailor and Gerry Weber. It is Leipzig's second-strongest location and is increasingly offering visitors shopping with a modern flair. Prime rents in this location are 110 Euro/m²/month.

While Grimmaische Straße and Petersstraße are geared towards popular consumer goods, **Nikolaistraße** is more of a meeting point for the trendy crowd. In this location there is a balanced relationship between chain stores and regional retailers. The most recent project on Nikolaistraße is the rebuilding of the TLG in the Nikolaikirche area. The anchor tenant here is Motel One, but the property will also accommodate other retailers such as x-bags with around 420 m² of space and "der Einseifer" with 36 m². The opening of the new shop is planned for April 2009. Thanks to its function as the main route from the central train station to the Leipzig city centre, Nikolaistraße continues to profit from a high footfall frequency.

The development of **Hainstraße** is less transparent at the current time. There is little retail movement in the location at present because of the uncertainty over the realization of the Höfe am Brühl shopping centre. Like Nikolaistraße, Hainstraße presents more of a trendy and young environment with regional retailers and stores from smaller chains.

Leipzig: Development of Prime Rent



Net rent for a virtual shop, 100 m² sales space ground floor, without steps and columnfree frontage approximatly 6 m
Source: Kemper's Jones Lang LaSalle Retail

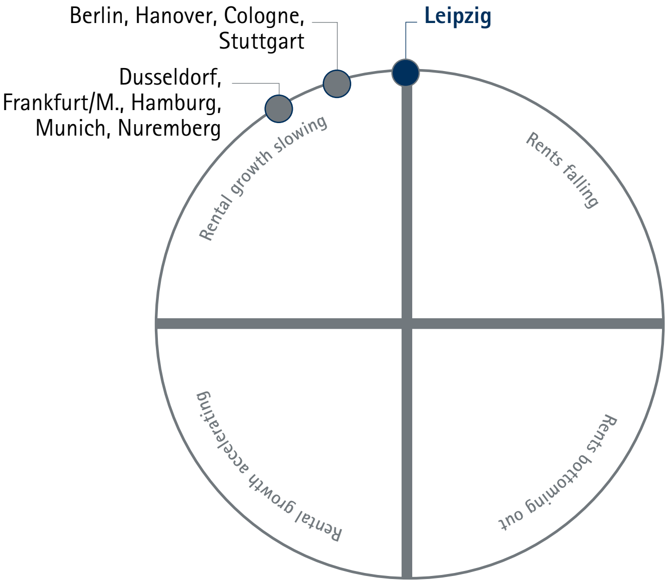
Leipzig: Retail Figures

Population (in thousands)	512	06/2008
Population Development (in %)	3.4	2003-2008
Unemployment Rate (in %)	16.0	02/2009
Purchasing Power Index (in %)*	83.8	2009
Retail Purchasing Power Index (in %)*	89.6	2009
Retail Turnover Index (in %)*	97.3	2009
Centrality Index (in %)*	108.6	2009

