Irish Commercial Property Investment

Where to next ?

Niall Gaffney

Chief Executive

IPUT

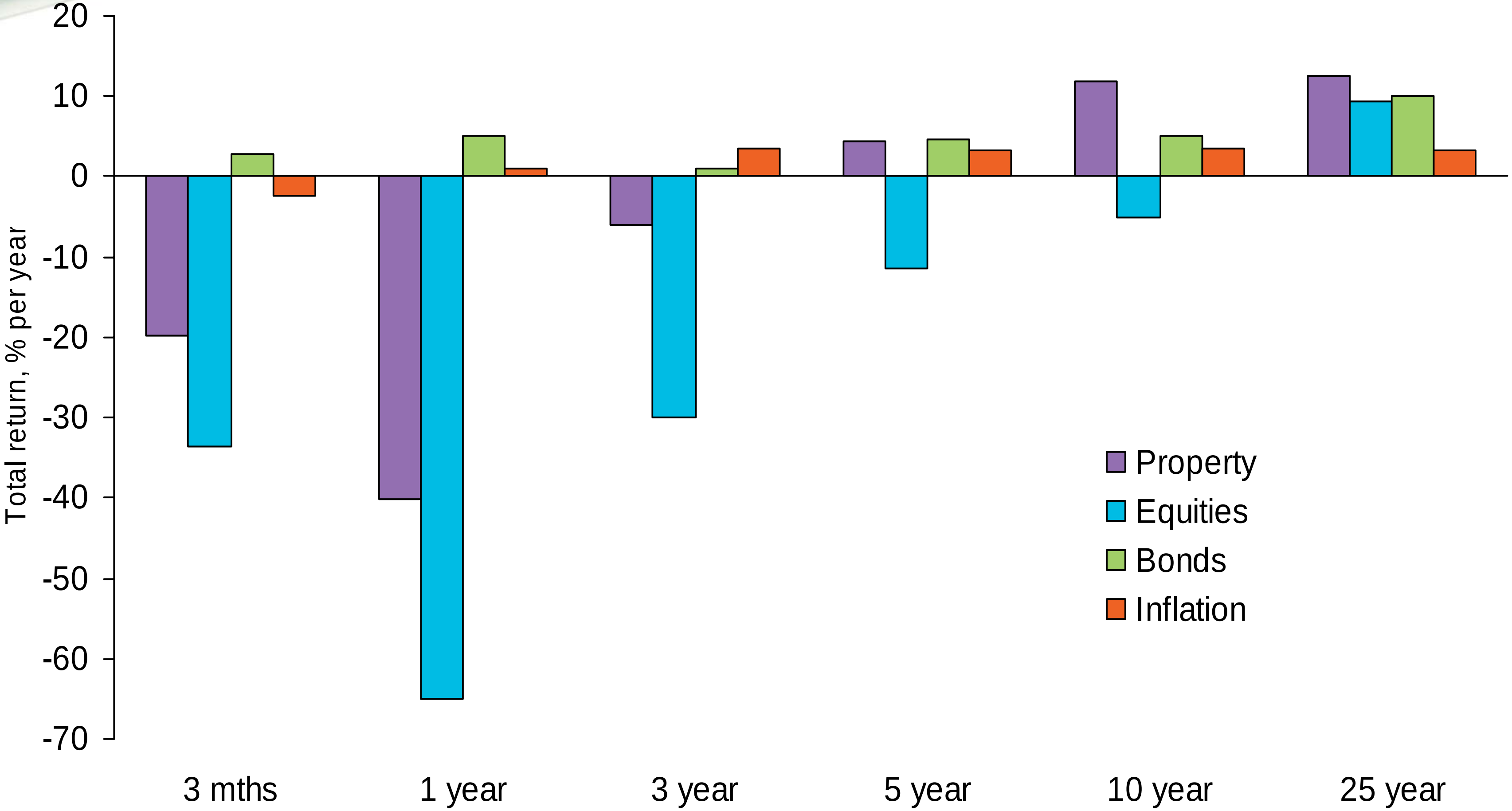
IPUT
IRISH PROPERTY UNIT TRUST

www.iput.ie

Commercial Property 2009

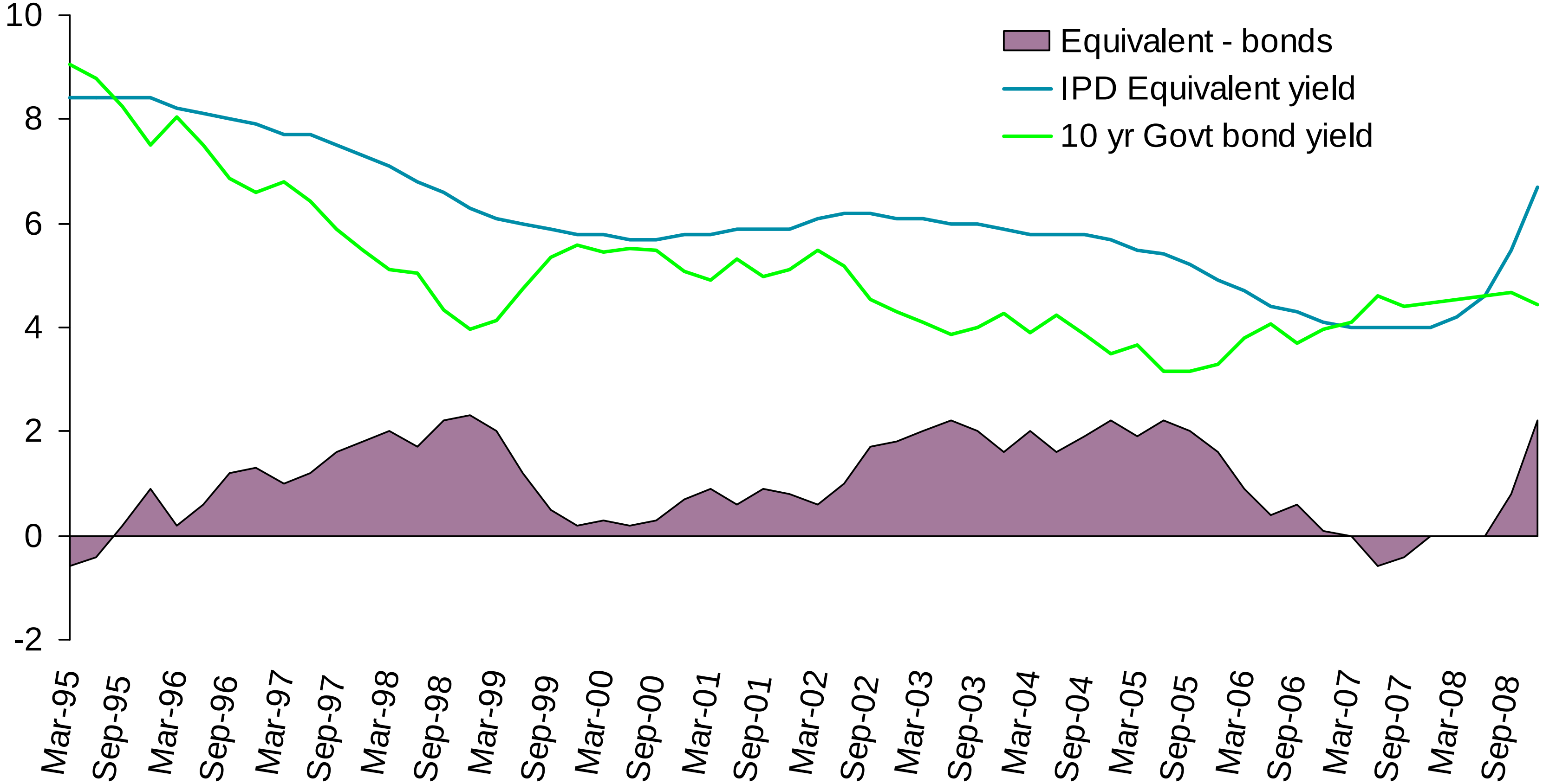
- **Unwinding Property Credit Boom**
- **Falling Capital Values**
- **Pressure on Business Occupiers**
- **Repricing of Risk**
- **Debt Availability Constrained**
- **Long Term Performance Characteristics in Focus**

