5 November 2010

International Accounting Standards Board
30 Cannon Street
London, EC4M 6XH
United Kingdom

Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, Connecticut 06856-5116

Re: Exposure Draft - Leases

Dear Sir/Madam,

We are pleased to submit this letter on the International Accounting Standards Board's (IASB) and Financial Accounting Standards Board's (FASB) (collectively "the Boards") Exposure Drafts; Leases. We are submitting these comments on behalf of the undersigned investors and property sector analysts. As major investors into property and investment property companies (including REITs) we have a strong interest in ensuring that the reporting of financial information related to investment property is relevant and transparent.

Exclusion for lessors of investment property reported at fair value

We are fully supportive of the conclusion reached by the IASB to exclude from the proposed lease accounting standard companies that report investment property at fair value. Further, we support the FASB's examination of a standard under U.S. GAAP that would mirror International Accounting Standard No. 40, *Investment Property* (IAS 40). Such a standard would enable convergence of standards for accounting for investment property world-wide; and ensure relevant, comparable and transparent reporting by investment property companies globally.

The current IFRS for investment property accounting, IAS 40, is well supported by industry financial statement preparers reporting under IFRS and industry financial statement users who rely on those statements. It requires a property company to disclose the fair value of its property and reports full rental income in the profit and loss account. The full amount of rental income is fundamental to investors in assessing the performance and investment quality of investment property companies. Removing this metric pursuant to the proposed leases standard would represent a step backward in terms of investment property companies communicating effectively to investors, financial analysts and other financial statement consumers.

The investors identified below would be pleased to meet with the Boards or staff to discuss in more detail the views of users of the financial statements of investment property companies.

If you would like to discuss this matter with us, please contact either Gareth Lewis at gareth.lewis@epra.com or George Yungmann at gyungmann@nareit.com.

We thank the FASB and IASB for the opportunity to comment on the Boards' Exposure Drafts with respect to this very important project.

Respectfully submitted,

Investment institutions

Name	Organisation	Property AUM (€million)	Email
John Robertson	RREF	35,500	CONTACT DETAILS PROVIDED SEPARATELY
Marc Halle	Prudential Real Estate Investors	31,100	
Guido Bunte	Cornerstone Real Estate Advisers	25,300	
Marcus Shepherd	Aviva	25,100	
Roger Quirijns	Cohen & Steers	22,300	
Martin Moore	PRUPIM Real Estate Investment Management	19,000	
Rafeal Torres Villalba	APG All Pension Group	18,000	
Mark Abramson	Heitman	15,300	
Hans Op 't Veld	PGGM Investments	13,400	
Rod O'Connor	Colonial First State	12,900	
Theodore Bigman/ David Smetana	Morgan Stanley Investment Management	12,100	
Matthijs Storm	ING Clarion Real Estate Securities	12,000	
Patrick Sumner	Henderson Global Investors	10,900	
Bill Hughes	Legal & General Property	10,900	
Andrew Jackson	Standard Life Investments	10,400	
Craig Mitchell	Dexus	9,800	
Emily Mousley	Hermes Real Estate Inv Management	6,500	
Stephen Tross	Bouwinvest	5,300	
James Rehlaender	European Investors, Inc	5,100	
Danny Agnoletto	ING Real Estate Investment Management	5,000	
Jan Willem Vis	BNP Paribus Investment Partners	3,000	
Stuart Martin	First State Investments (UK)	2,850	
Graham Burnett	Universities Superannuation Scheme (USS)	2,300	
Mark Townsend	Asset Value Investors	1,800	
Daniela Lungu/ Jeremy Anagnos	CBRE Investors Global Real Estate Securities	1,600	
Jos Short	Internos Real Investors	1,500	

Investment institutions contd.

Barden Gale /Michael McGillis	JER Partners	1,450	CONTACT DETAILS PROVIDED SEPARATELY
Adrian Pozzo	CBUS	1,400	
Simon Hedger	Principal Global Investors	1,300	
Steven Brown	American Century Investments	866	
Chris Turner	Thames River Capital	860	
Vincent Bruyère	Degroof Fund Management Company	250	
Martin Allen	REECH	100	

Investment analysts

Name	Organisation	Email
John Lutzius, Mike Kirby	Greenstreet Advisors	CONTACT DETAILS PROVIDED SEPARATELY
Harm Meijer	JP Morgan	
Dirk Boer	Kempen & Co	
Bart Gysens	Morgan Stanley	
Jan Willem van Kranenburg	Royal Bank of Scotland	
Paul Pulze	Evolution Securities	
Kai Klose	Berenberg Bank	
Alex Moss	Macquarie Capital (Europe) Limited	
Bruno Duclos	Credit Agricole Cheuvreux	
Steve Bramley-Jackson	Credit Suisse	
Ruud van Maanen	ABN AMRO	
Michael Slater/Frank Haggerty	Duff & Phelps Investment Management	
Quentin Freeman/Kim Wright	UBS	
Andrew Cox	Numis Securities Limited	
Valerie Guezi	Exane BNP Paribas	
Simon Wheatley	Goldman Sachs & Partners Australia Pty Ltd	
Leigh Gavin	Frontier Investments	