*Germany = 100
Source: Statistical Offices, Federal Employment Office, GfK, BBE

Short-Term Rental Cycle – High Streets

Source: Jones Lang LaSalle GmbH



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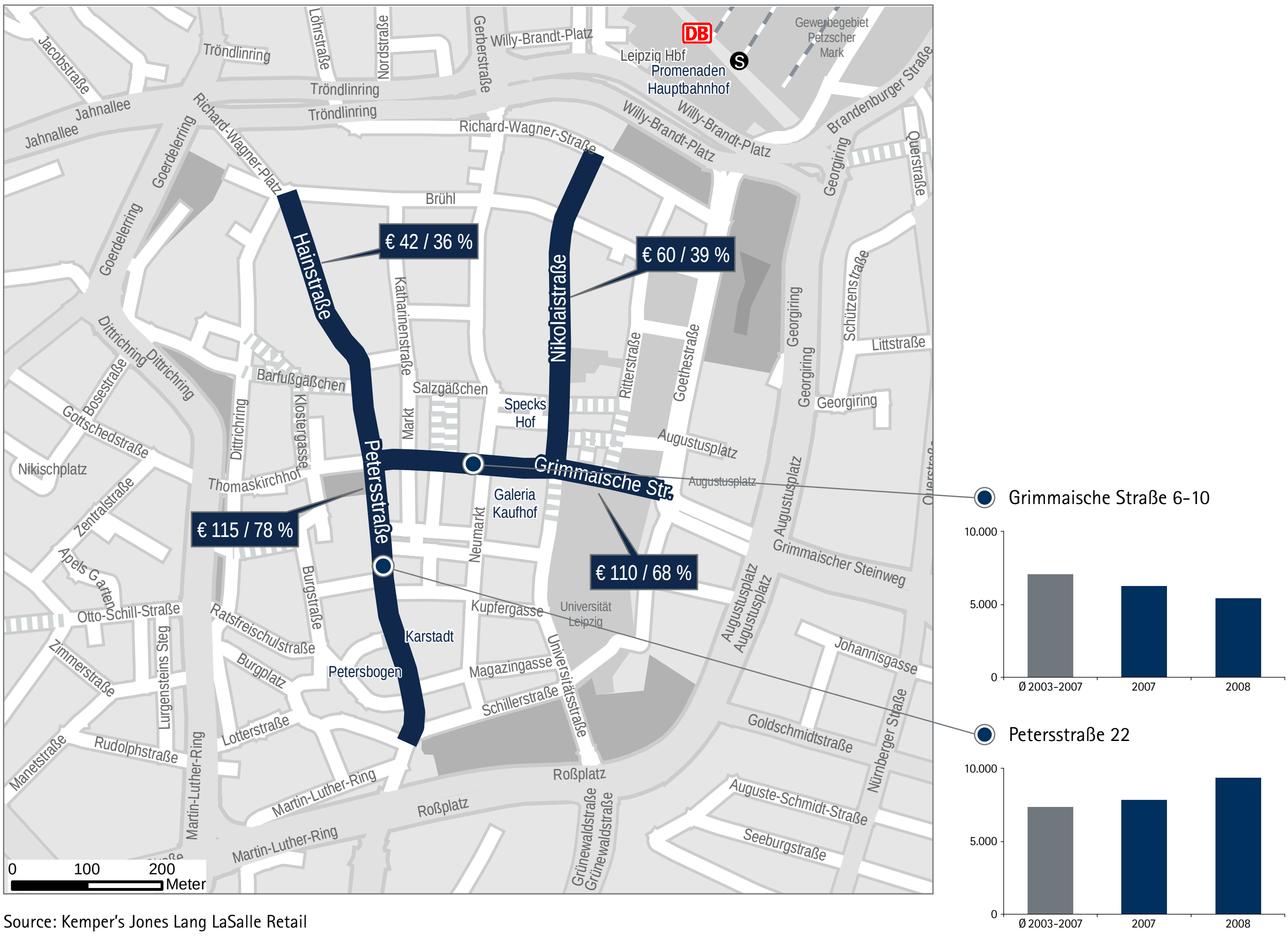
Leipzig: High Streets

High Street with Prime Rent (Euro/m²/Month) / Chain Store Penetration Ratio (%)

Pedestrian Precinct

Counting Place with Pedestrian Flow: Survey on Saturdays from 1:00 p.m to 2:00 p.m.



Source: Kemper's Jones Lang LaSalle Retail

Retail Location Munich

The Bavarian state capital is still the top retail location in Germany and demand for retail space remains as high as before. Retailers are queueing up for locations in good positions, but there are no vacancies to be found. Demand is particularly high at present among textiles and telecommunications chain stores. Footwear providers are also increasingly seeking suitable spaces. Due to this pressure from the demand side, Munich has the highest retail rental prices in Germany at 310 Euro/m²/month. Compared to the previous year rents have increased by 10 Euro. Rents are expected to remain stable in 2009 in spite of the poor economic situation.

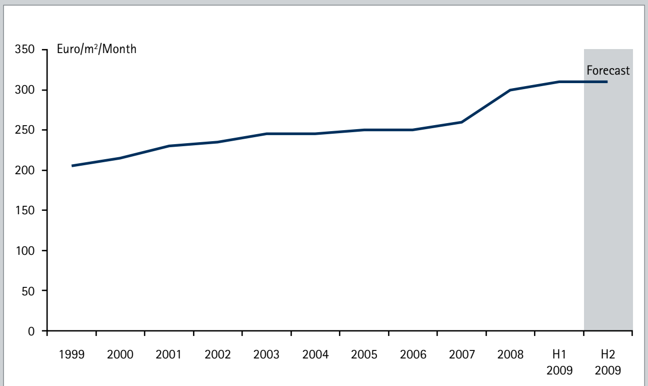
Demand for retail space is concentrated mainly on the **Kaufinger Straße** and **Neuhauser Straße**, both consumer-oriented 1a locations with a footfall frequency of up to 12,500 per hour. International (fashion) chain stores are now seeking suitable retail space here. However, this location has a relatively high ratio of traditional owner-managed companies, so the chain-store ratio is only around 70 %. The renovated Oberpollinger was reopened at the end of 2008. Highlights of the redesigned store are a selection of luxury suppliers, a champagne bar, a concierge area on the ground floor and a new restaurant with a panoramic view. At the beginning of 2010 telecoms operator E-Plus will take over from Vodafone the 160-m² retail space on Marienplatz. The Arcade shopping arcade on Neuhauser Straße is being rebuilt with completion scheduled early in 2009. Shoe chain store Roland is the new anchor tenant in a combined space of 900 m².

