

CBRE CLARION GLOBAL REAL ESTATE INCOME FUND

Form N-CSRS

September 02, 2011

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**FORM N-CSR**  
**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT**  
**INVESTMENT COMPANIES**  
**Investment Company Act file number 811-21465**  
**CBRE Clarion Global Real Estate Income Fund**  
(Exact name of registrant as specified in charter)  
201 King of Prussia Road, Suite 600  
Radnor, PA 19087  
(Address of principal executive offices) (Zip code)  
T. Ritson Ferguson, President and Chief Executive Officer  
CBRE Clarion Global Real Estate Income Fund  
201 King of Prussia Road, Suite 600  
Radnor, PA 19087  
(Name and address of agent for service)  
Registrant's telephone number, including area code: 1-888-711-4272  
Date of fiscal year end: December 31  
Date of reporting period: June 30, 2011

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles. A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549-0609. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

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**Item 1. Report(s) to Stockholders.**

The Trust's semi-annual report transmitted to shareholders pursuant to Rule 30e-1 under the Investment Company Act of 1940 is as follows:

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CBRE CLARION GLOBAL REAL ESTATE  
INCOME FUND  
Semi-Annual Report for the Six Months Ended June 30, 2011

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CBRE Clarion Global Real Estate Income Fund (the Trust ), acting in accordance with an exemptive order received from the Securities and Exchange Commission ( SEC ) and with approval of its Board of Trustees (the Board ), has adopted a managed distribution policy (the Policy ) with the purpose of distributing over the course of each year, through periodic distributions as nearly equal as practicable and any required special distributions, an amount closely approximating the total taxable income of the Trust during such year and all of the returns of capital paid by portfolio companies to the Trust during such year. In accordance with its Policy, the Trust distributes a fixed amount per common share, currently \$0.045, each month to its common shareholders. This amount is subject to change from time to time in the discretion of the Board. Although the level of distributions is independent of fund performance, the Trust expects such distributions to correlate with its performance over time. Each monthly distribution to shareholders is expected to be at the fixed amount established by the Board, except for extraordinary distributions and potential increases or decreases in the final dividend periods for each year in light of the Trust s performance for the entire calendar year and to enable the Trust to comply with the distribution requirements imposed by the Internal Revenue Code. Over time, the Trust expects that the distribution rate in relation to the Trust s Net Asset Value ( NAV ) will approximately equal the Trust s total return on NAV.

The fixed amount of distributions will be reviewed and amended as necessary by the Board at regular intervals with consideration of the level of investment income and realized gains. The Board strives to establish a level regular distribution that will meet the Trust s requirement to pay out all taxable income (including amounts representing return of capital paid by portfolio companies) with a minimum of special distributions. The Trust s total return in relation to changes in NAV is presented in the financial highlights table. Shareholders should not draw any conclusions about the Trust s investment performance from the amount of the current distribution or from the terms of the Trust s managed distribution policy. The Board may amend or terminate the managed distribution policy without prior notice to Trust shareholders.

Shareholders should note that the Trust s Policy is subject to change or termination as a result of many factors. The Trust is subject to risks through ownership of its portfolio company holdings including, but not limited to, declines in the value of real estate held by the portfolio company, risks related to general and local economic conditions, and portfolio company losses. Moreover, an economic downturn could have a material adverse effect on the real estate markets and on real estate companies in which the Trust invests, which in turn could result in the Trust not achieving its investment or distribution objectives thereby jeopardizing the continuance of the Policy. Please refer to the prospectus for a fuller description of the Trust s risks.

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Letter to Shareholders

Dear Shareholder:

We are pleased to present the 2011 semi-annual report for the CBRE Clarion Global Real Estate Income Fund (the Trust<sup>(1)</sup>).

Global real estate stocks, as measured by the S&P Developed Property Index ( S&PDPI<sup>(2)</sup>), rose 6.0% during the first half of the year despite a pull back in June of approximately 2.4%. Returns were very similar for each of the first and second quarters (approximately +3.0% each quarter). The Trust has performed considerably better than the S&PDPI thus far in 2011 despite continuing to employ leverage of less than 7% (consisting of borrowings on a line of credit). The Trust's Net Asset Value ( NAV ) is up 10.0% for the first half of 2011. The Trust's market price return (i.e., stock price appreciation plus reinvested dividends) was slightly better (+11.5%) than the NAV appreciation through the first six months, driven by a slight narrowing of the discount of the Trust's share price to NAV from 9.7% at year-end to 8.6% as of June 30. The Trust's market price closed at \$8.37, and its NAV per share was \$9.16 on June 30.

During the first six months of 2011 the S&PDPI rose 6.0% and the MSCI REIT Preferred Index ( MSRPI<sup>(3)</sup>) rose 6.7%. A blended benchmark of 80% S&PDPI and 20% MSRPI rose 6.2% year-to-date. The Trust's positive return relative to the blended benchmark so far this year is due primarily to regional asset allocation. Nineteen percent (19%) of the Trust's portfolio is invested in preferred stock, and the return on the Trust's preferred stock portfolio was approximately the same as the return for the MSRPI (6.2%) for the period. However, the Trust's common stock holdings returned 10.9% in the first six months, outperforming the return of the S&PDPI by a wide margin. Performance was enhanced by overweightings to holdings in Canada (+15.3%) and the U.S. (+10.2%) which were among the best performing countries in the first half of 2011. In Europe, overweight positions in outperforming France (+22.2%) and the Netherlands (+10.3%) were significant contributors to performance. Also, the Trust's underweighting of Asia provided a benefit as Asian property stocks have declined an average of 2.1% this year including Hong Kong (-5.0%) and Japan (-6.0%).