Property & Other Assets Y/E 2008



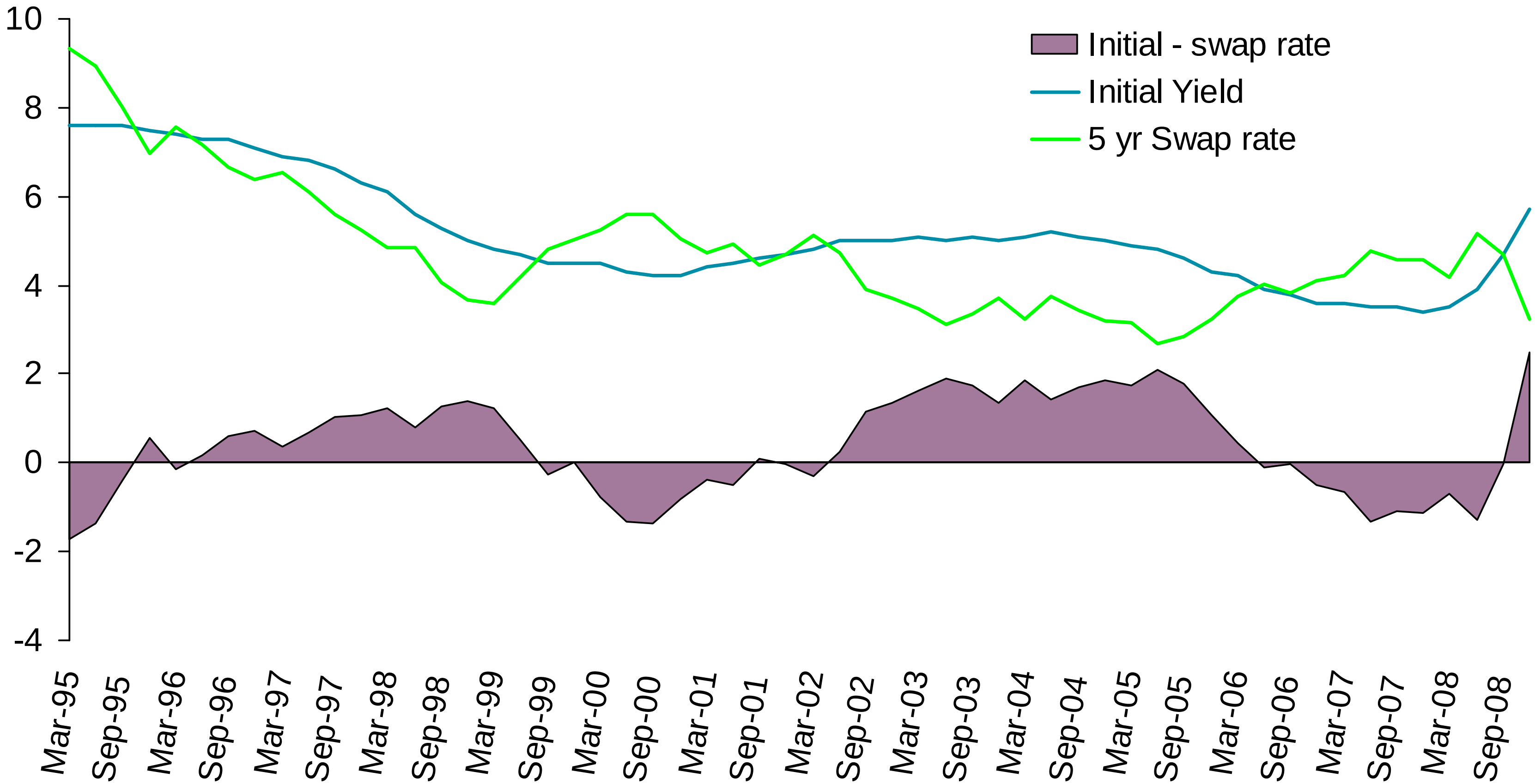
Source: SCS / IPD Ireland Quarterly Index, ISEQ, Merrill Lynch, CSO