For many retailers, the upmarket location along **Theatinerstraße, Weinstraße, Residenzstraße** and **Dienerstraße** is a good alternative to Maximilianstraße, where there is a severe shortage of space. Comptoir des Cotonniers has opened a 160m² flagship store on Theatinerstraße in the space formerly occupied by Bassetti. Blouse and shirt manufacturer Umani has opened a 160-m² store in Eillespassage between Residenzstraße and Theatinerstraße. LBBW Immobilien and Accumulata Immobilien Development will start renovation work on Residenzpost in early 2009. As well as offices and residential units, around 4,500 m² of retail and restaurant space will be created in this prime location. The renovation will be completed at the end of 2011. As a result there will be more space available on **Maximilianstraße**. Many international luxury labels continue to seek space on this street, which is one of the most famous luxury miles in Germany and offers a high-quality range of clothing, jewellery and accessories. The Swedish clothing label Filippa K is expanding its own retail space to 300 m². Luxury mobile phone manufacturer Vertu, owned by Nokia, has opened a 150-m² flagship store.

The area around **Rosenstraße** and **Sendlinger Straße** will be enhanced by city quarter Hofstatt – Feel the City (formerly Mitten in München). Around 11,000 m² of retail and restaurant space will be developed by 2011: the Kone fashion store has already pre-leased 2,000 m² for a young fashion chain store. The project developers for the area, FOM Real Estate and LBBW Immobilien, started work on the reconstruction of Stadthause Sendlinger Straße at the beginning of the year and with completion scheduled for the end of 2010. On Rosenstraße Apple opened its first Apple-Store in Germany.

The Rieger-City shopping centre on Isartor is gaining a new anchor tenant: Outdoor specialist Globetrotter is opening its first store in southern Germany with a total retail space of 8,500 m².

Munich: Development of Prime Rent



Net rent for a virtual shop, 100 m² sales space ground floor, without steps and columnfree frontage approximately 6 m

Source: Kemper's Jones Lang LaSalle Retail

Munich: Retail Figures

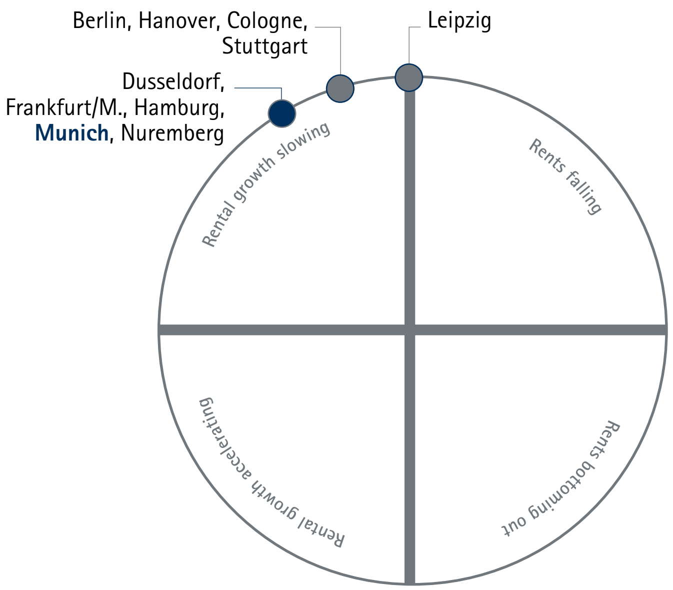
Population (in thousands)	1,354	06/2008
Population Development (in %)	9.7	2003-2008
Unemployment Rate (in %)	5.9	02/2009
Purchasing Power Index (in %)*	136.8	2009
Retail Purchasing Power Index (in %)*	120.9	2009
Retail Turnover Index (in %)*	151.4	2009
Centrality Index (in %)*	125.2	2009

*Germany = 100

Source: Statistical Offices, Federal Employment Office, GfK, BBE

Short-Term Rental Cycle – High Streets

Source: Jones Lang LaSalle GmbH



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Munich: High Streets

High Street with Prime Rent (Euro/m²/Month) / Chain Store Penetration Ratio (%)

