

CBRE CLARION GLOBAL REAL ESTATE INCOME FUND

Form N-CSR

March 05, 2018

[Table of Contents](#)

**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: 1-877-711-4272**

**Date of fiscal year end: December 31**

**Date of reporting period: December 31, 2017**

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.

**Table of Contents**

**Item 1. Reports to Stockholders.**

The Report to Shareholders of CBRE Clarion Global Real Estate Income Fund (the Trust ) is attached herewith.

**Table of Contents**

CBRE CLARION GLOBAL REAL ESTATE

INCOME FUND

Annual Report for the Year Ended December 31, 2017

## **Table of Contents**

CBRE Clarion Global Real Estate Income Fund (the Trust ), acting in accordance with an exemptive order received from the Securities and Exchange Commission and with approval of its Board of Trustees (the Board ), has adopted a managed distribution 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 plus, if so desired by the Board, all or a portion of the capital gains and returns of capital from portfolio companies received by the Trust during the year.

In furtherance of its policy, the Trust distributes a fixed amount per common share, currently \$0.05, each month to its common shareholders. This amount is subject to change from time to time in the discretion of the Board. In an effort to maintain the Trust's monthly distribution at a stable level, the Board recognizes that a portion of the Trust's distributions may be characterized as a return of capital, particularly in periods when the Trust incurs losses on its portfolio securities. Under such circumstances, the Board will not necessarily reduce the Trust's distribution, but will closely monitor its sustainability, recognizing that losses may be reversed and that, in subsequent periods, gains on portfolio securities may give rise to the need for a supplemental distribution, which the Trust seeks to minimize. In considering sustainability, the Board may consider realized gains that have been offset, for the purposes of calculating taxable income, by capital loss carryforwards. Thus, the level of the Trust's distributions will be independent of its performance for a particular period, but the Trust expects its distributions to correlate to its performance over time. In particular, the Trust expects that its distribution rate in relation to its net asset value ( NAV ) will correlate to its total return on NAV over time. The Trust's total return on 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 policy without prior notice to shareholders. Shareholders should note that the managed distribution policy is subject to change or termination for a variety of reasons. Through its ownership of portfolio securities, the Trust is subject to risks including, but not limited to, declines in the value of real estate held by portfolio companies, risks related to general and local economic conditions, and portfolio company losses. An economic downturn might have a material adverse effect on the real estate markets and the real estate companies in which the Trust invests, which could result in the Trust failing to achieve its investment objectives and jeopardizing the continuance of the managed distribution policy. Please refer to the Trust's Prospectus for a fuller description of the risks associated with investing in the Trust.

**Table of Contents**

Table of Contents

**CBRE CLARION GLOBAL REAL ESTATE INCOME FUND ANNUAL REPORT 2017**

<u>Letter to Shareholders</u>	2
<u>Portfolio of Investments</u>	7
<u>Financial Statements</u>	9
<u>Notes to Financial Statements</u>	14
<u>Supplemental Information (unaudited)</u>	22

*Investors should consider a fund's investment objectives, risks, charges and expenses carefully before investing. A copy of the prospectus that contains this and other information about the Trust may be obtained by calling 888-711-4272. Please read the prospectus carefully before investing. Investing in closed-end funds involves risk, including possible loss of principal. Past performance does not guarantee future results.*

Real Estate investments are subject to changes in economic conditions, credit risk, and interest rate fluctuations. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations. Because real estate funds concentrate their investments in the real estate industry, the portfolio may experience more volatility and be exposed to greater risk than the portfolios of other funds.

Closed-end funds are traded on the secondary market through one of the stock exchanges. The Trust's investment return and principal value will fluctuate so that an investor's shares may be worth more or less than the original cost. Shares of closed-end funds may trade above (a premium) or below (a discount) the net asset value (NAV) of the fund's portfolio. There is no assurance that the Fund will achieve its investment objective.

ANNUAL REPORT 2017 1

**Table of Contents**

Letter to Shareholders

*T. Ritson Ferguson**Steven D. Burton*

Dear Shareholder:

We are pleased to present the 2017 Annual Report for the CBRE Clarion Global Real Estate Income Fund (the Trust).

**Performance Review**

Real estate stocks finished the year with a 10%+ total return, which outperformed bonds<sup>(1)</sup> but trailed a strong equities market<sup>(2)</sup>. While surging equity markets globally got all the attention, real estate stocks also had a good year. Performance was consistent, with a positive total return for each of the four calendar quarters. Favorable performance of real estate stocks was underpinned by improving fundamentals, broad economic recovery, a strong demand for real estate, and attractive valuations compared to the private market.

International (non-U.S.) property companies outperformed those in the U.S. in 2017, as economic growth in Europe and the Asia-Pacific region improved during the year off low expectations and the U.S. Real Estate Investment Trust (REIT) market paused following several years of strong performance. European property companies surged on improved confidence that economic conditions and real estate fundamentals are improving. Asia-Pacific returns were also good, as Hong Kong and Singapore property companies moved sharply higher beginning early in the year following a weak 4Q16 as it became clearer that these markets were at a positive inflection point. U.S. REITs underperformed a global strategy for the first time in four years, likely the result of short-term negative sentiment from higher interest rate policy in the U.S. and net outflows from mutual funds in both the U.S. and Japan. The U.S. 10-year Treasury bond finished 2017 about where it started at 2.41% (down only 3 basis points versus 2.44% at year-end 2016).

