

Association for Investment Management and Research
Professional Standards and Advocacy Department
P O Box 3668
Charlottesville
Virginia 22903

21 December 2001

Dear Sir

I am pleased to inform you that UBS Asset Management fully support AIMR's effort to develop global real estate provisions to be added to the GIPS standards.

We are in agreement with your proposals regarding valuation requirements and recommendations; however, we would encourage you to give further consideration to changing your recommendation for external valuations every 12 months to a mandatory requirement. A gap of 24 months between external valuations appears too lengthy. Any issues arising from a move from 24 months to 12 months could be offsite by delaying its introduction to 2010 to encourage greater acceptance, if deemed necessary.

The additional disclosures for direct and indirect appear sensible and not overly burdensome. However, for simplicity and ease of interpretation is it necessary to differentiate between direct and indirect real estate? We feel it is counter productive to differentiate between them and that it would be beneficial to extend the direct only disclosures to the indirect real estate investments. This would save any confusion in classifying between the two and ensure potential investors have all the relevant information at their disposal.

We would be happy to see an early introduction, but feel that to gain greater acceptance in the industry, a period of 12 months in order to digest and prepare for their introduction would be appropriate.

The above concludes our comments on your proposals.

Yours faithfully

Paul Weller, FSI
Director