Equivalent Yields vs. Bonds



Source: SCS / IPD Ireland Quarterly Index, Reuters

Initial Yields vs. Swap Rate

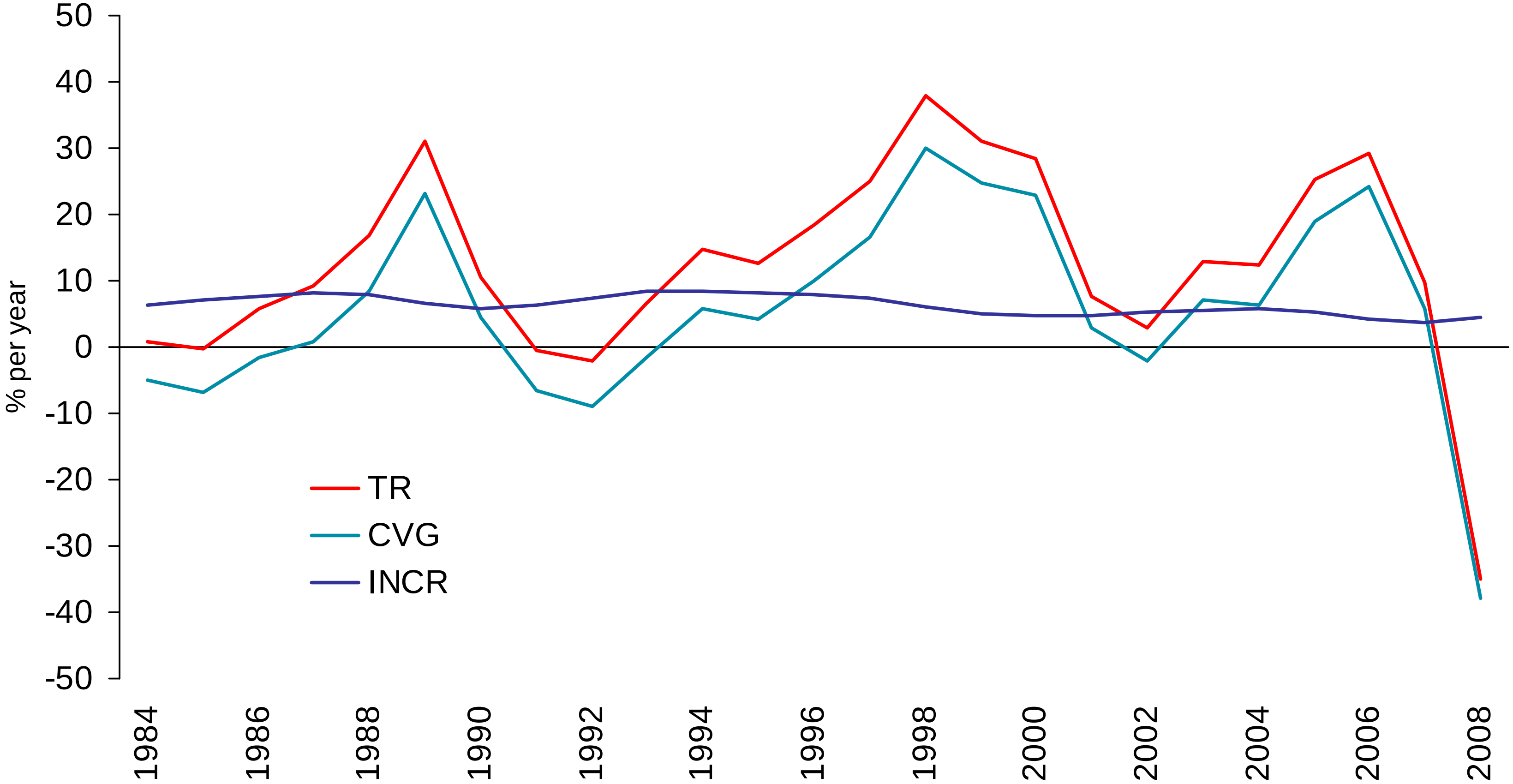


Source: SCS / IPD Ireland Quarterly Index

Bottom Out 2009 - 2011

- **Historical Context – Opportunistic Proposition**
- **Property Returns vs. Cash based Alternatives**
- **Changes in Market Participation**
- **Role = Consistent Income Return + Capital Kicker**
- **Risk vs. Reward – Timing is Everything**
- **Pronounced Cyclical Recovery**