**Global Real Estate Market Performance****Performance as of December 31, 2017**

Region	Dec-17	4Q17	2017
North America	0.1%	1.5%	3.3%
Europe	4.9%	7.6%	28.0%
Asia-Pacific	1.4%	5.5%	15.6%
Global Common Stock <sup>(3)</sup>	1.3%	3.6%	10.4%
U.S. Preferred Stock <sup>(4)</sup>	0.7%	0.8%	10.5%
	1.2%	3.0%	10.4%

80/20 Blend of Global Common Stock &  
U.S. Preferred Stock

- (1) As measured by the Bloomberg Barclays Global Aggregate Index, which returned 7.39% in 2017. **Investors cannot invest directly in an index.**
- (2) As measured by the MSCI World Index, which returned 23.07% in 2017. **Investors cannot invest directly in an index.**
- (3) Represented by the FTSE EPRA/NAREIT Developed Index Net. The Index is an unmanaged market-weighted index consisting of real estate companies from developed markets, where greater than 75% of constituents EBITDA (earnings before interest, taxes, depreciation, and amortization) is derived from relevant real estate activities, and is calculated net of withholding taxes. **Investors cannot invest directly in an index.**
- (4) Represented by the MSCI REIT Preferred Index, a preferred stock market capitalization weighted index of certain exchange traded preferred securities issued by U.S. equity and U.S. hybrid REITs. **Investors cannot invest directly in an index.**

## 2 CBRE CLARION GLOBAL REAL ESTATE INCOME FUND



## **Table of Contents**

The Trust's net asset value (NAV) return was 11.3% during 2017, with a positive contribution from both its common stock positions (+10.9%), which comprise the majority of the strategy, as well as preferred stock positions (+11.8%). The Trust's exposure to Europe as well as the Asia-Pacific region enhanced total return, as the Trust's holdings in these regions were +34.3% and +15.1%, respectively. The Trust's holdings in the Americas were +3.8%. Exposure to the U.S. retail sector created a drag on performance, particularly during the first half of the year. Retail has historically been a stable defensive property sector given the long-term duration of leases and consistent consumer demand but has been beset by negative headlines surrounding retailer store closings and increased penetration of on-line shopping. Merger and acquisition (M&A) activity among Class A mall companies, however, helped to mitigate these trends. In the Asia-Pacific region, the Trust benefited from investments in the outperforming development companies in Hong Kong and Singapore which rebounded on improving property fundamentals.

The Trust made total distributions of \$0.60 per share during 2017, a level monthly distribution of \$0.05 per share. The current annualized distribution of \$0.60 per share represents a 7.6% distribution rate on the \$7.92 share price and a 6.7% distribution rate on the \$8.99 NAV as of December 31st.<sup>(5)</sup> The Board will continue to review the level and sustainability of the Trust's distribution in light of market conditions.

The Trust continues to maintain a flexible and relatively low level of portfolio leverage. The Trust's leverage position was 14% as of December 31st and was a positive contributor to total return and the level of income generated over the twelve-month period.

## **Portfolio Review**

The Trust's investments remain well-diversified by property type and geography. At December 31st, the Trust's portfolio was approximately 44% invested in common stock within the Americas region, 20% in Asia-Pacific, 18% in Europe, with 18% invested in preferred stock of U.S. real estate companies. During the twelve-month period, capital was rotated from the U.S. to both the Asia-Pacific region and Europe, where valuations are attractive relative to accelerating growth prospects. The Trust held a steady proportion of its investments in preferred stocks throughout the year, as they provide stable, well-covered dividend income. We are positive on property types and markets with above average growth and valuations that are attractive relative to this growth. We favor Class A mall companies, technology, self-storage and select residential companies in the U.S. We also are positive on hotel companies, particularly, those that do not qualify as REITs, which stand to benefit from tax reform which lowers their corporate tax rates. Within residential, we like manufactured housing, single family home-for-rent companies and select coastal apartment REITs.

We also favor real estate operating companies in Tokyo, Hong Kong and Singapore, all of which are showing strong growth relative to real estate valuations which remain attractive, thus scoring well on both growth and value criteria. The Tokyo office market continues to experience improved rental growth as vacancies have fallen below the 4% threshold at which landlords enjoy increasing pricing power, particularly with a modest increase in inflation expectations.

Lastly, we favor U.K. niche sectors of student housing and self-storage as well as Continental European property companies in firming markets, including those in the German residential sector and the Spanish office and lodging sectors. European property fundamentals continue to improve consistent with economic releases which show steady and visible improvement in the eurozone. We remain cautious on many of the more bond-like sectors, including many of the REITs in Asia, Canadian REITs and the net lease and healthcare property types in the U.S.