The Trust paid total dividends of \$0.27 per share for the first six months of 2011, consisting of six regular monthly dividends of \$0.045 per share. The annualized dividend of \$0.54 per share represents a 6.5% yield on share price and a 5.9% yield on NAV, as of June 30. The Trust's Board of Trustees (the Board ) has continued to review the sustainability of the Trust's regular monthly dividend in light of the current market environment and the dividends that have been paid out over the life of the Trust (which amount to \$11.38 per share since inception in 2004). Based on income and realized gains to date this year, the Board has thus far seen fit to maintain the monthly dividend at the current level rate.

- (1) The Trust changed its name effective July 5, 2011. The Trust was formerly known as the ING Clarion Global Real Estate Income Fund. The name change corresponds with the change in the name of the Trust's investment adviser (from ING Clarion Real Estate Securities, LLC to CBRE Clarion Securities LLC). The investment adviser was acquired by CB Richard Ellis Group, Inc. from ING Groep, N.V. effective July 1, 2011.
- (2) The S&P Developed Property Index is an unmanaged market-weighted total return index which consists of over 350 real estate companies from 22 developed markets with a free float total market capitalization of at least U.S.



\$100 million that derive more than 60% of their revenue from real estate development, management, rental and/or direct investment in physical property.

- (3) As measured by the MSCI REIT Preferred Index which is a preferred stock market capitalization weighted index of all exchange traded preferred securities of equity REITs.

*T. Ritson Ferguson*

*Steven D. Burton*

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**Portfolio Review**

The Trust's investments remain well-diversified by property type and geography as shown in the pie charts below. The geographic mix of the portfolio has been fairly stable during the past 6 months. At June 30, the Fund's portfolio was 45% invested in the Americas, 13% in Europe, 23% in Asia-Pacific, with 19% invested in preferred stock of U.S. real estate companies (down from 25% this time last year). Retail is the largest property type represented in the portfolio at 40%. Retail properties have historically shown more stable cash flows during economic slow-downs than other commercial property types. Selectively, the Trust has been building positions in companies whose portfolios should benefit from improving economic growth and improving real estate fundamental demand. For example, 9% of the portfolio is invested in securities issued by apartment companies, 8% in office companies, and 5% in hotel companies.

**Geographic Diversification <sup>(4)</sup>  
(unaudited)****Sector Diversification <sup>(4)</sup>  
(unaudited)****Market Commentary**

Real estate stocks in the Americas and Europe generated positive total returns while Asia-Pacific property companies (other than in Australia) languished. Asian markets were challenged by the headwinds of governmental and central bank tightening measures. The global economic backdrop continues to be somewhat bifurcated, with Western economies attempting to nurse a fragile recovery and Asian economies (ex-Japan) attempting to cool robust growth. In this environment, property fundamentals continue to exhibit evidence of sustained improvement as recovering demand and limited supply of property generally combine to support the case for improved earnings prospects. The primary risks to our positive outlook for real estate stock returns continue to be that economic growth fades in Western countries and, conversely, that governmental and central bank policy unwittingly creates inflationary pressures which prove difficult to contain in emerging economies.

The economic outlook has recently become more muted. Economic releases during the second quarter brought into question the trajectory of economic recovery, particularly in the U.S. where the housing and jobs numbers have been tepid. On the U.S. jobs front, the May increase in non-farm payroll was reported to be an anemic 54,000 jobs, versus consensus expectations of 150,000 jobs, and fewer than the 220,000 jobs averaged in the prior three months. The 54,000 payroll increase was the weakest since September 2010. The unemployment rate nudged up by 10 basis points to 9.1% from the April level. Governments in Asia ex-Japan continue to attempt to engineer a gradual economic slowdown via increased tightening measures in the face of an otherwise heated environment with cost pressure from raw materials, food, commodities and housing. Europe continues to be beset by sovereign debt challenges, most recently highlighted by events in Greece. U.K. retail sales reported for May were poor (down -1.4% vs. -0.6% expected). German ZEW economic sentiment declined, and European PMI disappointed, particularly manufacturing (slowing from 54.6 to 52). GDP projections have generally been ratcheted down for the U.S. and the globe over the past month as a result of the economic outlook. In the U.S., the Federal Reserve Bank in June decreased 2011 GDP projections to the 2.7-2.9% range from the 3.1-3.3% range put forth in its April meeting. Globally, 2011 GDP projections are 3.1% versus 3.3% three months ago, according to ING Economics.

The Western world is still deleveraging, contributing to economic challenges as deleveraging creates a long-term drag on the pace of economic rebound. In the U.S., private market debt has largely shifted to the government, which has not effectively articulated a credible path to reduce it. Concern regarding the magnitude of the U.S. Government debt

continues to grow, with the Treasury, in its annual report to Congress, estimating that the U.S. total public debt will exceed GDP by the end of 2011, around three years earlier than forecast in its previous report in 2010. Separately, lenders at U.S. banks continue to underwrite conservatively despite accommodative monetary policy and a profitable spread to cost of capital. Politics has contributed to uncertainty via bickering over raising the national debt ceiling in the U.S., which has contributed to uncertainty among investors. Similarly, in Europe, politics play out over the fiscal fate of nations in trouble, as Northern European countries, including Germany, struggle with reconciling their role in the European Union, including the eventuality of having to subsidize weaker nations within the Union, particularly at the moment

(4) Percentages presented are based on managed fund assets and are subject to change.