Long Term Returns

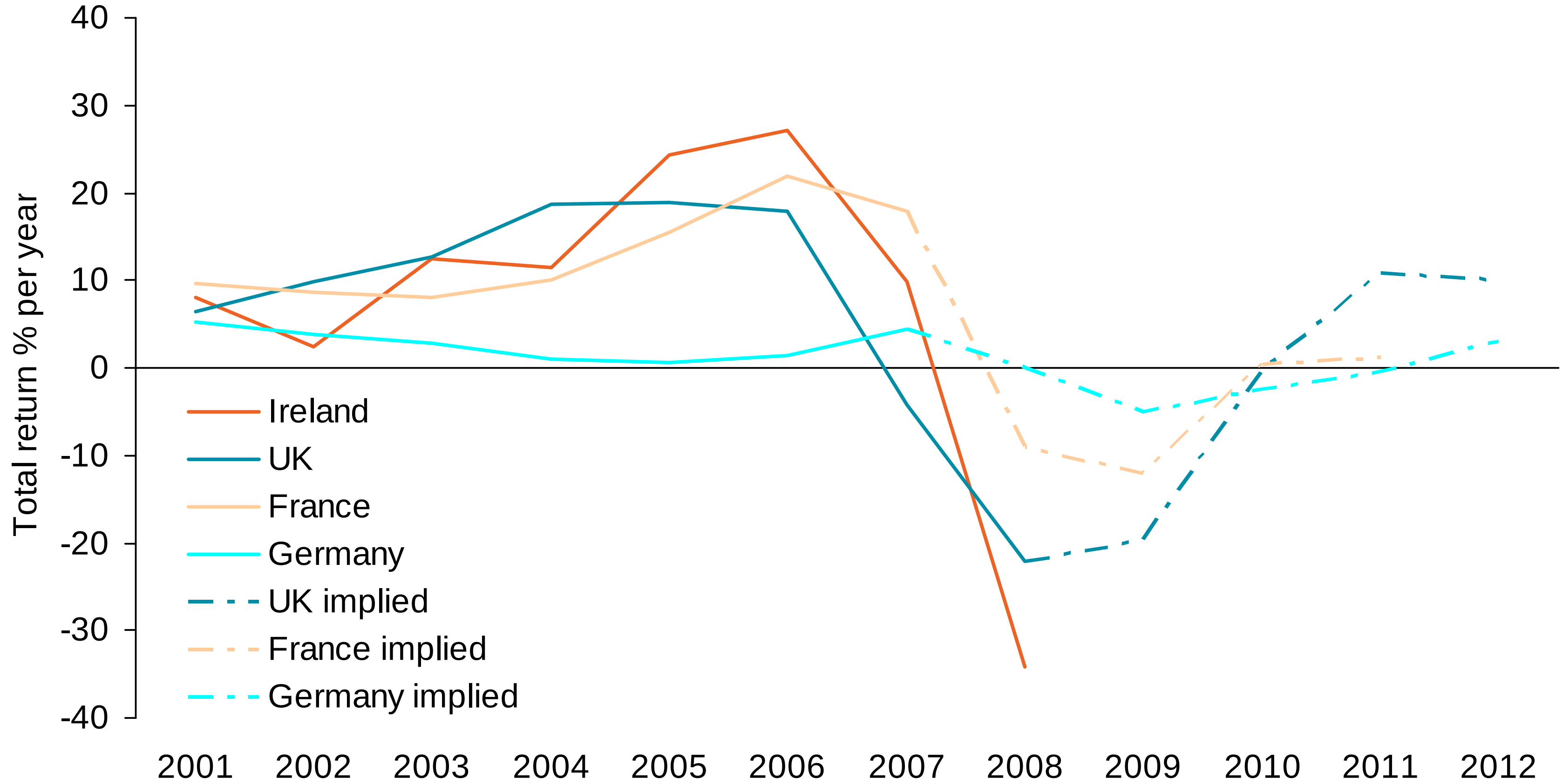


Source: SCS / IPD Ireland Quarterly Index

Outlook

- Comprehensive Repricing Will Favour Asset Class
- € Euro & Long Term Leasing Structures Are Attractive
- Stabilisation of the Economy
- European Trends Will Apply
- Mature Market Will Emerge
- Moderate Long Term Returns of 7-10 % pa

Taking the Pain



Source: IPD, Tradition Property

Irish Commercial Property Investment

Where to next ?

Niall Gaffney

Chief Executive

IPUT

IPUT
IRISH PROPERTY UNIT TRUST

www.iput.ie