**Geographic Diversification**

**Sector Diversification**

Source: CBRE Clarion Securities as of 12/31/2017. Geographic and Sector diversification are unaudited. Percentages presented are based on managed trust assets, which include borrowings. The percentages in the pie charts will differ from those on the Portfolio of Investments because the figures on the Portfolio of Investments are calculated using net assets of the Trust.

(5) The Trust is currently paying distributions in excess of its net investment income, which may result in a return of capital. Absent this, the distribution rate would have been lower. The estimated composition of each distribution, including any return of capital, will be provided to shareholders of record and is also available at [www.cbreclarion.com](http://www.cbreclarion.com).

## Table of Contents

### Market Outlook

**Improving economic growth and modestly increasing inflation will benefit real estate stocks which we believe will generate +10% total return in 2018.** The global economic outlook is improving and this will have a positive impact on commercial real estate and listed real estate companies. Global economic growth is improving in a more synchronized manner than previously expected which is reflected in generally robust property fundamentals. Economic growth is gaining momentum in an economic expansion which continues to have legs at this point of an extended cycle.

Monetary policy will tighten in the U.S. but remain relatively more accommodative elsewhere. Total return among property companies will be generated by 6% earnings growth and 4% dividend yield with stable multiples. We do not believe that multiples will contract, an out-of-consensus view, given attractive valuations, potential M&A activity, a year of underperformance compared to broad-market equities and an earnings multiple (funds from operations) which is now in-line with to lower than that of the S&P 500.

**Tax reform in the U.S. will be good for the U.S. economy.** The new tax law will lower income tax rates for both individuals and companies in the U.S., which should stimulate both corporate and consumer spending and therefore boost economic growth. We believe the consumer will feel stronger as a result of higher disposable income, increased confidence in the economy, and a positive wealth effect from a higher stock market. Corporations will benefit from a materially lower corporate tax rate (at 21% versus 35% previously) and the ability to repatriate foreign cash at a lower tax rate. Demand for commercial real estate will benefit from increased confidence and spending potential among both corporations and individuals.

**Real estate company earnings growth will again be in the 6% range.** Earnings growth will be generated by a combination of internal growth which is derived from increasing rents and occupancy rates among the existing tenant base, and the ability to mark to market tenants with expiring leases, as well as external growth from accretive acquisition activity and the associated prudent recycling of capital. New supply is generally in check globally, and we believe the cost of capital will remain attractive despite upward pressure on short-term interest rates.

### Regional Earnings Growth Forecast

Source: CBRE Clarion as of 12/31/2017.

e refers to estimates. f refers to forecasts. Forecasts are the opinion of CBRE Clarion, which is subject to change and is not intended to be a guarantee of future results or investment advice. Forecasts are not indicative of future investment performance.

## **Table of Contents**

**Real estate dividend yield remains attractive and will grow again in 2018.** Current income generated by listed property's dividend yield remains a defining investment characteristic of the sector. Listed property companies dividend yields currently average nearly 4% globally and are growing at a very healthy clip. We project average dividend growth to exceed earnings growth in 2018, driven by a combination of improving company cash flows as well as an expansion of dividend payout policies which remain conservative. Increasing dividends are emblematic of healthy companies in improving markets.

## **Current Dividend Yield**

Source: CBRE Clarion as of 12/31/2017. Not all countries included.

Dividend yields fluctuate and are not necessarily indicative of present or future investment performance.

Information is subject to change and should not be construed as investment advice. Past performance is no guarantee of future results.

**Listed real estate remains attractively valued versus private market real estate, particularly in U.S. core property types.** Despite the steady positive performance of listed real estate companies, estimated valuations persist to be cheaper than in the private market on a global weighted average basis with disparities among geographies and property types. With real estate companies trading at an approximate 7% discount to our estimate of private market value, and an implied capitalization rate approaching 6% globally, we believe real estate stocks remain attractively priced relative to private real estate and competing asset classes. In the U.S., real estate value largely resides in the core real estate sectors of apartments, retail, office, industrial and lodging, as a number of the specialty sectors trade above NAV. U.K. property companies post-Brexit continue to trade at material discounts to our NAV estimates as uncertainty on Brexit persists. Looking out over the next six to twelve months, we expect the yield curve and longer-term rates to remain relatively low despite recent upward movement following increases in the policy rate by the U.S. Federal Reserve Bank. A significant amount of dry powder from investors in the private markets, including private equity, pension funds and sovereign wealth, continues to underpin demand for property.

## **NAV Premium/Discount by Region**

Information is the opinion of CBRE Clarion as of 12/31/2017, is subject to change and is not intended to be a forecast of future events, or a guarantee of future results, or investment advice. Forecasts and any factors discussed are not indicative of future investment performance.

**Table of Contents**

We appreciate your continued faith and confidence.