Pedestrian Precinct

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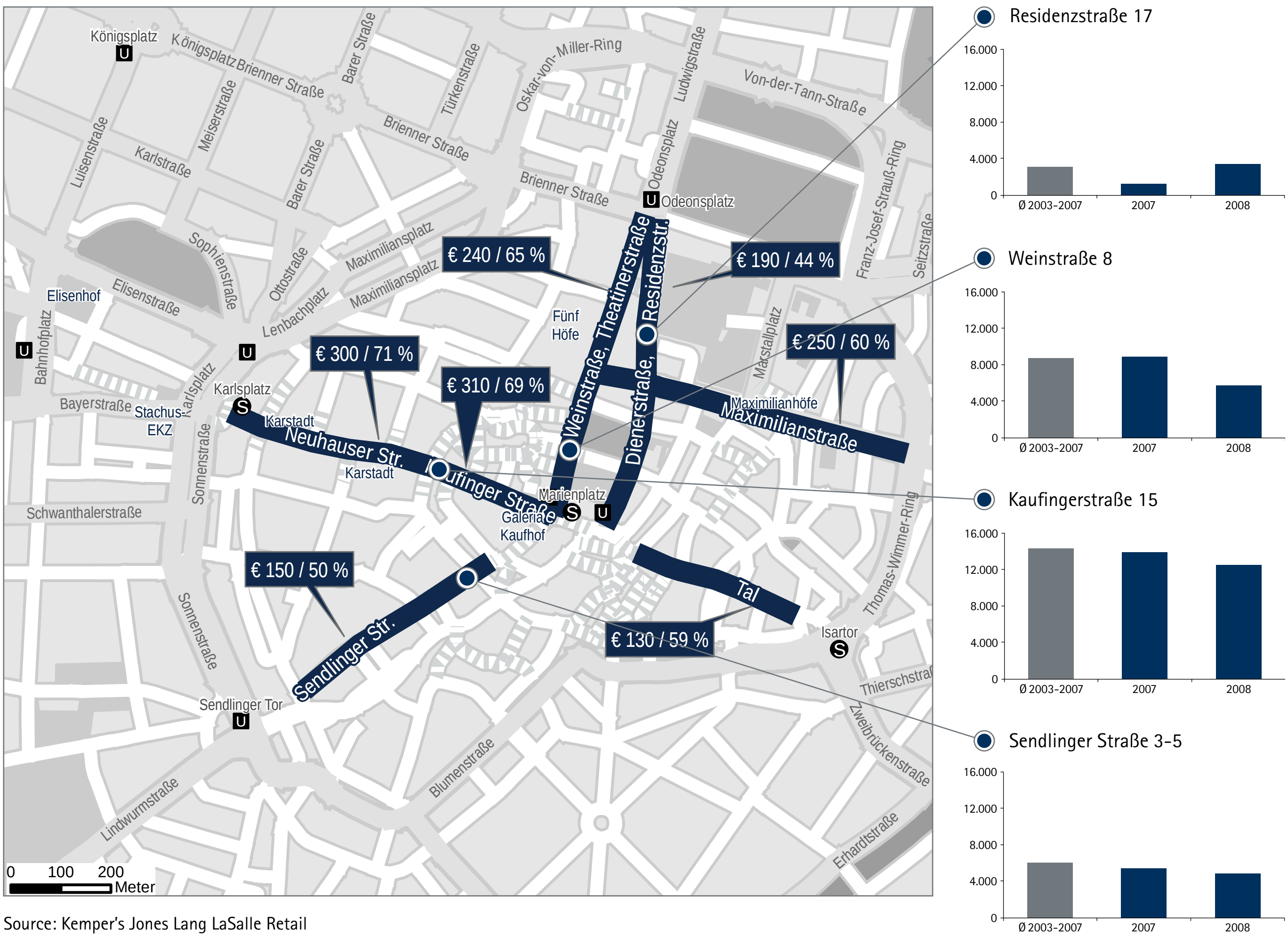


Source: Kemper's Jones Lang LaSalle Retail

Retail Location Nuremberg

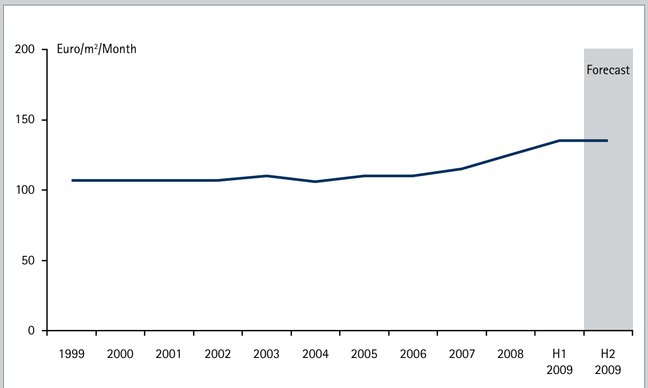
The Nuremberg retail market continues to show healthy development. Demand for retail space remains stable and is concentrated in the 1a locations. There is increasing demand for space from companies in the textiles and telecommunications sectors. Because of the shortage of available space there are no vacancies in 1a locations. The prime rent increased by 10 Euro to 135 Euro/m²/month and is expected to remain stable this year in spite of the poor economic situation.

