

## PART 2A FORM ADV

LASALLE INVESTMENT MANAGEMENT  
SECURITIES, LLC

Dated as of March 25, 2015

100 E. PRATT STREET  
20<sup>th</sup> Floor

BALTIMORE, MARYLAND 21202

+1 (410) 878 4800

[www.lasalle.com](http://www.lasalle.com)

**This part of Form ADV gives information about the investment adviser and its business for the use of clients. The information has not been approved or verified by the Securities Exchange Commission or any state securities authority. Registration with the Securities and Exchange Commission does not imply that LaSalle or its employees have attained a certain level of skill or training.**

Item 2.           Material Changes

This Form ADV Part 2A for the fiscal year ended December 31, 2014 contains no material changes from the Form ADV Part 2A of LaSalle Investment Management Securities, LLC ("LaSalle") filed for the fiscal year ended December 31, 2013.

Item 3. Table of Contents

<b><u>Item Number</u></b>	<b><u>Item</u></b>	<b><u>Page</u></b>
Part 2A		
1	Cover Page	1
2	Material Changes	2
3	Table of Contents	3
4	Advisory Business	4
5	Fees and Compensation	6
6	Performance-Based Fees and Side-by-Side Management	7
7	Types of Clients	8
8	Methods of Analysis, Investment Strategies and Risk of Loss	8
9	Other Financial Industry Activities and Affiliations	10
10	Conditions for Managing Accounts	10
11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	11
12	Brokerage Practices	12
13	Review of Accounts	15
14	Client Referrals and Other Compensation	15
15	Custody	16
16	Investment Discretion	16
17	Voting Client Securities	16
18	Financial Information	17
Part 2B Brochure Supplement on Advisory Personnel		
	Portfolio Manager: Stanley Kraska	18
	Portfolio Manager: George Noon	21
	Portfolio Manager: Keith Pauley	23
	Portfolio Manager: Ernst-Jan de Leeuw	25

Item 4. Advisory Business

A. Description of Firm

LaSalle Investment Management Securities, LLC ("LaSalle") is an investment adviser that offers to high-net worth and institutional clients portfolio management services regarding securities issued by real estate companies.

LaSalle was formed in 1985 as Alex. Brown Realty Advisors, a subsidiary of the investment bank of Alex. Brown & Sons in Baltimore. LaSalle Partners acquired Alex. Brown Realty Advisors in 1994. In 1999, LaSalle Partners completed a merger with Jones Lang Wootton to form Jones Lang LaSalle Incorporated. The shares of Jones Lang LaSalle Incorporated are publicly traded and listed for trading on the New York Stock Exchange under the symbol JLL.

LaSalle is structured as a limited liability company. LaSalle Investment Management, Inc. owns 100% of LaSalle and is its sole member. LaSalle converted to a limited liability company under Maryland law on March 18, 2013; it was previously organized as a limited partnership. No change in ultimate ownership occurred as a result of the conversion and all employees associated with the limited partnership remain associated with the limited liability company. Jones Lang LaSalle Incorporated owns 100% of LaSalle Investment Management, Inc.

As more fully described below in Item 4, Section B below, LaSalle provides portfolio management services with respect to real estate securities traded on exchanges located throughout the world. LaSalle's portfolio management services are tailored to meet client needs to the extent LaSalle is able to accommodate those needs.

For LaSalle's portfolio management services relating to global mandates, LaSalle delegates portfolio management responsibility to its sister affiliate LaSalle Investment Management Securities B.V. ("LaSalle B.V.") for that segment of the portfolio that is designated for European securities. LaSalle B.V. is located in Amsterdam and is registered with both the Dutch Authority for the Financial Markets to provide portfolio management services and with the U.S. Securities Exchange Commission as an investment advisor. LaSalle B.V. prepares separately a Form ADV as required by U.S. law. LaSalle B.V. is indirectly wholly owned by Jones Lang LaSalle Incorporated.

LaSalle also has a strategic relationship with SG Hiscock & Company ("SGH"), which is an investment adviser registered with the Australia Securities and Investments Commission. The relationship contemplates SGH providing stock selection, hedging services, and/or trading of the portion of the portfolio regionally allocated to Australia only with respect to Australian clients that have entered into an agreement with SGH or LaSalle for a global investment mandate. SGH provides currency hedging services (to the Australian dollar) to the extent such services are required by the Australian client in the investment management agreement. LaSalle and SGH allocate fees received by the Australian client depending on the mandate of the client and origination of the client relationship.

## B. Description of Advisory Services

LaSalle specializes in providing portfolio management services with respect to publicly-traded real estate equity securities trading on exchanges in North America, Europe and Asia-Pacific. LaSalle's universe of publicly-traded real estate companies that it considers for investment are predominantly comprised of real estate investment trusts (as defined by local legislation) and real estate operating companies. LaSalle may also invest in other companies that have significant exposure to real estate, such as holding companies that derive a significant portion of revenues from real estate-related assets or companies investing in hotels.

LaSalle offers securities programs that allow clients to diversify holdings by geography and/or investment style. In this regard, LaSalle offers the following real estate investment programs: Global Real Estate Securities, Global Core Real Estate, International Real Estate Securities (ex-United States), Shariah and U.S. Real Estate Securities Program. LaSalle may construct more tailored investment programs for clients if requested.