Sincerely,

CBRE CLARION SECURITIES LLC

T. Ritson Ferguson, CFA  
President & CEO  
Co-Portfolio Manager

Steven D. Burton, CFA  
Co-Portfolio Manager

**IMPORTANT DISCLOSURES AND RISK INFORMATION**

The views expressed represent the opinion of CBRE Clarion Securities, which are subject to change and are not intended as investment advice or a guarantee of future results. This material is for informational purposes only. It is not intended as an endorsement of any specific investment. Stated information is derived from proprietary and non-proprietary sources which have not been independently verified for accuracy or completeness. While CBRE Clarion Securities believes the information to be accurate and reliable, we do not claim or accept responsibility for its completeness, accuracy, or reliability. Statements of future expectations, forecasts, estimates, projections, and other forward-looking statements are based on CBRE Clarion's view at the time such statements were made. Accordingly, such statements are inherently speculative, as they are based on assumptions which may involve known and unknown risks and uncertainties. Any discussion of particular securities herein should not be perceived as a recommendation to purchase or sell any of those securities. It should not be assumed that investments in any securities discussed were or will be profitable. Actual results, performance or events may differ materially from those expressed or implied in such statements. Investing in real estate securities involves risks including the potential loss of principal. Real estate equities are subject to risks similar to those associated with the direct ownership of real estate. Portfolios concentrated in real estate securities may experience price volatility and other risks associated with non-diversification. While equities may offer the potential for greater long-term growth than most debt securities, they generally have higher volatility. International (non-US) investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations. *Past performance is no guarantee of future results.*

**6 CBRE CLARION GLOBAL REAL ESTATE INCOME FUND**

**Table of Contents**

## Portfolio of Investments

December 31, 2017

Shares		Market Value (\$)
	<b>Real Estate Securities* 116.4%</b>	
	<b>Common Stock 95.3%</b>	
	<b>Australia 4.5%</b>	
6,448,626	Aventus Retail Property Fund Ltd.	\$ 11,298,097
12,859,732	Mirvac Group	23,636,865
3,688,725	Scentre Group	12,088,722
		47,023,684
	<b>Canada 2.4%</b>	
963,581	Chartwell Retirement Residences	12,504,751
515,000	SmartCentres Real Estate Investment Trust	12,704,936
		25,209,687
	<b>France 5.4%</b>	
83,443	Altarea	20,851,281
71,416	Gecina SA	13,197,902
503,212	Klepierre SA	22,155,086
		56,204,269
	<b>Germany 4.6%</b>	
323,723	ADO Properties SA	16,435,363
4,152,711	Aroundtown SA	31,993,873
		48,429,236
	<b>Hong Kong 8.4%</b>	
4,320,500	CK Asset Holdings Ltd.	37,748,347
1,960,500	Link REIT	18,169,729
1,927,000	Sun Hung Kai Properties Ltd.	32,144,193
		88,062,269
	<b>Ireland 1.2%</b>	
6,662,164	Hibernia REIT PLC	12,079,891
	<b>Japan 8.7%</b>	
2,099,400	Mitsui Fudosan Co., Ltd.	47,057,124
2,320	Nippon Prologis REIT, Inc.	4,907,732
570,700	Nomura Real Estate Holdings, Inc.	12,797,055
10,382	Orix JREIT, Inc.	14,386,420
855,900	Tokyo Tatemono Co. Ltd.	11,563,957
		90,712,288
	<b>Mexico 1.0%</b>	
6,043,300	Prologis Property Mexico SA de CV	10,498,672
	<b>Netherlands 0.7%</b>	
158,134	Eurocommercial Properties NV	6,894,809

Edgar Filing: CBRE CLARION GLOBAL REAL ESTATE INCOME FUND - Form N-CSR

	<b>Singapore 1.4%</b>	
672,400	City Developments Ltd.	6,284,253
8,487,600	Mapletree Logistics Trust	8,383,442
		14,667,695
		<b>Market Value (\$)</b>
<b>Shares</b>	<b>Spain 1.2%</b>	
312,633	Axiare Patrimonio Socimi SA	\$ 6,915,048
585,477	Inmobiliaria Colonial Socimi SA	5,823,288
		12,738,336
	<b>Sweden 0.8%</b>	
520,773	Castellum AB	8,803,051
	<b>United Kingdom 6.8%</b>	
153,816	Derwent London PLC	6,487,765
6,453,481	Segro PLC	51,244,778
1,288,400	UNITE Group PLC (The)	14,030,207
		71,762,750
	<b>United States 48.2%</b>	
182,537	Alexandria Real Estate Equities, Inc.	23,837,507
39,706	AvalonBay Communities, Inc.	7,083,948
691,260	Brixmor Property Group, Inc.	12,898,912
211,700	Columbia Property Trust, Inc.	4,858,515
707,503	CubeSmart	20,460,987
394,400	CyrusOne, Inc. <sup>(a)</sup>	23,478,632
206,612	DCT Industrial Trust, Inc.	12,144,653
27,327	Equinix, Inc.	12,385,143
190,113	Equity Residential	12,123,506
122,174	Extra Space Storage, Inc.	10,684,116
516,126	Forest City Realty Trust, Inc., Class A	12,438,637
1,186,933	GGP, Inc.	27,762,363
801,131	Healthcare Trust of America, Inc., Class A	24,065,975
767,121	Hudson Pacific Properties, Inc.	26,273,894
1,163,556	Invitation Homes, Inc.	27,425,015
741,251	Iron Mountain, Inc.	27,967,400
248,472	Macerich Co. (The)	16,319,641
46,614	Marriott International, Inc., Class A	6,326,918
566,634	MGM Growth Properties LLC, Class A	16,517,381
584,864	Park Hotels & Resorts, Inc.	16,814,840
471,172	Prologis, Inc.	30,395,306
309,713	Regency Centers Corp.	21,425,945
203,794	Simon Property Group, Inc.	34,999,582
63,424	SL Green Realty Corp.	6,401,384
233,653	STORE Capital Corp.	6,084,324
260,300	Sun Communities, Inc.	24,150,634
320,621	Taubman Centers, Inc.	20,978,232
590,800	Weingarten Realty Investors	19,419,596
		505,722,986
	<b>Total Common Stock</b>	
	(cost \$986,354,147)	998,809,623