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Greece. There was an increasing demonstration of brinkmanship between the EU and the Greek government, but by the end of June it looked likely that the next 12 billion tranche of the emergency loan would be forthcoming following another austerity package passed in the Greek parliament.

Is inflation the way out? Inflation is increasingly an economic reality, not only in the Asia-Pacific region, which has been battling heated commodity, food and residential housing prices over the past several years, but in Western markets, too, where 2011 consumer price index (CPI) expectations have trended more to the 2.5-3.5% range versus half that a year ago. The nature of the source of inflationary pressures among Western economies includes higher commodity costs, including oil, and low interest rate policies among central banks, particularly the Federal Reserve Bank in the U.S. In Asia, CPI expectations reside in the 4.0-5.0% range ex-Japan, which remains near zero. Recent data points include May CPI numbers in China of 5.5% year-on-year, the highest in three years, and in Singapore of 4.5% (versus 4.1% consensus). Australia has projected 2011 CPI expectation in the 3.0% range. While Western banks have generally maintained accommodative monetary policy, central banks in Asia ex-Japan are well into a tightening phase in response to heated commodity and housing prices. The People's Bank of China has raised the reserve requirement ratio among large banks six times this year, mostly recently by 50 basis points effective June 20, to 21.5%. Separately, the Hong Kong Monetary Authority has warned that a rise in local bank interest rates may be imminent even though the U.S. Federal Reserve kept its benchmark rate unchanged. This is significant, since Hong Kong monetary policy typically follows that of the U.S. The Reserve Bank of Australia kept rates on hold in its June 7 meeting, at 4.75%.

While inflation and its effect on real estate remains a complicated subject, there is little doubt that landlords have the ability to benefit from inflationary pressures via higher rents in the face of a cost structure which includes a high component of fixed costs. Listed property management teams will increasingly need to manage their real estate portfolios in anticipation of inflation.

Real estate securities continue to offer attractive current yield via the dividend. In an investment landscape where current yield via the dividend is arguably scarce, a global listed property portfolio distinguishes itself by offering a dividend yield in the 3-4% range. Furthermore, dividend levels are growing as fundamentals improve, with an expected growth in global property company dividends to the 5% range during 2011. In the U.S., we expect the growth in REIT dividends to be 10% or more this year. Many REITs are bolstering distributions simply in order to maintain REIT tax status, which dictates, among other things, that a company pays out a minimum level of taxable net income as a dividend to shareholders. In the U.S., the minimum payout is 90%. Real estate company dividend yields continue to compare favorably to the yields on respective 10-year government bonds, as shown in the following chart. The dividends are well supported as payout levels are averaging only 60% on a global weighted average basis. The 40% of operating earnings not being distributed provides a buffer. The dividend payout is the percentage of available cash flow per share which is distributed as a dividend to shareholders.

Commercial real estate property values continue to rise as cap rates continue to decline, albeit at a slower rate. Although we have seen further yield compression in the quarterly earnings releases of listed property companies, we believe yield compression has likely largely run its course. On a global weighted average basis, yields have gone from 5.0% at the peak of the market in 2007

(5) Source: CBRE Clarion and Bloomberg. Not all countries included. Yields fluctuate and are not guaranteed.

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to over 7% at the trough of the credit crisis, and are now back to the 6.0% range. Property yields have fallen over the past two years, aided by accommodative central bank policy that has pushed bond yields to historically low levels. U.S. 10-year Treasury yields have now dipped to the 3.0% range on concerns that the economic rebound is losing steam.

Listed real estate is trading at a discount as rising property values have outstripped the stock price gains. We estimate global property companies are trading at an average 7% discount to NAV on a global weighted average basis which we find to be reasonable at this stage of the economic recovery and property cycle. In the U.S., we estimate property companies are trading at a modest premium to NAV.

Real estate companies' access to capital remains favorable. Fundamental to the recovery of property companies is continued access to capital, both equity and debt, at attractive pricing. We estimate that property companies globally have raised nearly \$110 billion of equity since the fourth quarter of 2008 and in excess of \$42 billion in unsecured debt. Debt has been raised competitively at spreads which are equal to or less than pre-credit crisis levels. Emblematic of the ability of property companies to raise equity was U.S. industrial giant ProLogis' June equity raise of approximately US\$1.5 billion, which was raised in an overnight deal at a modest discount to the prior day's close, although the stock had significantly underperformed during the month preceding the offering, partly as a result of the perceived equity overhang. The proceeds of the offering were to help fund the \$2.7 billion acquisition of its European minority-owned listed subsidiary ProLogis European Properties as well as to deliver progress on its strategic goal of deleveraging the balance sheet. Wide-open capital markets additionally make it more likely that the listed property companies will see increased M&A announcements as companies have the ability to raise the necessary capital to consummate a transaction.

We believe that real estate securities are entering a "sweet spot" for growth. Improved property fundamentals are ultimately reflected in the earnings numbers of property companies. Company earnings appear to confirm that a real estate recovery is underway. This is particularly apparent in more cyclical property types with shorter lease lengths that can mark rents to market more quickly than property types with longer lease lengths. As an example, U.S. apartment REITs have reported same-property NOI growth in the mid- to high-single digits, which is about double the NOI growth rates posted by property types in most other sectors, which tend to have longer lease lengths. Globally, we are projecting growth in cash flow per share to be positive in all major markets with the exception of Japan, which continues to recover from disaster-related weakness. For each of the next two years, we project increases in cash flow per share on a global weighted average basis to be in the 8% range.