## C. Tailoring Advisory Services and Client Restrictions on Advisory Services

LaSalle tailors its portfolio management services to the individual needs of clients in general to accommodate client investment objectives and operational requirements to the extent that LaSalle can accommodate such needs and will not adversely affect the services that it must provide to other clients.

As described in more detail below, LaSalle employs both a top-down and bottom-up analytical approach and adjusts the target weightings of securities in the client's portfolio in comparison to the client's target benchmark as a result of the analyses. Fund flows requested by the client, adjustments to LaSalle's target weightings for securities within a benchmark and misalignment of securities to the target weightings drive the majority of client transactions. Portfolio managers determine the appropriate target weights for client accounts with oversight by the Portfolio Management Oversight Committee (see Item 13 for more information regarding the Portfolio Management Oversight Committee).

LaSalle permits clients to impose restrictions on investing in certain securities and types of securities. Common limitations present in agreements include investing only in publicly traded securities and trading in securities related to real estate. Some client agreements are more specific and may only permit LaSalle to invest in certain types of real estate companies, such as investments only in United States REITs. Other clients may impose geographic limits and therefore only permit LaSalle to invest the client portfolio in real estate companies located in certain jurisdictions. Clients may also impose restrictions on the types of securities that LaSalle may purchase for the account (for example, preferred or debt securities).

## D. Wrap Fee Programs

LaSalle does not participate in wrap fee programs.

E. Assets Under Management

LaSalle has calculated that as of December 31, 2014 it has \$12,707,249,634 total assets under management, all of which are on a discretionary basis.

Item 5. Fees and Compensation

A. Description of Compensation Arrangements

The majority of clients compensate LaSalle based on fixed or tiered percentage of assets under management, as those assets change in value from time to time. Some clients compensate LaSalle based on a blended fee structure consisting of a (i) a reduced fixed or tiered percentage of assets under management and (ii) performance-based fee structure. All incentive fee arrangements agreed to by LaSalle comply with Rule 205-3 under the Investment Advisers Act of 1940 ("Advisers Act").

B. Manner of Fee Payment

LaSalle generates an invoice for its fee and bills the client for fees incurred. These fees may be paid out of the client account but ultimately this is determined and directed by the client. In the substantial majority of cases, the payment procedures are described in the client agreement. These procedures usually include such detail as the manner in which fees are calculated and the process for generating an invoice.

To the extent LaSalle B.V. participates in portfolio management of an account of a LaSalle client, LaSalle invoices the client for the total amount of the management fee and allocates a portion of the fee it receives to LaSalle B.V. in accordance with an intercompany agreement. For those accounts in which LaSalle serves as subadvisor to SGH, an invoice is provided to LaSalle that breaks out the fees payable to LaSalle and SGH.

C. Other Fees Clients May Be Charged

In addition to fees that LaSalle charges clients for its management services, clients will also be charged brokerage commission fees for trades executed on behalf of the account. The brokerage commission fees charged for execution will include execution costs, and if a full service broker is used, costs for permissible research and brokerage services as permitted under Section 28(e) of the Securities Exchange Act of 1934 (referenced as "Section 28(e)"). A brokerage fee for a particular trade will also include any applicable transaction fees and taxes, such as stamp taxes, that are required in a foreign jurisdiction; LaSalle in general does not obtain from the broker these miscellaneous charges and therefore does not report these miscellaneous charges in client reports. LaSalle furthermore does not unbundle brokerage commission costs so as to allocate between the brokerage commission fee the portion charged by the broker for execution and the portion charged by the broker for permissible research and services under Section 28(e). More information about brokerage commission and LaSalle's use of soft dollars is set forth in Item 12 below.

Clients should also expect to pay fees to the custodian that the client hires to hold its assets. LaSalle does not participate in the negotiation process between the client and the custodian so it does not know the fees that the custodian will charge a client.

LaSalle's clients may also incur costs for de minimus losses associated with LaSalle's trade or operational errors, which LaSalle has identified in its policies and procedures as

an amount in each case that is less than \$500. LaSalle believes this approach is reasonable given the relative minimal number of historical trade or operational errors and the procedures it has in place to prevent trade errors from occurring. Similarly, clients may incur miscellaneous custodial charges that arise from LaSalle's portfolio management activities and foreign exchange operations, such as interest charges or overdraft fees in sub-custodial accounts. LaSalle generally will not reimburse clients for such custodial fees, regardless of cause, if the amount is less than \$500. LaSalle believes instances giving rise to custodial and sub-custodial charges are both infrequent and difficult (and sometimes impossible) to identify even with significant effort by the custodian.

D. Timing of Fee Payments

LaSalle's current client relationships provide for investment management fees to be paid to LaSalle in arrears. In general LaSalle would require prospective clients to agree to a payment in arrears structure even upon the request of the client that fees be paid in advance.

E. Receipt of Compensation for Sales

LaSalle and its Supervised Persons may be asked to participate in presentations with the sponsors of funds for which LaSalle acts as sub-adviser but otherwise they do not engage in the sale of securities or other investment products in any manner and therefore do not receive compensation of any kind for these types of sales. LaSalle's principal investment strategy is to invest in publicly traded real estate companies, such as real estate investment trusts and real estate operating companies, and not to invest in traditional investment funds that hold publicly traded real estate companies. Therefore investments on behalf of clients in target companies generally do not incur separate sales charges. LaSalle does not participate in any sales charge fees for any funds where it acts as the adviser or sub-advisers. In these cases LaSalle only charges an investment management fee.