*See notes to financial statements.*



**Table of Contents**

## Portfolio of Investments concluded

Shares		Market Value (\$)
	<b>Preferred Stock 21.1%</b>	
	<b>United States 21.1%</b>	
525,265	American Homes 4 Rent, Series D	\$ 14,381,756
100,000	CBL & Associates Properties, Inc., Series D	2,186,000
369,474	DDR Corp., Series J	9,273,797
500,302	Digital Realty Trust, Inc., Series C	13,803,332
245,403	Digital Realty Trust, Inc., Series J	6,159,616
280,000	EPR Properties, Series G	7,008,400
282,200	Federal Realty Investment Trust, Series C	7,102,974
741,000	GGP, Inc., Series A	18,702,840
767,325	iStar, Inc., Series I	19,466,268
400,000	LaSalle Hotel Properties, Series I	10,040,000
500,000	LaSalle Hotel Properties, Series J	12,870,000
284,500	National Storage Affiliates Trust, Series A	7,408,380
500,000	Pebblebrook Hotel Trust, Series D	12,860,000
272,000	Pennsylvania Real Estate Investment Trust, Series B	6,848,960
341,100	Pennsylvania Real Estate Investment Trust, Series C	8,834,490
600,000	Public Storage, Series B	15,414,000
143,517	Rexford Industrial Realty, Inc., Series B <sup>(b)</sup>	3,651,072
150,000	STAG Industrial, Inc., Series C	3,927,000
225,000	Summit Hotel Properties, Inc., Series D	5,737,500
287,077	Summit Hotel Properties, Inc., Series E	7,369,267
600,000	Sunstone Hotel Investors, Inc., Series E	15,714,000
379,377	Sunstone Hotel Investors, Inc., Series F	9,670,320
120,000	Taubman Centers, Inc., Series K	3,027,600
	<b>Total Preferred Stock</b>	
	(cost \$217,263,953)	221,457,572
	<b>Total Investments 116.4%</b>	
	(cost \$1,203,618,100)	1,220,267,195
	Liabilities in Excess of Other Assets (16.4)%	(171,835,147)
	<b>Net Assets 100.0%</b>	<b>\$ 1,048,432,048</b>
		<b>Notional</b>
<b>Number of Contracts</b>		<b>Amount</b>
	<b>Written Call Options (0.0)%<sup>(c)</sup></b>	
	<b>United States (0.0)%<sup>(c)</sup></b>	
(1,500)	CyrusOne, Inc. <sup>(b)</sup> Expires 1/19/2018 Strike Price \$65.00	(150,000) \$ (135,000)
	<b>Total Written Call Options</b>	
	(Premiums Received \$58,436)	\$ (135,000)

\* 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) A portion of the security has been pledged for open written option contracts. The aggregate market value of the collateral as of December 31, 2017 is \$8,929,500.

(b) Non-income producing security.

(c) Rounds to less than 0.1%

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

*See notes to financial statements.*

**Table of Contents**

## Statement of Assets and Liabilities

	<b>December 31, 2017</b>
<b>Assets</b>	
Investments, at value (cost \$1,203,618,100)	\$1,220,267,195
Cash	199,610
Unrealized appreciation on spot contracts	1,050
Dividends and interest receivable	5,364,616
Dividend withholding reclaims receivable	514,466
Other assets	109,038
<b>Total Assets</b>	<b>1,226,455,975</b>
<b>Liabilities</b>	
Line of credit payable	175,743,600
Payable for investment securities purchased	332,411
Written options (premiums received \$58,436)	135,000
Management fees payable	884,055
Line of credit interest payable	351,712
Dividend and distributions payable	199,602
Accrued expenses	377,547
<b>Total Liabilities</b>	<b>178,023,927</b>
<b>Net Assets</b>	<b>\$1,048,432,048</b>
<b>Composition of Net Assets</b>	
\$0.001 par value per share; unlimited number of shares authorized, 116,590,494 shares issued and outstanding	\$116,590
Additional paid-in capital	1,097,973,054
Distributions in excess of net investment income	(7,300,616)
Accumulated net realized loss on investments, written options, and foreign currency transactions	(58,945,002)
Net unrealized appreciation on investments, written options and foreign currency denominated assets and liabilities	16,588,022
<b>Net Assets</b>	<b>\$1,048,432,048</b>
<b>Net Asset Value (based on 116,590,494 shares outstanding)</b>	<b>\$8.99</b>