The first six months of the year have been rewarding for a global real estate securities strategy. We continue to expect total return this year to be driven by a dividend yield in the 3-4% range plus growth in cash flow per share in the 8% range as economic recovery increasingly takes hold. While there have been some speed bumps in the road to economic recovery of late, we believe that they are not sufficient to derail the positive case for real estate fundamentals looking forward.

We appreciate your continued faith and confidence.

Sincerely,

T. Ritson Ferguson  
President & Chief Executive Officer  
Co-Portfolio Manager

Steven D. Burton  
Co-Portfolio Manager

The views expressed represent the opinion of CBRE Clarion Securities as of the date of this report which are subject to change and are not intended as a forecast or guarantee of future results or investment performance. This material is for informational purposes only, does not constitute investment advice, and is not intended as an endorsement of any specific investment. Information and opinions are derived from proprietary and non-proprietary sources.

(6) Equity raised is from the time period October 2008 to June 2011.

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Portfolio of Investments (unaudited)

**June 30, 2011**

<b>Shares</b>		<b>Market Value (\$)</b>
	<b>Common Stock 86.1%</b>	
	Real Estate Securities* 86.1%	
	<b>Australia 12.7%</b>	
5,453,037	CFS Retail Property Trust	\$ 10,596,005
2,776,835	Charter Hall Retail Real Estate Investment Trust	9,513,211
38,529,000	Dexus Property Group	36,299,237
7,053,616	Goodman Group	5,323,877
3,536,700	GPT Group	11,964,992
4,102,827	Westfield Group	38,038,920
8,119,662	Westfield Retail Trust	23,557,778
		135,294,020
	<b>Canada 11.3%</b>	
200,100	Calloway Real Estate Investment Trust	5,226,941
500,000	Crombie Real Estate Investment Trust <sup>(a)</sup>	6,838,670
884,800	H&R Real Estate Investment Trust	19,839,470
2,082,900	InnVest Real Estate Investment Trust	14,632,745
440,000	InnVest Real Estate Investment Trust <sup>(a)</sup>	3,091,078
700,000	Primaris Retail Real Estate Investment Trust <sup>(a)</sup>	15,267,848
2,078,800	RioCan Real Estate Investment Trust	55,874,077
		120,770,829
	<b>France 5.4%</b>	
65,700	Altarea	13,535,746
351,122	Societe de la Tour Eiffel	32,494,186
49,220	Unibail-Rodamco SE	11,378,602
		57,408,534
	<b>Germany 0.4%</b>	
123,110	GSW Immobilien AG <sup>(b)</sup>	4,221,310
	<b>Hong Kong 2.8%</b>	
8,913,000	Link REIT (The)	30,411,586

	<b>Japan 2.0%</b>	
620	Frontier Real Estate Investment Corp.	5,435,364
10,652	Japan Retail Fund Investment Corp.	16,328,846
		21,764,210
	<b>Netherlands 4.3%</b>	
116,780	Corio NV	7,737,621
357,401	Eurocommercial Properties NV	17,773,488
277,161	VastNed Retail NV	19,863,030
		45,374,139
	<b>New Zealand 0.7%</b>	
9,050,000	Goodman Property Trust	7,100,677
	<b>Singapore 5.0%</b>	
6,735,000	Ascendas Real Estate Investment Trust	11,192,082
16,748,000	CapitaMall Trust	25,512,187
6,761,600	Global Logistic Properties Ltd. <sup>(b)</sup>	11,346,445
4,757,000	Suntec Real Estate Investment Trust	5,812,561
		53,863,275
	<b>United Kingdom 4.4%</b>	
1,939,300	Land Securities Group Plc	26,542,168
4,045,110	Segro Plc	20,281,465
		46,823,633
	<b>United States 37.1%</b>	
997,100	Annaly Capital Management, Inc.	17,987,684
795,353	Brandywine Realty Trust	9,218,141
826,200	Camden Property Trust	52,562,844
668,632	CBL & Associates Properties, Inc.	12,122,298
4,855,300	Chimera Investment Corp.	16,799,338
1,472,700	Extra Space Storage, Inc.	31,412,691
327,769	General Growth Properties, Inc.	5,470,465
1,533,200	Liberty Property Trust	49,951,656
1,183,685	Macerich Co. (The)	63,327,147
100,000	Nationwide Health Properties, Inc.	4,141,000
1,847,070	OMEGA Healthcare Investors, Inc.	38,806,941
714,731	ProLogis, Inc.	25,615,959
100,000	Regency Centers Corp.	4,397,000
194,219	Simon Property Group, Inc.	22,574,074
1,211,534	UDR, Inc.	29,743,160
712,120	Verde Realty <sup>(b)(c)</sup>	11,749,980
		395,880,378



**Total Common Stock**  
(cost \$760,081,681)

918,912,591

*See notes to financial statements.*

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Portfolio of Investments concluded