Item 6. Performance-Based Fees and Side-By-Side Management

LaSalle manages certain client accounts that have performance-based fee structures. These accounts represent a small percentage both with respect to the total number of accounts and total number of assets. As noted above in Item 5A, the substantial majority of client accounts that LaSalle manages have either a flat percentage-based fee or an asset-based fee structure.

LaSalle is faced with conflicts of interest in the course of managing client accounts side by side that have performance-based fee structures and non-performance based fee structures. LaSalle is incented to favor accounts that have performance-based fees in those cases where the fees would generate a proportionately higher return for LaSalle than the non-performance fee based structures that would reflect higher fees as the assets in the account increase.

LaSalle believes that the following circumstances tend to mitigate the incentive for LaSalle to favor performance-based fee accounts:

- LaSalle's general trade policy is to purchase or sell securities for multiple accounts in a "bunched" order form with respect to those orders for a particular security which are

submitted to the trading desk at the same time, which decreases opportunities for accounts to trade ahead of others in the normal course of business.

- The majority of the performance fee-based accounts have similar investment guidelines to other non-performance fee based accounts which tends to result in consistent portfolio management.
- LaSalle compares the performance of all client accounts from time to time to understand the causes of under-performance/over-performance of accounts following similar investment mandates.
- The substantial majority of LaSalle's accounts are non-performance fee based and LaSalle is incented to generate strong performance for these accounts as an increase in the value of the assets in these accounts would result in an increase in the fees payable to LaSalle under the assets under management fee model.

#### Item 7. Types of Clients

LaSalle provides investment advice in the substantial majority of cases to institutional clients such as U.S. registered investment companies, U.S. state and local municipal pension funds, foreign pension funds, endowment funds, ERISA pension plans and Australian superannuation-related entities. LaSalle also serves as the subadviser to foreign investment vehicles through which retail, high-net worth and institutional investors invest. High net worth clients represent a very small percentage of LaSalle's assets under management. LaSalle does not have a minimum account size requirement, although it generally targets prospective clients with at least ten million dollars to invest with LaSalle.

#### Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

##### A. Methods of Analysis and Investment Strategies

LaSalle's investment strategy is to combine a real estate investment orientation with a value-based investment discipline. LaSalle believes that the long-term performance of real estate securities will be driven by the performance of their underlying assets and the ability of management to create value. LaSalle dedicates substantial resources to real estate and real estate securities research and analysis in order to understand these companies' asset values, cash flows, long term growth rates, and associated risks. LaSalle believes that the combination of these items will ultimately determine the value of these firms.

LaSalle's investment process takes into consideration both top-down and bottom-up analyses to construct portfolios that best meet each particular client's risk/return objective. The top-down research process yields an understanding of the overall economic and real estate conditions existing in LaSalle's investable markets, including the consideration of regional economic trends, real estate fundamentals and regional capital flows.

The bottom-up research process includes identifying mispriced securities. LaSalle performs this analysis by comparing the intrinsic value that LaSalle attributes to the company against its market price. LaSalle determines intrinsic values using its proprietary discounted cash flow/dividend discount model.



Investing in securities involves risk of loss that clients should be prepared to bear. LaSalle is subject to fiduciary duties imposed under the Investment Advisers Act of 1940 as well as the standard of care reflected in each applicable client agreement, but LaSalle does not guarantee that the value of the investments held in a portfolio will not fall and provides no warranty that the client's investment or performance objectives will be met.

**B. Material Risks Involved for LaSalle's Investment Strategies**

LaSalle does not believe that there are material risks that are unique to LaSalle's investment strategies in managing portfolios of public real estate securities.

**C. Material Risks Involved Investing in Real Estate Securities**

Publicly traded real estate companies may be subject to risks similar to those associated with the direct ownership of real estate. These include:

- declines in real estate values
- defaults by mortgagors or other borrowers and tenants
- increases in property taxes and operating expenses
- overbuilding
- fluctuations in rental income
- changes in interest rates
- possible lack of availability of mortgage funds or financing
- extended vacancies of properties
- changes in tax and regulatory requirements (including zoning laws and environmental restrictions)
- losses due to costs resulting from the clean-up of environmental problems
- liability to third parties for damages resulting from environmental problems
- casualty or condemnation losses

In addition, the performance of the economy in each of the regions and countries where real estate is owned affects occupancy, market rental rates and expenses and, consequently, has an impact on the income from such properties and their underlying values, which in turn would impact the value of the publicly-traded real estate companies that a client portfolio could hold.

Item 9. Disciplinary Information

Neither LaSalle nor its management persons have been involved in legal or disciplinary events that are responsive to Items 9.A, 9.B. or 9.C of Form ADV Part 2A. Neither LaSalle nor any other management person has any other material legal or disciplinary events.