Retailer demand for space is particularly high on the consumer-oriented **Karolinenstraße**. With around 10,000 passers-by per hour, this is one of the top locations in Germany. Within the last five years the prime rent on Karolinenstraße has increased significantly by around 17 %. This is because the space available is unable to satisfy demand. The two new flagship stores of Thalia and Mister+Lady have been opened in the meantime. Companies that are unable to find suitable space in Karolinenstraße in some cases turn to **Breite Gasse**. This area has experienced increased dynamic in the recent past, as evidenced by the new branches opened by Ecco, Geox, Das Depot, Hair Fashion and Crämer & Co. The rent in Breite Gasse increased over the year by 10 Euro to 120 Euro/m²/month. A Frida supermarket has opened on an 800m²-space in City-Point.

In the previous year **Kaiserstraße** and **Königstraße** had the lowest chain-store ratios. But increased demand from chain stores means that the current ratio on Kaiserstraße has increased by 3 percentage points. The specialist furniture store Reim is vacating its 1,500 m² premises and in the last few weeks has been selling off its remaining products. The premises are now completely vacant. In Königstraße the Pandora jewellery store has leased 120 m². Meanwhile construction work has started on the K-Quadrat project between the consumer-oriented Königstraße and the upmarket Kaiserstraß with its more exclusive retailers. The old buildings are now in the process of being demolished. By the beginning of 2011 office spaces and around 1,000m² of retail space will come onto the market.

A new retail concept is being developed for the **Maximum** shopping centre on Färberstraße. Around a third of the space is vacant, so owners GWB Immobilien AG plan to focus more on shops selling lighting, furnishings and home accessories. The **Admira-Center** shopping centre on Fürther Straße opened at the end of 2008. Around 14 shops have leased space in the total premises of 15,500 m².

Nuremberg: Development of Prime Rent



Net rent for a virtual shop, 100 m² sales space ground floor, without steps and columnfree frontage approximatly 6 m

Source: Kemper's Jones Lang LaSalle Retail

Nuremberg: Retail Figures

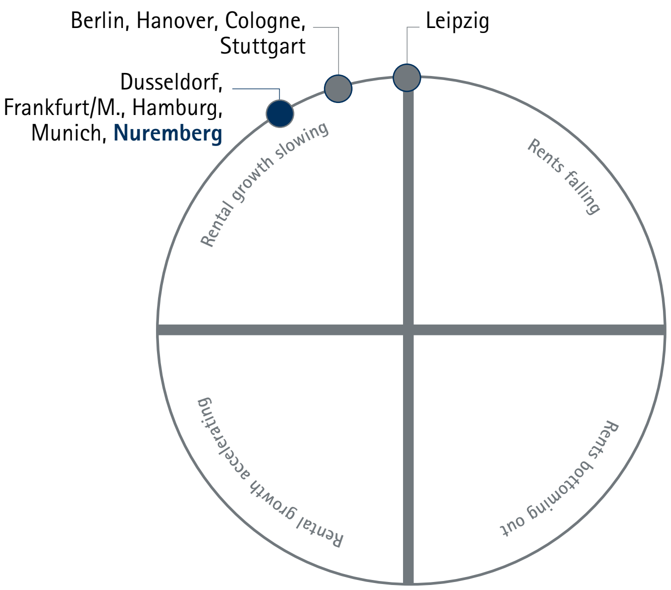
Population (in thousands)	504	06/2008
Population Development (in %)	2.1	2003-2008
Unemployment Rate (in %)	8.6	02/2009
Purchasing Power Index (in %)*	104.7	2009
Retail Purchasing Power Index (in %)*	102.9	2009
Retail Turnover Index (in %)*	142.9	2009
Centrality Index (in %)*	138.8	2009

*Germany = 100

Source: Statistical Offices, Federal Employment Office, GfK, BBE

Short-Term Rental Cycle – High Streets

Source: Jones Lang LaSalle GmbH



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Nuremberg: High Streets

High Street with Prime Rent (Euro/m²/Month) / Chain Store Penetration Ratio (%)