Shares		Market Value (\$)
	<b>Preferred Stock 20.3%</b>	
	<b>United States 20.3%</b>	
450,000	Alexandria Real Estate Equities, Inc., Series C	\$ 11,808,000
80,500	Apartment Investment & Management Co., Series U	2,026,990
480,000	Apartment Investment & Management Co., Series V	12,105,024
150,000	Apartment Investment & Management Co., Series Y	3,780,000
480,000	BioMed Realty Trust, Inc., Series A	12,187,200
51,000	CBL & Associates Properties, Inc., Series C	1,278,570
100,000	CBL & Associates Properties, Inc., Series D	2,476,000
272,700	Cedar Shopping Centers, Inc., Series A	6,855,678
171,300	Corporate Office Properties Trust SBI MD, Series J	4,371,576
200,800	Duke Realty Corp., Series M	5,080,240
121,700	Eagle Hospitality Properties Trust, Inc., Series A <sup>(b)</sup>	616,106
400,000	Entertainment Properties Trust, Series D	9,892,000
20,000	Glimcher Realty Trust, Series F	504,000
645,700	Glimcher Realty Trust, Series G	15,819,650
520,000	Health Care REIT, Inc., Series F	13,348,400
150,000	iStar Financial, Inc., Series F	2,965,500
765,000	iStar Financial, Inc., Series I	14,726,250
200,000	LaSalle Hotel Properties, Series D	4,932,000
600,000	LaSalle Hotel Properties, Series E	15,056,280
520,000	LaSalle Hotel Properties, Series G	12,849,200
169,900	National Retail Properties, Inc., Series C	4,366,430
268,000	Pebblebrook Hotel Trust, Series A	6,737,520
320,000	PS Business Parks, Inc., Series O	8,064,000
400,000	Public Storage, Series K	10,104,000
442,500	SL Green Realty Corp., Series C	11,102,325
200,000	SL Green Realty Corp., Series D	5,132,000
120,000	Strategic Hotels & Resorts, Inc., Series B <sup>(b)</sup>	3,397,200
90,900	Strategic Hotels & Resorts, Inc., Series C <sup>(b)</sup>	2,570,652
142,600	Taubman Centers, Inc., Series G	3,627,388
373,500	Taubman Centers, Inc., Series H	9,430,875
	<b>Total Preferred Stock</b>	
	(cost \$216,790,805)	217,211,054

<b>Total Investments</b> <b>106.4%</b> (cost \$976,872,486)	1,136,123,645
Liabilities in Excess of Other Assets (6.4)%	(68,045,032)
<b>Net Assets</b> <b>100.0%</b>	\$ 1,068,078,613

\* Includes U.S. Real Estate Investment Trusts ( REIT ) and Real Estate Operating Companies ( REOC ) as well as entities similarly formed under the laws of non-U.S. Countries.

(a) Securities are exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions that are exempt from registration, normally to qualified institutional buyers. At June 30, 2011, the securities amounted to \$25,197,596 or 2.4% of net assets.

(b) Non-income producing security.

(c) Fair valued pursuant to guidelines approved by the board.

*See notes to financial statements.*

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**8 ĩ CBRE CLARION GLOBAL REAL ESTATE INCOME FUND**

### ***Squeeze-Out Provisions***

Section 253 of the Delaware General Corporation Law authorizes the board of directors of a Delaware corporation that owns 90% or more of each of the outstanding classes of stock of a subsidiary that are entitled to vote on a merger to merge the subsidiary into itself without any requirement for action to be taken by the board of directors or the stockholders of the subsidiary.

### ***Exclusive Jurisdiction of Delaware Courts***

Our amended and restated certificate of incorporation provides that, unless we consent in writing to an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (1) any derivative action or proceeding brought on behalf of our company, (2) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of our company to the company or the company's stockholders, (3) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or our amended and restated certificate of incorporation or our amended and restated by-laws, or (4) any action asserting a claim against our company or any of our directors or officers governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation. However, the enforceability of similar forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be unenforceable.

### **French Law Takeover Regulations**

In the event we also list shares of our common stock on NYSE Euronext Paris, we expect to be subject to certain takeover regulations of the *Autorité des marchés financiers*, or the AMF, which is the securities regulatory authority in France. Pursuant to Article 231-1 of the AMF General Regulation, the AMF may apply its takeover rules, except for those governing standing market offers, buyout offers with squeeze-outs, and squeeze-outs, to takeovers for securities issued by companies such as ours whose registered offices are not in the European Economic Area.

### **Transfer Agent and Registrar**

The transfer agent and registrar for our units, common stock and warrants is Computershare Trust Company, N.A.

### **Paying Agent**

The paying agent, for purposes of any shares that trade on NYSE Euronext Paris in connection with our intended listing on that exchange, will be BNP Paribas Securities Services.

### **Listing**

The units, each comprising one share of common stock and one warrant to purchase half of one share of common stock, have been approved for listing on the New York Stock Exchange, or NYSE, under the symbol BIOAU. The units will begin trading on or promptly after the date of this prospectus. The common stock and warrants comprising the units have also been approved for listing on NYSE and will begin trading separately on the first trading day following the expiration of the underwriters' 30-day over-allotment option under the symbols BIOA and BIOAWS, respectively, at which time trading of the units will be suspended and the units will be de-listed. We also intend to list our common stock on the Professional Segment of NYSE Euronext Paris, or NYSE Euronext Paris, under the symbol BIOA. If we list our common stock on NYSE Euronext Paris, our common stock may trade simultaneously in U.S. dollars on NYSE and in Euros on NYSE Euronext Paris. NYSE and NYSE Euronext Paris are part of the NYSE Euronext group. The intended dual listing of our common stock reflects our global focus and is intended to promote additional liquidity for our investors and provide greater access to our common stock among fund managers in Europe who may be required to invest in Euro-zone markets or currencies only. Our listing on NYSE Euronext Paris would be on the Professional Segment of that market, which would be primarily restricted to qualified investors within the meaning of French law. An investor other than a qualified investor could also purchase our common stock on the Professional Segment of NYSE Euronext Paris under certain conditions.