Item 10. Other Financial Industry Activities and Affiliations

- A. LaSalle's parent, LaSalle Investment Management, Inc., is the sole member of LaSalle Investment Management Distributors, LLC ("LIMD"), a limited purpose broker-dealer registered with FINRA. LIMD is permitted to engage in private securities transactions and wholesale activities. It is not permitted to transact orders in public equity transactions of the type entered into by LaSalle.
- B. Neither LaSalle nor any of its management persons are registered or have an application pending to register as a future commission merchant, commodity pool operations, a commodity trading advisor or an associated person of the foregoing entities.
- C. LaSalle has the following relationships with its affiliates that it believes are material to its business:
  - 1. LaSalle Investment Management Securities B.V. LaSalle delegates portfolio management responsibilities with respect to the European portion of global investment mandates to its affiliate LaSalle Investment Management Securities B.V. ("LaSalle B.V."). LaSalle B.V. is structured as a Dutch besloten vennootschap and is indirectly wholly-owned by LaSalle's ultimate parent, Jones Lang LaSalle Incorporated. LaSalle B.V. is registered with the Netherlands Authority for the Financial Markets and with the United States Securities Exchange Commission. LaSalle also acts as the subadviser to LaSalle B.V. in limited situations where LaSalle B.V. has acted as the contracting party to a global portfolio client. In either case, portfolio management activities occurring at LaSalle B.V. with respect to global client accounts are generally limited to making investment decisions for European securities and executing those investment decisions through a trading desk located in the LaSalle B.V. Amsterdam office.
  - 2. LaSalle Investment Management Securities H.K. LaSalle Investment Management Securities H.K. ("LaSalle H.K.") is a Hong Kong company that is registered with the Hong Kong Securities Future Commission to conduct Type 1, Type 4 and Type 9 activities. Type 1 activities generally include dealing in securities and Type 4 activities generally include advising on securities (such as issuing analyses and reports and providing advice on securities). Type 9 activities generally include the performance of portfolio management activities. Currently, LaSalle H.K. provides analyses and reports and general securities advice to LaSalle with respect to real estate companies located in the Asia-Pacific region. LaSalle H.K. will structure its operations and compliance program consistent with the

terms and conditions set forth in the no-action letter issued by the SEC's Division of Investment Management to ABN AMRO Bank N.V., et al. (publicly available on July 1, 1997) in the event it engages in portfolio management activities on behalf of LaSalle clients.

3. Jones Lang LaSalle Incorporated. LaSalle obtains real estate research from its sister affiliate entities operating under the Jones Lang LaSalle Incorporated family of subsidiaries.

LaSalle does not believe that any of these affiliations create material conflicts of interest for the firm.

- D. LaSalle does not recommend or select other investment advisers for our clients.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

- A. LaSalle's Code of Ethics is designed to comply with Rule 204A-1 of the Advisers Act. In addition to containing the required points under those rules, LaSalle's Code includes the following:
  1. No LaSalle employee may purchase the securities of any issuer whose primary business is investment in real estate.
  2. Access Persons are required to submit quarterly transaction reports and annual holding reports within 30 days of end of the calendar quarter.
  3. All employees are required to request approval for the purchase and sale of securities of funds for which LaSalle acts as the adviser or sub-adviser.
  4. No Access Person may purchase new issues of securities issued in an initial public offering without the prior approval of the Chief Compliance Officer or his designee.
- B. As a standard course of business neither LaSalle nor a *related person* of LaSalle recommends to LaSalle's clients, or buys or sells for LaSalle's client accounts, securities in which LaSalle or a *related person* has a material financial interest. In very limited cases, LaSalle Investment Management, Inc. may advise its own clients regarding investments in, or transactions with, publicly traded real estate companies that may also be held in LaSalle's client accounts. LaSalle Investment Management, Inc. may possess material, non-public information as a result of these investments or transactions.

LaSalle deals with this conflict through annual compliance training that includes material on insider trading, including the sharing of information among affiliates. This training includes LaSalle's Code of Ethics and the procedures reflected in the Code that relate to the Insider Trading & Securities Fraud Enforcement Act of 1988. LaSalle has procedures that are designed to address how it manages instances where LaSalle or an affiliate may be in possession of material, non-public information relating to publicly traded real estate companies.

- C. As a general matter, LaSalle or its related persons do not invest in the securities that LaSalle or its related persons recommend to clients.
- D. As a general matter, LaSalle or its related persons do not recommend securities to clients, or buy or sell securities for client accounts, at or about the same time that LaSalle or its related persons buys or sells the same securities for LaSalle's or the related person's own account.

Item 12. Brokerage Practice

- A. Factors used to select broker-dealers for client transactions.

- 1. Research and Other Soft Dollar Benefits. In selecting brokers to effect transactions in real estate-related securities, LaSalle considers the quality of services and the benefits provided by broker-dealers, and as a result, may select a broker-dealer whose commission costs may be higher than another would have charged. In doing so, LaSalle considers some or all of the following factors: price, market familiarity, reliability, integrity, commission rates, execution and settlement capabilities, ability to handle large orders, experience with real estate related securities, financial condition, technological infrastructure and operational capabilities, willingness to commit capital and research capabilities.

Research capabilities considered will be expected to provide lawful and appropriate assistance to LaSalle in the performance of investment decision making responsibilities. LaSalle primarily receives the following types of research products from brokers: investment and financial market research, securities and economic analysis, industry research and company research. When LaSalle receives research, products or services ("Soft Dollar Benefits") other than execution from brokers, LaSalle receives a benefit as it does not have to pay for the research, products or services. The receipt of these items and services could incentivize LaSalle to select or recommend a broker-dealer based on LaSalle's interest in receiving the items and services.