*See notes to financial statements.*

**Table of Contents**

## Statement of Operations

	<b>For the Year Ended December 31, 2017</b>
<b>Investment Income</b>	
Dividends (net of foreign withholding taxes of \$1,723,899)	\$45,388,039
Other Income	49,411
Interest	258
Total Investment Income	45,437,708
<b>Expenses:</b>	
Management fees	9,952,405
Interest expense on line of credit	2,736,859
Printing and mailing fees	492,101
Administration fees	244,174
Trustees' fees and expenses	222,001
Custodian fees	215,894
Transfer agent fees	180,631
Insurance fees	158,532
Legal fees	135,493
NYSE listing fee	119,504
Audit and tax fees	90,001
Miscellaneous expenses	42,340
Total Expenses	14,589,935
<b>Net Investment Income</b>	<b>30,847,773</b>
<b>Net Realized and Unrealized Gain (Loss) on Investments, Written Options and Foreign Currency Transactions</b>	
Net realized gain (loss) on:	
Investments	48,908,130
Written options	3,009,904
Foreign currency transactions	(46,396)
Total Net Realized Gain	51,871,638
Net change in unrealized appreciation (depreciation) on:	
Investments	26,747,481
Written options	(76,564)
Foreign currency denominated assets and liabilities	78,002
Total Net Change in Unrealized Appreciation (Depreciation)	26,748,919
<b>Net Realized and Unrealized Gain on Investments, Written Options and Foreign Currency Transactions</b>	<b>78,620,557</b>
<b>Net Increase in Net Assets Resulting from Operations</b>	<b>\$109,468,330</b>

*See notes to financial statements.*

**10 CBRE CLARION GLOBAL REAL ESTATE INCOME FUND**

**Table of Contents**

## Statements of Changes in Net Assets

	<b>For the Year Ended December 31, 2017</b>	<b>For the Year Ended December 31, 2016</b>
<b>Change in Net Assets Resulting from Operations</b>		
Net investment income	\$30,847,773	\$30,380,104
Net realized gain (loss) on investments, written options and foreign currency transactions	51,871,638	(14,073,997)
Net change in unrealized appreciation on investments, written options, and foreign currency denominated assets and liabilities	26,748,919	8,703,359
Net increase in net assets resulting from operations	109,468,330	25,009,466
<b>Dividends and Distributions on Common Shares</b>		
Distribution of net investment income	(69,954,296)	(40,029,285)
Distribution of return of capital		(29,925,011)
Total dividends and distributions on Common Shares	(69,954,296)	(69,954,296)
Net Increase (Decrease) in Net Assets	39,514,034	(44,944,830)
<b>Net Assets</b>		
Beginning of year	1,008,918,014	1,053,862,844
End of year (net of distributions in excess of net investment income of \$(7,300,616) and \$(19,905,068), respectively)	\$1,048,432,048	\$1,008,918,014

*See notes to financial statements.*

**Table of Contents**

## Statement of Cash Flows

	<b>For the Year Ended December 31, 2017</b>
<b>Cash Flows from Operating Activities:</b>	
Net increase in net assets resulting from operations	\$109,468,330
<b>Adjustments to Reconcile Net Increase in Net Assets Resulting from Operations to Net Cash Used in Operating Activities:</b>	
Net change in unrealized appreciation/depreciation on investments	(26,747,481)
Net change in unrealized appreciation/depreciation on options	76,564
Net realized gain on investments	(48,908,130)
Net realized gain on written options	(3,009,904)
Cost of securities purchased	(1,513,639,844)
Proceeds from sale of securities	1,454,533,962
Premiums received on written options	4,564,317
Payments to close written options	(432,983)
Decrease in receivable for investment securities sold	9,237,392
Decrease in dividends and interest receivable	1,528,355
Decrease in dividend withholding reclaims receivable	484,741
Increase in unrealized appreciation on spot contracts	(1,050)
Decrease in other assets	5,581
Decrease in payable for investment securities purchased	(5,214,802)
Increase in management fees payable	95,004
Increase in line of credit interest payable*	232,597
Increase in accrued expenses*	45,736
Net Cash Used in Operating Activities	(17,681,615)
<b>Cash Flows From Financing Activities:</b>	
Cash distributions paid on common shares	(69,754,694)
Proceeds from borrowing on line of credit	715,022,900
Payments on line of credit borrowings	(627,387,500)
Net Cash Provided by Financing Activities	17,880,706

Net Increase in cash	199,091
<b>Cash and Cash Equivalents at Beginning of Year</b>	519
<b>Cash and Cash Equivalents at End of Year</b>	\$199,610
<b>Supplemental disclosure</b>	
Interest paid on line of credit borrowings	\$2,504,262

\* Prior year balances were reclassified for comparative purposes.