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**Tax Considerations**

The information in the Registration Statement under the caption "Tax Considerations" has been replaced in its entirety with the following:

**TAX CONSIDERATIONS**

This section summarizes the material United States federal income and estate tax considerations relating to the purchase, ownership and disposition of common stock and warrants by a U.S. holder and a non-U.S. holder (each as defined below) and certain United States and French tax considerations specifically applicable to holders that are resident in France and that are holders of common stock. This summary does not provide a complete analysis of all potential tax considerations. The information provided below is based upon provisions of the Internal Revenue Code of 1986, as amended, or the Code, Treasury regulations promulgated thereunder and administrative rulings and judicial decisions, and French tax law, all as currently in effect. These authorities may change at any time, possibly on a retroactive basis, or the United States Internal Revenue Service, or the IRS, or French taxing authorities might interpret the existing authorities differently. In either case, the tax considerations of purchasing, owning or disposing of common stock or warrants could differ from those described below.

Except where noted, this summary deals only with common stock and warrants held as capital assets and does not represent a detailed description of the U.S. federal income tax considerations applicable to a shareholder that is subject to special treatment under U.S. federal income tax laws, including: a dealer in securities or currencies; a financial institution; a regulated investment company; a real estate investment trust; a tax-exempt organization; an insurance company; a person holding common stock as part of a hedging, integrated, conversion or straddle transaction or a person deemed to sell common stock under the constructive sale provisions of the Internal Revenue Code; a trader in securities that has elected the mark-to-market method of accounting; a United States expatriate; a controlled foreign corporation; a passive foreign investment company; a corporation that accumulates earnings to avoid United States federal income tax; an entity that is treated as a partnership for U.S. federal income tax purposes; a person that is an investor in a pass-through entity; or a United States person whose functional currency is not the U.S. dollar.

If a partnership holds common stock or warrants, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. A partner of a partnership holding common stock or warrants should consult its own tax advisors.

INVESTORS CONSIDERING THE PURCHASE, OWNERSHIP OR DISPOSITION OF COMMON STOCK OR WARRANTS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE UNITED STATES FEDERAL INCOME AND ESTATE TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE CONSEQUENCES OF FOREIGN, STATE OR LOCAL LAWS, AND TAX TREATIES.

**Certain U.S. Federal Income Tax Considerations for U.S. Holders of Common Stock and Warrants**

For purposes of this discussion, a "U.S. holder" is a beneficial holder of common stock or warrants that is: an individual citizen or resident of the United States; a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia; an estate the income of which is subject to U.S. federal income taxation regardless of its source; a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

***Investment Unit***

The common stock and warrants should be treated for U.S. federal income tax purposes as an investment unit consisting of one share of our common stock and one warrant to acquire one half of one share of our common stock. For U.S. federal income tax purposes, the purchase price paid for each unit will be allocated between the shares of common stock and the warrants based on their respective relative fair market values. This allocation will be based upon our determination of the relative values of the warrants and

of our common stock, which we will complete following the closing of the offering. This allocation is binding on you unless you explicitly disclose in a statement attached to your timely filed U.S. federal income tax return for the tax year that includes your acquisition date of the unit that your allocation of the purchase price is different than our allocation. This allocation is not binding, however, on the IRS or the courts. Prospective investors are urged to consult their tax advisors regarding the United States federal income tax consequences of an investment in a unit, and the allocation of the purchase price paid for a unit.

#### ***Dividends on our Common Stock***

Distributions with respect to common stock, if any, will be includible in the gross income of a U.S. holder as ordinary dividend income to the extent paid out of current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. Any portion of a distribution in excess of current or accumulated earnings and profits would be treated as a return of the holder's tax basis in its common stock and then as gain from the sale or exchange of the common stock. Under current law, if certain requirements are met, a maximum 20% U.S. federal income tax rate will apply to any dividends paid to a holder of common stock who is a U.S. individual.

Distributions to U.S. holders that are corporate shareholders, constituting dividends for U.S. federal income tax purposes, may qualify for the 70% dividends received deduction, or DRD, which is generally available to corporate shareholders that own less than 20% of the voting power or value of the outstanding stock of the distributing corporation. A U.S. holder that is a corporate shareholder holding 20% or more of the distributing corporation may be eligible for an 80% DRD. No assurance can be given that we will have sufficient earnings and profits (as determined for U.S. federal income tax purposes) to cause any distributions to be eligible for a DRD. In addition, a DRD is available only if certain holding periods and other taxable income requirements are satisfied.

#### ***Sale of Common Stock or Warrants***

A U.S. holder of common stock or warrants will generally recognize gain or loss on the taxable sale, exchange, or other disposition of such stock or warrants in an amount equal to the difference between such U.S. holder's amount realized on the sale and its tax basis in the common stock or warrants sold. A U.S. holder's amount realized should equal the amount of cash and the fair market value of any property received in consideration of its stock or warrants. The gain or loss should be capital gain or loss and should be long-term capital gain or loss if the common stock or warrants are held for more than one year at the time of disposition. Capital loss can generally only be used to offset capital gain (individuals may also offset excess capital losses against up to \$3,000 of ordinary income per tax year). Under current law, long-term capital gain recognized by an individual U.S. holder is subject to a maximum 20% U.S. federal income tax rate.