Research provided by these brokers is used to service all of LaSalle's clients. However, each and every research service may not be used for the benefit of each and every account managed by LaSalle, and brokerage commissions paid by one account may apply towards payment for research services that might not be used in the service of that account. Research services may be shared between LaSalle and its affiliates. LaSalle notes that there is no agreement or formula for the allocation of brokerage business on the basis of research services. LaSalle may, in its discretion, cause the client accounts to pay such brokers a commission for effecting portfolio transactions in excess of the amount of commission another broker adequately qualified to effect such transactions would charge. This may be done where LaSalle has determined in good faith that the commission costs are reasonable in relation to the value of brokerage and research services received viewed

over time, as opposed to trade by trade. In reaching such a determination, LaSalle does not "unbundle" or place or attempt to place a specified dollar value on the brokerage or research services provided by such broker.

LaSalle periodically reviews which brokers have provided brokerage and research services that have been helpful in the management of client accounts and it has an internal allocation procedure used to rank those broker-dealers that provide these services. In this regard, LaSalle may endeavor to direct sufficient commissions to such broker-dealers to ensure continued receipt of research and brokerage services which LaSalle believes benefits its clients.

LaSalle negotiates commission rates when possible. In certain cases, LaSalle strategically uses execution-only brokers to lower the overall total cost of commissions paid by the client account. Otherwise, LaSalle uses full service brokers that charge higher commission costs than execution-only brokers. LaSalle uses full service brokers as a component of its brokerage strategy because it believes the factors described in first paragraph of this Item 12 and research capabilities described in the second paragraph of this Item 12 over time benefit its clients.

LaSalle does not generate soft dollar credits or other types of soft dollars with brokers who receive commissions from LaSalle as a material component of its brokerage allocation strategy. LaSalle therefore does not allocate soft dollar benefits to clients proportionately to the soft dollar credits the accounts generate. LaSalle does not have any soft dollar agreements and it is not aware of any arrangements that would require LaSalle to maintain a certain level of commissions paid to a broker in exchange for Soft Dollar Benefits.

2. Brokerage for Client Referrals. LaSalle does not consider, in selecting or recommending broker-dealers, whether LaSalle or a related person receives client referrals from a broker-dealer or third party.
3. Directed Brokerage. LaSalle does not recommend, request or require that a client direct LaSalle to execute transactions through a particular broker-dealer. However, LaSalle does permit a client to direct where LaSalle direct brokerages for the client account and this requirement is either reflected in the client agreement or otherwise in writing by the client. LaSalle's trading desk is responsible for monitoring the progress the client's directed brokerage requirement, and progress with the directed trading is reviewed in LaSalle's brokerage allocation committee meetings. By directing LaSalle to use a particular broker-dealer without regard to the principle of best execution, the client may receive a less favorable execution and be subject to other disadvantages. For example:
  - (i) LaSalle generally views the commission rate to be a private matter subject to negotiation between the client and the broker-

dealer and will seek to negotiate a better rate with the broker-dealer;

- (ii) the client may be unable to participate in a more favorable stock price secured by a broker as a result of order aggregation;
- (iii) the client may pay higher transaction costs, including commissions, than it otherwise would have had if it not designated a particular broker-dealer;
- (iv) the client may be limited in the allocation of IPOs; or
- (v) the client's orders may be entered and executed after other client's orders for the same security, with the result that market movements may work for or against the client.

Clients should periodically evaluate their directed brokerage arrangements to ensure that the services provided under their directed brokerage arrangement continue to satisfy their needs.

- B. The custodian of LaSalle's high net worth clients may charge various transaction fees for the execution of trades. For example, the custodian may charge a fixed commission cost for each transaction regardless of whether the trade is entered through the custodian or traded away by LaSalle through another broker-dealer. LaSalle would generally submit trades through the custodian to avoid the extra commission fees that the client would otherwise incur by LaSalle trading away from the custodian. If these fees are not present or are otherwise avoidable, LaSalle would endeavor to trade on behalf of these accounts with its roster of approved broker-dealers in the normal course of business and instruct the broker-dealer to allocate the executed shares to the high net worth client's custodial account.
- C. Aggregation of Orders for Client Accounts. Subject to limits contained in client investment guidelines, LaSalle has discretion over the amount of securities to be bought or sold for the accounts it manages. In regard to the aggregation of client orders, LaSalle's general policy is that the trading desk purchases or sells securities for multiple accounts in a "bunched" order form with respect to those orders for a particular security which are submitted to the trading desk at the same time. LaSalle effects such aggregated or "bunched" orders in a manner intended to result in fair and equitable treatment of its clients over time. Generally, this means that the participating clients will receive the average price of the transactions associated with the order and partial executions will be allocated pro rata among participating clients. Exceptions to pro rata allocations may occur provided the effects of such allocations are fair and equitable to clients over time. Exceptions to this general policy are permitted based on fairness and/or when it is determined to be in the best interest of clients.

Initial public offering ("IPO") shares of a new security are allocated to client accounts as determined by the proposed target weighting of the IPO security within each client portfolio. If LaSalle receives less IPO shares in the final allocation by the issuer or underwriter(s), the proposed allocations to client

accounts are reduced proportionately. LaSalle considers various factors, including, among others: (i) suitability and permissibility of the investment for its various clients; (ii) relative size of the client portfolio; and (iii) eligibility to participate in accordance with FINRA Rule 5130, in determining whether a client account is eligible to participate in an IPO. Deviations from our general policy on IPO allocations may be made for good cause, which would include the following reasons: (i) to eliminate de minimis positions; (ii) to address issues of concentration; (iii) to reflect cash flow limitations; and (iv) to address suitability of the IPO for the account.