*See notes to financial statements.*

12 CBRE CLARION GLOBAL REAL ESTATE INCOME FUND



**Table of Contents**

## Financial Highlights

<b>Per share operating performance for a share outstanding throughout the year</b>	<b>For the Year Ended December 31, 2017</b>	<b>For the Year Ended December 31, 2016</b>	<b>For the Year Ended December 31, 2015</b>	<b>For the Year Ended December 31, 2014</b>	<b>For the Year Ended December 31, 2013</b>
<b>Net asset value, beginning of year</b>	\$8.65	\$9.04	\$10.16	\$9.04	\$9.48
<b>Income from investment operations</b>					
Net investment income <sup>(1)</sup>	0.27	0.26	0.27	0.30	0.33
Net realized and unrealized gain (loss) on investments, written options and foreign currency transactions	0.67	(0.05)	(0.82)	1.36	(0.23)
Total from investment operations	0.94	0.21	(0.55)	1.66	0.10
<b>Dividends and distributions on Common Shares</b>					
Net investment income	(0.60)	(0.34)	(0.57)	(0.40)	(0.39)
Return of capital		(0.26)		(0.14)	(0.15)
Total dividends and distributions to Common Shareholders	(0.60)	(0.60)	(0.57)	(0.54)	(0.54)
<b>Net asset value, end of year</b>	\$8.99	\$8.65	\$9.04	\$10.16	\$9.04
<b>Market value, end of year</b>	\$7.92	\$7.30	\$7.64	\$8.99	\$7.92
<b>Total investment return <sup>(2)</sup></b>					
Net asset value	11.28%	2.17%	(5.57)%	18.73%	0.91%
Market value	17.22%	3.17%	(8.89)%	20.74%	(4.93)%
<b>Ratios and supplemental data</b>					
	\$ 1,048,432	\$ 1,008,918	\$ 1,053,863	\$ 1,184,712	\$ 1,053,535

Net assets,  
applicable to  
Common Shares,  
end of year  
(thousands)

Ratios to average  
net assets applicable  
to Common Shares  
of:

Net expenses, including fee waiver	1.43%	1.18%	1.19%	1.14%	1.06% <sup>(3)</sup>
Net expenses, excluding fee waiver	1.43%	1.18%	1.19%	1.14%	1.07% <sup>(3)</sup>
Net expenses, including fee waiver and excluding interest on line of credit	1.16%	1.09%	1.10%	1.08%	1.04% <sup>(3)</sup>
Net expenses, excluding fee waiver and interest on line of credit	1.16%	1.09%	1.10%	1.08%	1.04% <sup>(3)</sup>
Net investment income	3.02%	2.86%	2.79%	3.05%	3.43%
Portfolio turnover rate	124.07%	67.36%	76.54%	21.27%	11.38%

(1) Based on average shares outstanding.

(2) Total investment return does not reflect brokerage commissions. Dividends and distributions are assumed to be reinvested at the prices obtained under the Trust's Dividend Reinvestment Plan. Net Asset Value (NAV) total return is calculated assuming reinvestment of distributions at NAV on the date of the distribution.

(3) Effective February 28, 2013, the investment management fee waiver agreement expired.

*See notes to financial statements.*

## **Table of Contents**

### Notes to Financial Statements

#### **1. Fund Organization**

CBRE Clarion Global Real Estate Income Fund (the Trust) is a diversified, closed-end management investment company that was organized as a Delaware statutory trust on November 6, 2003 under the Investment Company Act of 1940, as amended. The Trust is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946 Financial Services-Investment Companies. CBRE Clarion Securities LLC (the Advisor) is the Trust's investment advisor. The Advisor is a majority-owned subsidiary of CBRE Group, Inc. and is partially owned by its senior management team. The Trust commenced operations on February 18, 2004.

#### **2. Significant Accounting Policies**

The following accounting policies are in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and are consistently followed by the Trust.

**Securities Valuation** The net asset value of the common shares of the Trust will be computed based upon the value of the Trust's portfolio securities and other assets. The Trust calculates net asset value per common share by subtracting the Trust's liabilities (including accrued expenses, dividends payable and any borrowings of the Trust) and the liquidation value of any outstanding preferred shares from the Trust's total assets (the value of the securities the Trust holds, plus cash and/or other assets, including dividends accrued but not yet received) and dividing the result by the total number of common shares of the Trust outstanding. Net asset value per common share will be determined as of the close of the regular trading session (usually 4:00 p.m., EST) on the New York Stock Exchange (NYSE) on each business day on which the NYSE is open for trading.

For purposes of determining the net asset value of the Trust, readily marketable portfolio assets (including common stock, preferred stock, and options) traded principally on an exchange, or on a similar regulated market reporting contemporaneous transaction prices, are valued, except as indicated below, at the last sale price for such assets on such principal markets on the business day on which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the closing bid and asked prices on such day. Foreign securities are valued based upon quotations from the primary market in which they are traded and are translated from the local currency into U.S. dollars using current exchange rates. Forward foreign currency contracts are valued at the unrealized appreciation/depreciation as of valuation date, calculated using an interpolated foreign exchange rate. Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value as determined in accordance with procedures approved by the Trust's Board of Trustees (the Board).

Short-term securities which mature in more than 60 days are valued at current market quotations. Short-term securities, which mature in 60 days or less, are valued at amortized cost, which approximates market value.