Pedestrian Precinct

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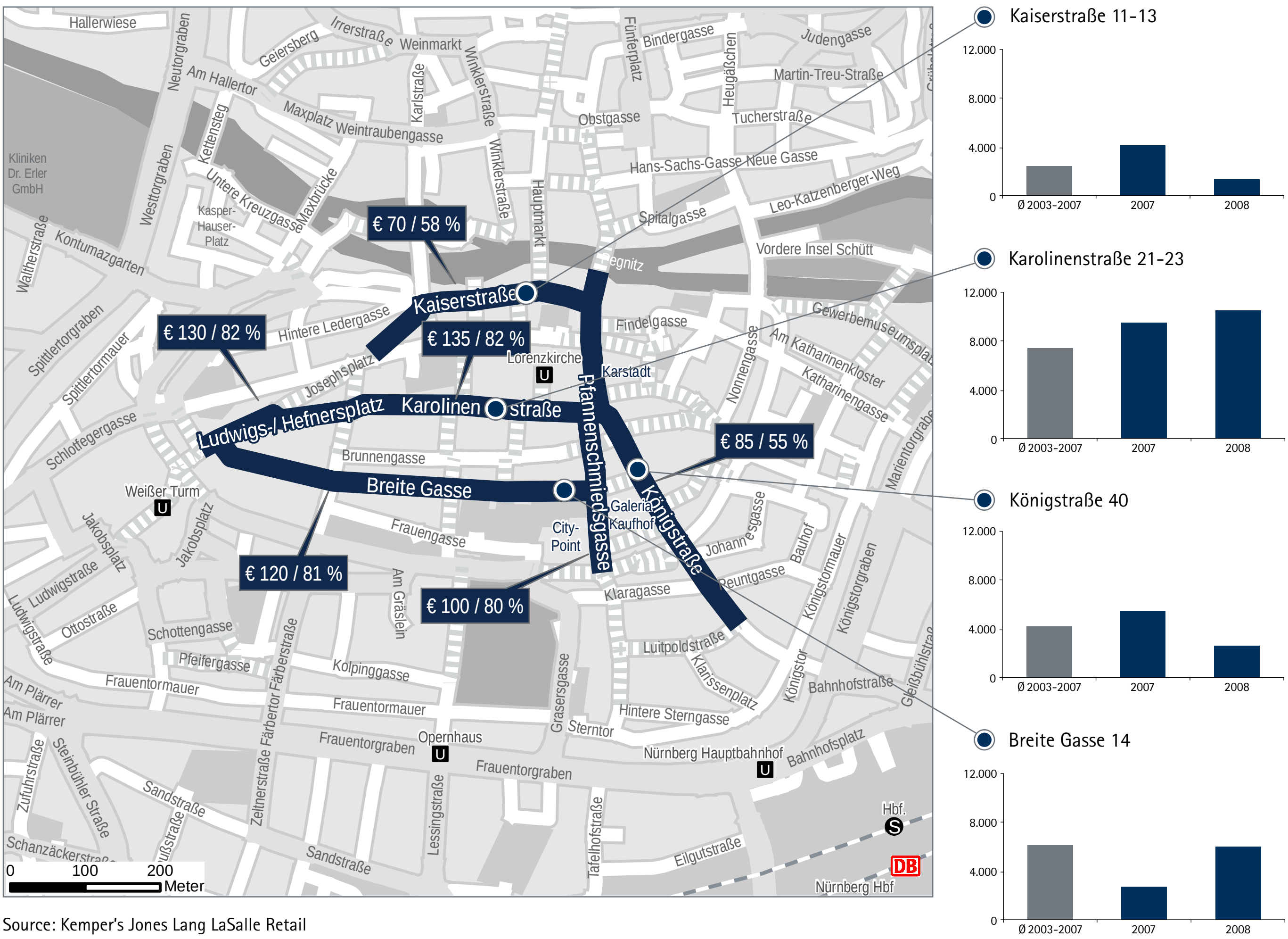


Source: Kemper's Jones Lang LaSalle Retail

Retail Location Stuttgart

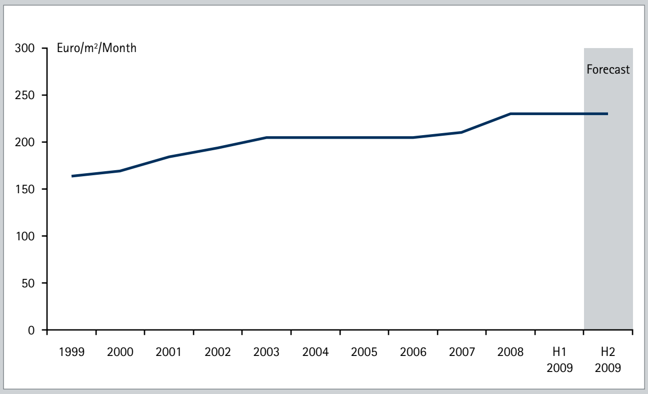
Stuttgart is an attractive retail location both for retailers and consumers. National and international chains stores are increasingly seeking space in prime locations, where there are currently no structural vacancies. Demand is particularly high from companies in the textiles, footwear, pharmacy and accessories sectors. New flagship stores of fashion labels such as Mango and Promod have helped raise the attractiveness of the Stuttgart city centre. The prime rent, which is achieved in Königstraße, is at a stable level compared to last year at 230 Euro/m^2/month and is expected to remain stable this year in spite of the poor economic situation.