#### ***Exercise or Lapse of Warrants***

Except with respect to cash in lieu of a fractional share, upon the exercise of a warrant, a U.S. holder generally will not recognize gain or loss and will have a tax basis in the common stock received equal to the U.S. holder's tax basis in the warrant, plus the exercise price of the warrant less any portion of the tax basis attributable to receipt of cash in lieu of a fractional share. The holding period for the common stock purchased pursuant to the exercise of a warrant will begin on the date following the date of exercise and will not include the period during which the U.S. holder held the warrant. If a warrant is allowed to lapse unexercised, a U.S. holder will recognize a capital loss in an amount equal to its tax basis in the warrant. Such loss will be long-term capital loss if the warrant has been held for more than one year as of the date the warrant lapsed. The deductibility of capital losses is subject to certain limitations.

Your receipt of cash in lieu of a fractional share of common stock will generally be treated as if you received the fractional share and then received such cash in redemption of such fractional share. Such redemption will generally result in the recognition of capital gain or loss equal to the difference between the amount of cash received and your adjusted federal income tax basis in the warrant that is allocable to the fractional share you are deemed to have received. However, such capital gain or loss should not duplicate any gain or loss that is otherwise recognized with respect to the exercise of such warrant.

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**Certain U.S. Federal Income and Estate Tax Considerations for Non-U.S. Holders of Common Stock and Warrants**

For purposes of this summary, a non-U.S. holder is any holder (other than a partnership) that is not a U.S. holder.

***Investment Unit***

The common stock and warrants should be treated for U.S. federal income tax purposes as an investment unit consisting of one share of our common stock and one warrant to acquire half of one share of our common stock. For U.S. federal income tax purposes, the purchase price paid for each unit will be allocated between the shares of common stock and the warrants based on their respective relative fair market values.

***Dividends on our Common Stock***

We do not expect to declare or pay any distributions on our common stock in the foreseeable future. If we do make any distributions on shares of our common stock, however, such distributions will constitute dividends for United States federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under United States federal income tax principles. Distributions in excess of our current and accumulated earnings and profits will constitute a return of capital that is applied against and reduces, but not below zero, a non-U.S. holder's adjusted tax basis in shares of our common stock. Any remaining excess will be treated as gain realized on the sale or other disposition of our common stock. See Sale of Common Stock or Warrants.

Any dividend paid to a non-U.S. holder on our common stock will generally be subject to United States withholding tax at a 30% rate. The withholding tax might not apply, however, or might apply at a reduced rate, under the terms of an applicable income tax treaty between the United States and the non-U.S. holder's country of residence. Non-U.S. holders should consult their own tax advisors regarding their entitlement to benefits under a relevant income tax treaty. Generally, in order for us or our paying agent to withhold tax at a lower treaty rate, a non-U.S. holder must certify its entitlement to treaty benefits. A non-U.S. holder generally can meet this certification requirement by providing to us or our paying agent an IRS Form W-8BEN or appropriate successor form (which generally remains valid for three years, after which time a new properly completed and executed IRS Form W-8BEN must be provided to us or our paying agent). If the holder holds the stock through a financial institution or other agent acting on the holder's behalf, the holder will be required to provide appropriate documentation to the agent. The holder's agent will then be required to provide certification to us or our paying agent, either directly or through other intermediaries. If a non-U.S. holder is eligible for a reduced rate of United States federal withholding tax under an income tax treaty, such non-U.S. holder may obtain a refund or credit of any excess amounts withheld by filing an appropriate claim for a refund with the IRS in a timely manner.

Dividends received by a non-U.S. holder that are effectively connected with a U.S. trade or business conducted by the non-U.S. holder, or, if an income tax treaty between the United States and the non-U.S. holder's country of residence applies, are attributable to a permanent establishment or a fixed base maintained by the non-U.S. holder in the United States, are not subject to such withholding tax. To obtain this exemption, a non-U.S. holder must provide us or our paying agent with an IRS Form W-8ECI properly certifying such exemption. Such effectively connected dividends, although not subject to withholding tax, are taxed at the same graduated rates applicable to U.S. persons, as defined under the Code, net of certain deductions and credits, subject to any applicable income tax treaty providing otherwise. In addition to the graduated tax described above, dividends received by corporate non-U.S. holders that are effectively connected with a U.S. trade or business of the corporate non-U.S. holder may also be subject to a branch profits tax at a rate of 30% or such lower rate as may be specified by an applicable income tax treaty.

***Sale of Common Stock or Warrants***

Non-U.S. holders will generally not be subject to United States federal income tax on any gains realized on the sale, exchange or other disposition of common stock or warrants unless:

the gain (1) is effectively connected with the conduct by the non-U.S. holder of a U.S. trade or business and (2) if an income tax treaty between the United States and the non-U.S. holder's country of residence applies, the gain is attributable to a permanent establishment or a fixed base maintained by the non-U.S. holder in the United States, in which case the special rules described below apply;



the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of the sale, exchange or other disposition of our common stock, and certain other requirements are met, in which case the gain would be subject to a flat 30% tax, or such reduced rate as may be specified by an applicable income tax treaty, which may be offset by United States source capital losses, even though the individual is not considered a resident of the United States; or

the rules of the Foreign Investment in Real Property Tax Act, or FIRPTA, treat the gain as effectively connected with a U.S. trade or business.

The FIRPTA rules would apply to a sale, exchange or other disposition of common stock or warrants if we are, or were within the shorter of the five-year period preceding the disposition and the non-U.S. holder's holding period, a U.S. real property holding corporation, or USRPHC. In general, we would be a USRPHC if our interests in United States real estate comprised at least half of the fair market value of our assets. We do not believe that we are a USRPHC and we do not anticipate becoming one in the future. Even if we are or become a USRPHC, as long as our common stock is regularly traded on an established securities market, then only a non-U.S. holder that actually or constructively owns more than 5% of our outstanding common stock will be subject to United States federal income tax on the disposition of our common stock.