Item 13. Review of Accounts

LaSalle reviews client accounts on a regular basis. The main oversight mechanism is an internal LaSalle committee called the Portfolio Management Oversight Committee ("PMOC"). The PMOC is comprised of the four employees of LaSalle and LaSalle B.V. that have been designated as portfolio managers: Keith Pauley, Stan Kraska and George Noon of LaSalle and Ernst-Jan de Leeuw of LaSalle B.V. This committee meets on a weekly basis to discuss regional market updates, LaSalle's performance versus client' objectives, portfolio composition and client relationship management. The calls also include portfolio manager overviews and perspectives on regional and sector valuations.

Item 14. Client Referrals and Other Compensation

LaSalle does not have an arrangement with a non-client whereby LaSalle receives an economic benefit as a result of the non-client providing investment advice or other advisory services to our client(s).

Employees of LaSalle's sister affiliates often participate in the solicitation of prospective clients. These individuals may receive indirect compensation from LaSalle in connection with their efforts in obtaining new advisory clients for LaSalle. Compensation for such employees is determined by the affiliate with which they are employed, but in general would be reflected, if at all and along with other factors, in the employee's annual bonus.

#### Item 15. Custody

LaSalle does not maintain custody of client funds or securities. LaSalle's clients are responsible for choosing and liaising with the custodian and arranging for the fees that the custodian charges. LaSalle does not have the authority to withdraw its advisory fees from the custodian. The investment management agreement between LaSalle and the client generally provides for the manner in which LaSalle is to bill the client for its investment management fees.

#### Item 16. Investment Discretion

LaSalle accepts discretionary authority to manage securities accounts on behalf of clients. Limitations on this authority are reflected in a written agreement between LaSalle and the client. Limitations vary among agreements, but customarily address the following points:

- LaSalle's authority to purchase and dispose of securities
- LaSalle's use of broker-dealers to effect transactions
- The party responsible for voting proxies relating to securities held in the client account
- Restrictions on the type of holdings that may be held in the account, such as common stock, preferred securities
- Geographic limitations of security holdings, such as a limitation to only invest in real estate companies located in the United States
- Real estate sector limitations of security holdings, such as limitations on holdings in the apartment sector
- Investments in initial, secondary or follow-on offerings

LaSalle customarily does not execute other documentation, such as a power of attorney, to evidence its authority to execute transactions on behalf of the client's account.

#### Item 17. Voting Client Securities

LaSalle has authority to vote securities for certain clients. Clients that do not give authority to LaSalle to vote securities state this limitation in the client agreement.

LaSalle adopted a Proxy Voting Policy (the "Policy") to address how LaSalle will vote proxies on behalf of clients. The Policy seeks to ensure that LaSalle will vote proxies in the best interest of clients, including when there may be material conflicts of interest in voting proxies. The Policy is designed to ensure that LaSalle votes proxies in a manner that, in LaSalle's judgment, is in the best interest of its clients. LaSalle's Policy states that it generally follows the vote recommendations of the Institutional Shareholder Services ("ISS") Benchmark guidelines and it identifies exceptions where it may not vote consistent with ISS. The policy also identifies specific types of ballot measures that appear more frequently than others and describes how LaSalle will vote on those particular types of ballot measures.

The Policy states that material conflicts of interest may arise from time to time in the course of LaSalle exercising its authority to vote proxies. LaSalle describes in the Policy the nature of conflicts that could arise in the course of a client relationship. The



Policy describes three alternative voting procedures that LaSalle deems appropriate to mitigate the conflict of interest. LaSalle will choose the procedure that it believes to be most appropriate under the circumstances.

Clients can contact Peggy Burns, Head of Operations at LaSalle at 410.878.4833 to receive a copy of the Policy or to receive information with respect to how LaSalle voted proxies for the requesting client.

Item 18. Financial Information

LaSalle does not require or solicit prepayment of any fees from its clients.

LaSalle does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

LaSalle has not been the subject of a bankruptcy petition at any time during the past ten years.

# PART 2B FORM ADV

STANELY J. KRASKA, JR.

LASALLE INVESTMENT MANAGEMENT  
SECURITIES, LLC

100 E. PRATT STREET  
20<sup>th</sup> Floor

BALTIMORE, MARYLAND 21202

+1 (410) 878 4880

March 25, 2015

**This brochure supplement provides information about Stanley J. Kraska, Jr. that supplements LaSalle Investment Management Securities, LLC's brochure. You should have received a copy of that brochure. Please call the main office number at (410) 878 4800 if you did not receive the brochure or if you have any questions about the contents of this brochure supplement.**

## Item 2. Educational Background and Business Experience

Stanley J. Kraska, Jr. is a Managing Director of LaSalle Investment Management Securities, LLC ("LaSalle"). Mr. Kraska has held the position of portfolio manager for the past five years at LaSalle. He is a member of LaSalle's Portfolio Management Oversight Committee, which is described in further detail in Item 13 of Part 2A of Form ADV. Mr. Kraska's responsibilities at LaSalle for the past five years have been substantially dedicated to portfolio management of all client accounts and overall group management. Prior to joining the public equity investment business team in LaSalle, Mr. Kraska worked as an investment professional of the firm investing in a wide variety of property types and markets. Mr. Kraska was born in 1960.