Demand for retail space in Stuttgart is at its highest on **Königstraße**, a highly frequented location with a mix of popular consumer and high-quality shops. The street is one of the most-visited pedestrian zones in Germany and provides a high dwell-time quality. The Phoenixbau office and retail building on the site of the former Landesbank has now been completed and has considerably raised the value of the lower part of Königstraße. The tenants Hugendubel (4,000 m^2), Görtz (2,300 m^2) and specialist department store Müller (4,000m^2) have moved in. The clothing provider Mustang has also leased Königstraße 3.

There is continued high demand for space on **Stiftstraße**, which tends to be a location for higher-quality retail concepts and has the second-highest prime rent in Stuttgart of 200 Euro/m^2/month. The French beauty- and skincare label L'Occitane has opened a 50 m^2 store on **Stiftstraße**. Demand is also high for the well-frequented Schulstraße, which is dominated by restaurants and popular consumer goods. Demand has increased on **Hirschstraße** after its value was enhanced through the arrival of baby and children clothing providers Jako-O and Dolzer. On **Calwer Straße** Guess has opened the first Accessoires shop with 55 m^2 of retail space. The Danish fashion label S'nob has opened its first shop in Germany on **Tübinger Straße**.

There are currently a few plans for shopping centres that would complement the existing retail landscape in the city centre. But these plans have also provoked criticism from Cityinitiative, which represents Stuttgart retailers, over the high volume of retail space. In **Quartier S** between Paulinenstraße, Marienstraße, Tübinger Straße and Sophienstraße there are plans to build a shopping centre with around 27,000 m^2 of retail space, along with offices and residential units. The Interessengemeinschaft Königstraße (syndicate) has taken a very critical view of this centre, where space for 85 shops and six anchor tenants is to be created, as Stuttgart already has a relatively high ratio of retail space per inhabitant. Construction work is expected to begin by the end of 2009. Another shopping centre is under discussion for the area **Stuttgart-21**, where an investor syndicate is planning total retail space of around 50,000 m^2. However, there are still ongoing political discussions about the parking situation. With regards to Breuninger's **Da-Vinci** project, the size of the office space is under discussion. There are plans for a further 8,500 m^2 of retail space.

Stuttgart: Development of Prime Rent



Net rent for a virtual shop, 100 m^2 sales space ground floor, without steps and columnfree frontage approximatly 6 m

Source: Kemper's Jones Lang LaSalle Retail

Stuttgart: Retail Figures

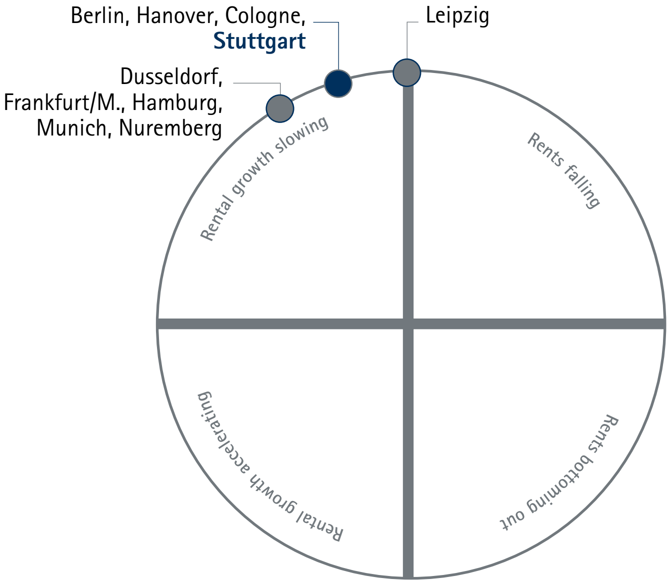
Population (in thousands)	598	06/2008
Population Development (in %)	1.6	2003-2008
Unemployment Rate (in %)	6.0	02/2009
Purchasing Power Index (in %)*	112.6	2009
Retail Purchasing Power Index (in %)*	107.3	2009
Retail Turnover Index (in %)*	140.1	2009
Centrality Index (in %)*	130.5	2009

*Germany = 100

Source: Statistical Offices, Federal Employment Office, GfK, BBE

Short-Term Rental Cycle – High Streets

Source: Jones Lang LaSalle GmbH



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Stuttgart: High Streets

High Street with Prime Rent (Euro/m²/Month) / Chain Store Penetration Ratio (%)