Any gain described in the first bullet point above will be subject to United States federal income tax at the regular graduated rates. If the non-U.S. holder is a corporation, under certain circumstances, that portion of its earnings and profits that is effectively connected with its U.S. trade or business, subject to certain adjustments, generally would be subject to a branch profits tax. The branch profits tax rate is generally 30%, although an applicable income tax treaty between the United States and the non-U.S. holder's country of residence might provide for a lower rate.

#### ***Exercise or Lapse of the Warrants***

Upon the exercise of a warrant, a non-U.S. holder generally will not recognize gain or loss except with respect to cash received in lieu of a fractional share of common stock. If a warrant is allowed to lapse unexercised, a non-U.S. holder generally will not recognize a capital loss unless such holder is otherwise subject to United States federal income tax. The receipt of cash in lieu of a fractional share of common stock in connection with an exercise of warrants will generally be treated as if you received the fractional share and then received such cash in redemption of such fractional share, which shall generally be treated as described above under "Sale of Common Stock or Warrants".

#### ***Legislation Affecting Certain Non-U.S. Holders***

Legislation enacted in 2010 generally imposes withholding at a rate of 30% on payments to certain foreign entities of dividends on and the gross proceeds of dispositions of our common stock or warrants, unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons, as defined under the Code, of interests in or accounts with those entities) have been satisfied. Pursuant to published guidance from the IRS and the U.S. Treasury Department, this legislation generally applies to payments of dividends made after December 31, 2013 and payments of gross proceeds made after December 31, 2016.

Non-U.S. holders should consult their tax advisors regarding the possible implications of this legislation on their investment in our common stock and warrants.

#### ***United States Federal Estate Tax***

The estates of nonresident alien individuals generally are subject to United States federal estate tax on property with a United States situs. Because we are a United States corporation, our common stock and warrants will be United States situs property and therefore will be included in the taxable estate of a nonresident alien decedent, unless an applicable income tax treaty between the United States and the decedent's country of residence provides otherwise.

***Backup Withholding and Information Reporting***

Information returns may be filed with the IRS in connection with payments on the common stock and warrants and the proceeds from a sale or other disposition of the common stock or warrants. Payments made in respect of the common stock and warrants to a U.S. holder must be reported to the IRS, unless such U.S. holder is an exempt recipient (as discussed below) or establishes an exemption. We must report to a non-U.S. holder and the IRS the amount of dividends paid during each calendar year, if any, and the amount of any tax withheld. These information reporting requirements apply even if no withholding was required because the distributions were effectively connected with the non-U.S. holder's conduct of a U.S. trade or business, or withholding was eliminated by an applicable income tax treaty. This information also may be made available under a specific treaty or agreement with the tax authorities in the country in which the non-U.S. holder resides or is established. Backup withholding, however, generally will not apply to dividends paid a non-U.S. holder of shares of our common stock provided the non-U.S. holder furnishes to us or our paying agent the required certification under penalties of perjury as to its non-U.S. status, such as by providing a valid IRS Form W-8BEN or IRS Form W-8ECI, or certain other requirements are met. Notwithstanding the foregoing, backup withholding may apply if either we or our paying agent has actual knowledge, or reason to know, that the non-U.S. holder is a U.S. person as defined under the Code that is not an exempt recipient.

Backup withholding of U.S. federal income tax, currently at a rate of 28% may apply to payments made in respect of the common stock and warrants to beneficial holder who are not exempt recipients and who fail to provide certain identifying information (such as the holder's taxpayer identification number) in the manner required. Generally, individuals are not exempt recipients. Compliance with the identification procedures would generally establish an exemption from backup withholding for those non-U.S. beneficial holders who are not exempt recipients. In addition, upon the sale of common stock or warrants to (or through) a broker, the broker must withhold on the gross sales proceeds at a rate of 28% unless either (i) the broker determines that the seller is a corporation or other exempt recipient or (ii) the seller provides, in the required manner, certain identifying information and, in the case of a non-U.S. holder, certifies its U.S. status (and certain other conditions are met). Such a sale must also be reported by the broker to the IRS, unless either (i) the broker determines that the seller is an exempt recipient or (ii) the seller certifies its non-U.S. status (and certain other conditions are met). The term "broker" generally includes all persons who, in the ordinary course of a trade or business, stand ready to effect sales made by others. These requirements generally will apply to a U.S. office of a broker, and the information reporting requirements generally will apply to a foreign office of a U.S. broker, as well as to a foreign office of a foreign broker if the broker is (i) a controlled foreign corporation within the meaning of Section 957(a) of the Code, (ii) a foreign person 50% or more of whose gross income from all sources for the 3-year period ending with the close of its taxable year preceding the payment (or for such part of the period that the foreign broker has been in existence) was effectively connected with the conduct of a trade or business within the United States or (iii) a foreign partnership if it is engaged in a trade or business in the United States or if 50% or more of its income or capital interests are held by United States persons.

The amount of any backup withholding from a payment will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle the holder to a refund, provided that the required information is timely furnished to the IRS. You should consult your tax advisor as to your qualification for exemption from backup withholding and the procedure for obtaining such exemption.

THE PRECEDING DISCUSSION OF UNITED STATES FEDERAL TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY. IT IS NOT TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE PARTICULAR UNITED STATES FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF PURCHASING, HOLDING AND DISPOSING OF OUR COMMON STOCK OR WARRANTS, INCLUDING THE CONSEQUENCES OF ANY PROPOSED CHANGE IN APPLICABLE LAWS.