Preceding joining Alex Brown Kleinwort Benson Realty Advisors in 1988 (the predecessor of LaSalle), Mr. Kraska worked in the real estate department in First Boston Corporation located in New York City from 1986 to 1988. From 1982 to 1984, Mr. Kraska worked at T. Rowe Price Associates located in Baltimore, Maryland. Mr. Kraska received his B.A. in Engineering Sciences from Dartmouth College and his M.B.A. from the Harvard Business School.

## Item 3. Disciplinary Information

Mr. Kraska has no legal or disciplinary events.

## Item 4. Other Business Activities

- A. Mr. Kraska is not actively engaged in any investment-related business or occupation other than his activities at LaSalle.
- B. Mr. Kraska is not actively in any other business or occupation for compensation other than his activities at LaSalle.

## Item 5. Additional Compensation

Mr. Kraska receives no economic benefits other than those that derive from LaSalle's clients.

## Item 6. Supervision

Mr. Kraska serves as both a portfolio manager as well as the management head of LaSalle. As a senior officer in the organization, the operation of the PMOC provides the main supervisory oversight over Mr. Kraska. Mr. Kraska focuses on U.S. – domiciled securities and contributes to, and is ultimately responsible for the portion of portfolios that hold such securities. The PMOC reviews the composition and performance of LaSalle's accounts and the analyses portfolio managers employ to support investment decisions.

LaSalle manages client accounts in a team environment, employing the research and recommendations provided by analysts, the individual input of portfolio managers, and the oversight provided by the PMOC. LaSalle applies these analyses to client

portfolios from a team perspective and in that sense LaSalle does not view the advice provided with respect to any particular account to be that of a particular individual.

Keith Pauley, International Managing Director, is a portfolio manager at LaSalle and assists Mr. Kraska in the performance of his group management role. As such, Mr. Pauley most closely approximates the role as someone who would be responsible for supervising Mr. Kraska's advisory activities. Mr. Pauley's telephone number is 410.878.4870.

# PART 2B FORM ADV

KEITH R. PAULEY

LASALLE INVESTMENT MANAGEMENT  
SECURITIES, LLC

100 E. PRATT STREET  
20<sup>th</sup> Floor

BALTIMORE, MARYLAND 21202

+1 (410) 878 4870

March 25, 2015

**This brochure supplement provides information about Keith R. Pauley that supplements LaSalle Investment Management Securities, LLC's brochure. You should have received a copy of that brochure. Please call the main office number at (410) 878 4800 if you did not receive the brochure or if you have any questions about the contents of this brochure supplement.**

## Item 2. Educational Background and Business Experience

Keith R. Pauley is a Managing Director of LaSalle Investment Management Securities, LLC ("LaSalle"). For the past five years he has held the roles of portfolio manager and Chief Investment Officer of LaSalle. Mr. Pauley is also member of LaSalle's Portfolio Management Oversight Committee, which is described in further detail in Item 13 of Part 2A of Form ADV. In these roles, Mr. Pauley performs portfolio management responsibilities and oversight of LaSalle's research coverage and securities analysis of the publicly-traded real estate companies. Mr. Pauley also holds the Chartered Financial Analyst designation. Mr. Pauley graduated from the University of Maryland with a B.A. in Economics and a M.B.A. in Finance. He joined the Firm in 1986. Mr. Pauley was born in 1961.

## Item 3. Disciplinary Information

Mr. Pauley has no legal or disciplinary events.

## Item 4. Other Business Activities

- A. Mr. Pauley is not actively engaged in any investment-related business or occupation other than his activities at LaSalle.
- B. Mr. Pauley is not actively in any other business or occupation for compensation other than his activities at LaSalle.

## Item 5. Additional Compensation

Mr. Pauley receives no economic benefits other than those that derive from LaSalle's clients.

## Item 6. Supervision

Mr. Pauley serves as portfolio manager and as the Chief Investment Officer, and assists Mr. Kraska in the management of LaSalle's business operations. As a senior officer in the organization, the operation of the PMOC provides the main supervisory oversight over Mr. Pauley. Mr. Pauley focuses on U.S. – domiciled and Canadian securities and contributes to, and is ultimately responsible for the portion of portfolios that hold such securities. The PMOC reviews the composition and performance of LaSalle's accounts and the analyses portfolio managers employ to support investment decisions.

LaSalle manages client accounts in a team environment, employing the research and recommendations provided by analysts, the individual input of portfolio managers, and the oversight provided by the PMOC. LaSalle applies these analyses to client portfolios from a team perspective and in that sense LaSalle does not view the advice provided with respect to any particular account to be that of a particular individual.

Stanley Kraska, International Managing Director, is a portfolio manager and is the management head of LaSalle. As such, Mr. Kraska most closely approximates the role as someone who would be responsible for supervising Mr. Pauley's advisory activities. Mr. Kraska's telephone number is 410.878.4880.