Pedestrian Precinct

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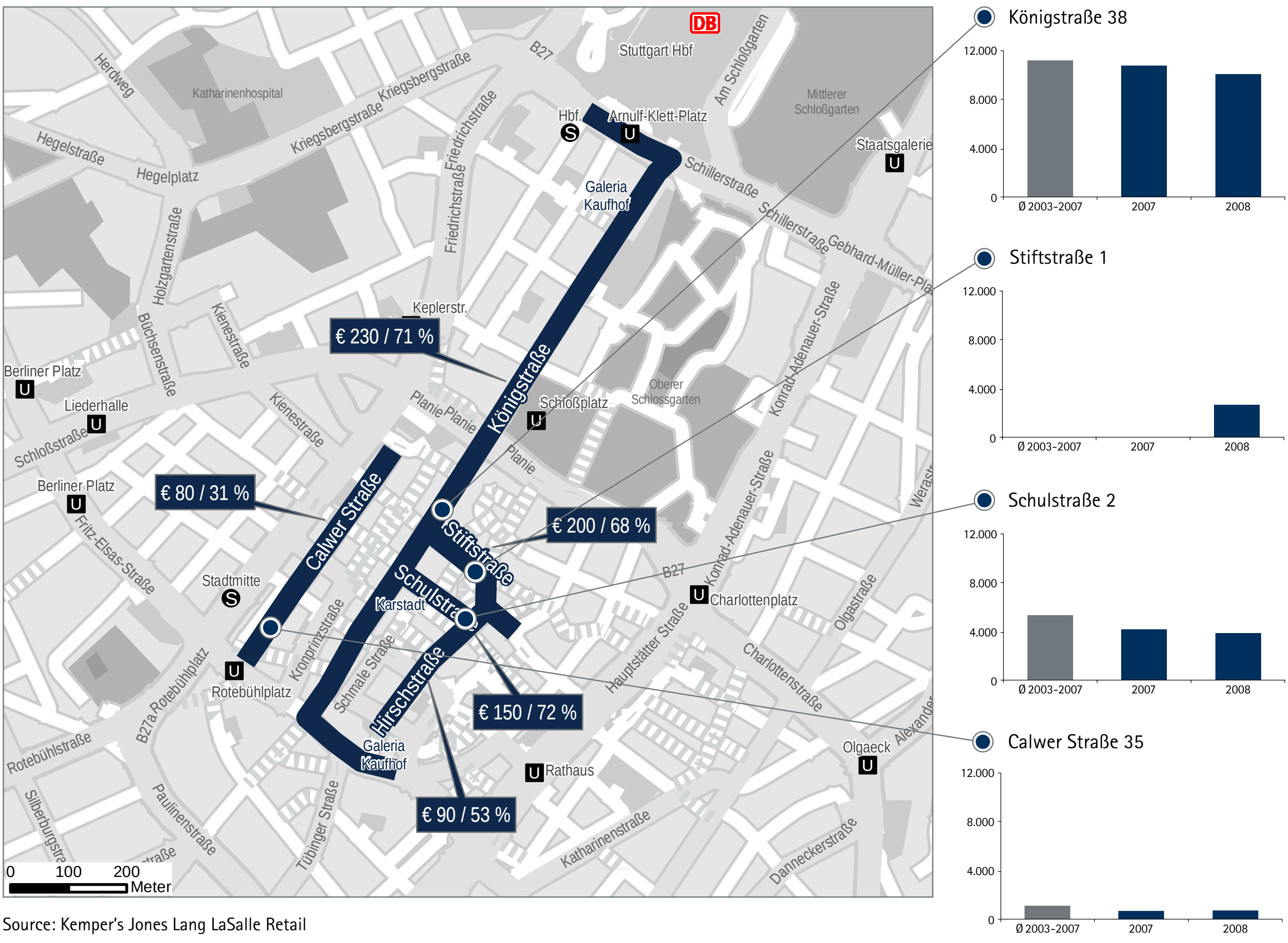

Source: Kemper's Jones Lang LaSalle Retail

Retail Prime Rents in Germany's Major Retail Locations
Prime Rent in Euro/m²/Month

Rank	City, Street	2008	H1 2009	Trend for the next 6 months
1	Munich, Kaufingerstraße	300	310	➔
2	Frankfurt, Zeil	260	270	➔
3	Dusseldorf, Königsallee	225	230	➔
4	Hamburg, Spitalerstraße	215	230	➔
5	Stuttgart, Königstraße	230	230	➔
6	Berlin, Tauentzienstraße	220	220	➔
7	Cologne, Schildergasse	215	215	➔
8	Hanover, Georgstraße	180	180	➔
9	Nuremberg, Karolinenstraße	125	135	➔
10	Leipzig, Petersstraße	115	115	➔

Prime Rent: Net rent for a virtual shop, 100 m² sales space ground floor, without steps and columnfree frontage approximatly 6 m

Source: Kemper's Jones Lang LaSalle Retail

KEMPER'S

a Jones Lang LaSalle company

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