# PART 2B FORM ADV

GEORGE J. NOON

LASALLE INVESTMENT MANAGEMENT  
SECURITIES, LLC

100 E. PRATT STREET  
20<sup>th</sup> Floor

BALTIMORE, MARYLAND 21202

+1 (410) 878 4890

March 25, 2015

**This brochure supplement provides information about George J. Noon that supplements LaSalle Investment Management Securities, LLC's brochure. You should have received a copy of that brochure. Please call the main office number at (410) 878 4800 if you did not receive the brochure or if you have any questions about the contents of this brochure supplement.**

## Item 2. Educational Background and Business Experience

George J. Noon is a Managing Director of LaSalle Investment Management Securities, LLC ("LaSalle"). Mr. Noon has held the role of portfolio manager and has been a member of the Portfolio Management Oversight Committee ("PMOC") for the past 5 years. Mr. Noon's previous responsibilities with the Firm include serving as portfolio manager for a number of sector specific real estate securities portfolios. Mr. Noon is a graduate of the Wharton School of the University of Pennsylvania with a B.S. degree in Economics and a major in Finance. Mr. Noon also holds the Chartered Financial Analyst designation. Mr. Noon joined the firm 1990. Mr. Noon was born in 1961.

## Item 3. Disciplinary Information

Mr. Noon has no legal or disciplinary events.

## Item 4. Other Business Activities

- A. Mr. Noon is not actively engaged in any investment-related business or occupation other than his activities at LaSalle.
- B. Mr. Noon is not actively in any other business or occupation for compensation other than his activities at LaSalle.

## Item 5. Additional Compensation

Mr. Noon receives no economic benefits other than those that derive from LaSalle's clients.

## Item 6. Supervision

As a senior officer in the organization, the PMOC provides the main supervisory oversight over Mr. Noon. Mr. Noon focuses on portfolio management of LaSalle's global real estate programs, and is responsible for Asia-Pacific portion of global real estate programs. The PMOC reviews the composition and performance of LaSalle's accounts and the analyses portfolio managers employ to support investment decisions.

LaSalle manages client accounts in a team environment, employing the research and recommendations provided by analysts, the individual input of portfolio managers, and the oversight provided by the PMOC. LaSalle applies these analyses to client portfolios from a team perspective and in that sense LaSalle does not view the advice provided with respect to any particular account to be that of a particular individual.

Stanley Kraska, International Managing Director, is a portfolio manager and is the management head of LaSalle. As such, Mr. Kraska most closely approximates the role as someone who would be responsible for supervising Mr. Noon's advisory activities. Mr. Kraska's telephone number is 410.878.4880.



# PART 2B FORM ADV

ERNST-JAN DE LEEUW

LASALLE INVESTMENT MANAGEMENT  
SECURITIES B.V.

SIMON CARMIGGELTSTRAAT 12

AMSTERDAM, THE NETHERLANDS

1011 DJ

+1 31 20 5 308 888

March 25, 2015

**This brochure supplement provides information about Ernst-Jan de Leeuw that supplements LaSalle Investment Management Securities, LLC's brochure. You should have received a copy of that brochure. Please call the main office number at (410) 878 4800 if you did not receive the brochure or if you have any questions about the contents of this brochure supplement.**

## Item 2. Educational Background and Business Experience

Ernst-Jan de Leeuw is a Managing Director of LaSalle Investment Management Securities B.V. (see Item 10 of Part 2A of Form ADV for more information about LaSalle Investment Management Securities B.V.). He has held the role of portfolio manager and has been a member of the Portfolio Management Oversight Committee ("PMOC") for the past 5 years. As portfolio manager, he is responsible for managing the European securities portion of LaSalle's global portfolios. Prior to joining LaSalle Investment Management Securities B.V. in 2000, Mr. De Leeuw worked for five years as a portfolio manager at Robeco Group, where he was responsible for the real estate securities portfolios, as well as for a number of discretionary equity portfolios for Robeco Institutional Asset Management clients. Mr. De Leeuw is a certified EFFAS Financial Analyst (European Federation of Financial Analysts Societies). Mr. de Leeuw studied at the University of Berlin and graduated in Business Economics and Econometrics at the University of Groningen. Mr. de Leeuw was born in 1971.

## Item 3. Disciplinary Information

Mr. de Leeuw has no legal or disciplinary events.

## Item 4. Other Business Activities

- A. Mr. de Leeuw is not actively engaged in any investment-related business or occupation other than his activities at LaSalle.
- B. Mr. de Leeuw is not actively in any other business or occupation for compensation other than his activities at LaSalle.

## Item 5. Additional Compensation

Mr. de Leeuw receives no economic benefits other than those that derive from LaSalle's clients.

## Item 6. Supervision

As a senior officer in the organization, the operation of the Portfolio Management and Oversight Committee ("PMOC") provides the main supervisory oversight over Mr. de Leeuw. Mr. de Leeuw focuses on European – domiciled securities and contributes to, and is ultimately responsible for the portion of portfolios that hold such securities. The PMOC reviews the composition and performance of LaSalle's accounts and the analyses portfolio managers employ to support investment decisions.

LaSalle manages client accounts in a team environment, employing the research and recommendations provided by analysts, the individual input of portfolio managers, and the oversight provided by the PMOC. LaSalle applies these analyses to client portfolios from a team perspective and in that sense LaSalle does not view the advice provided with respect to any particular account to be that of a particular individual.

Stanley Kraska, International Managing Director, is responsible for supervising Mr. de Leeuw's advisory activities. Mr. Kraska's telephone number is 410.878.4880.