U.S. GAAP provides guidance on fair value measurements. In accordance with the standard, fair value is defined as the price that the Trust would receive to sell an investment or pay to transfer a liability in a timely transaction with an independent buyer in the principal market, or in the absence of a principal market the most advantageous market for the investment or liability. It establishes a single definition of fair value, creates a three-tier hierarchy as a framework for measuring fair value based on inputs used to value the Trust's investments, and requires additional disclosure about

fair value. The hierarchy of inputs is summarized below:

Level 1 unadjusted quoted prices in active markets for identical investments

Level 2 Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 significant unobservable inputs (including the Trust's own assumptions in determining the fair value of investments)

For Level 1 inputs, the Trust uses unadjusted quoted prices in active markets for assets or liabilities with sufficient frequency and volume to provide pricing information as the most reliable evidence of fair value.

The Trust's Level 2 valuation techniques include inputs other than quoted prices within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 observable inputs may include quoted prices for similar assets and liabilities in active markets or quoted prices for identical or similar assets or liabilities in markets that are not active in which there are few transactions, the prices are not current, or price quotations vary substantially over time or among market participants. Inputs that are observable

#### 14 CBRE CLARION GLOBAL REAL ESTATE INCOME FUND

**Table of Contents**

## Notes to Financial Statements continued

for the asset or liability in Level 2 include such factors as interest rates, yield curves, prepayment speeds, credit risk, and default rates for similar liabilities.

For Level 3 valuation techniques, the Trust uses unobservable inputs that reflect assumptions market participants would be expected to use in pricing the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available and are developed based on the best information available under the circumstances. In developing unobservable inputs, market participant assumptions are used if they are reasonably available without undue cost and effort.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following is a summary of the inputs used as of December 31, 2017 in valuing the Trust's investments carried at fair value:

<b>Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Investments in Real Estate Securities</b>				
<b>Common Stock</b>				
Australia	\$ 47,023,684	\$	\$	\$ 47,023,684
Canada	25,209,687			25,209,687
France	56,204,269			56,204,269
Germany	48,429,236			48,429,236
Hong Kong	88,062,269			88,062,269
Ireland	12,079,891			12,079,891
Japan	90,712,288			90,712,288
Mexico	10,498,672			10,498,672
Netherlands	6,894,809			6,894,809
Singapore	14,667,695			14,667,695
Spain	12,738,336			12,738,336
Sweden	8,803,051			8,803,051
United Kingdom	71,762,750			71,762,750
United States	505,722,986			505,722,986
<b>Total Common Stock</b>	<b>998,809,623</b>			<b>998,809,623</b>
<b>Preferred Stock</b>				
United States	208,136,180	13,321,392		221,457,572
<b>Total Investments in Real Estate Securities</b>	<b>\$ 1,206,945,803</b>	<b>\$ 13,321,392</b>	<b>\$</b>	<b>\$ 1,220,267,195</b>
<b>Liabilities</b>				
<b>Other Financial Instruments</b>				
Written Call Options	\$	\$ (135,000)	\$	\$ (135,000)
<b>Total Liabilities</b>	<b>\$</b>	<b>\$ (135,000)</b>	<b>\$</b>	<b>\$ (135,000)</b>

The primary third party pricing vendor for the Trust's listed preferred stock investments is FT Interactive Data (IDC). When available, the Trust will obtain a closing exchange price to value the preferred stock investments and, in such

instances, the investment will be classified as Level 1 since an unadjusted quoted price was utilized. When a closing price is not available for the listed preferred stock investments, IDC will produce an evaluated mean price (midpoint between the bid and the ask evaluation) and such investments will be classified as Level 2 since other observable inputs were used in the valuation. Factors used in the IDC evaluation include trading activity, the presence of a two-sided market, and other relevant market data.

The Trust's policy is to recognize transfers in and transfers out at the fair value as of the beginning of the year. The portfolio may hold securities which are periodically fair valued in accordance with the Trust's fair value procedures. This may result in movements

**Table of Contents**

Notes to Financial Statements continued

between Levels 1, 2, and 3 throughout the year. \$9,431,312 was transferred out of Level 1 into Level 2 during the year ended December 31, 2017 due to the unavailability of significant observable pricing inputs. Pursuant to the Trust's fair value procedures noted previously, equity securities (including exchange traded securities and open-end regulated investment companies) and exchange traded derivatives (i.e. futures contracts and options) are generally categorized as Level 1 securities in the fair value hierarchy. Fixed income securities, non-exchange traded derivatives and money market instruments are generally categorized as Level 2 securities in the fair value hierarchy. Investments for which there are no such quotations, or for which quotations do not appear reliable, are valued at fair value as determined in accordance with procedures established by and under the general supervision of the Trustees. These valuations are typically categorized as Level 2 or Level 3 securities in the fair value hierarchy.

For the year ended December 31, 2017, there have been no significant changes to the Trust's fair valuation methodology.

**Foreign Currency Translation** The books and records of the Trust are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars on the following basis:

(i) market value of investment securities, other assets and liabilities at the current rates of exchange;

(ii) purchases and sales of investment securities, income and expenses at the rate of exchange prevailing on the respective dates of such transactions.

Although the net assets of the Trust are presented at the foreign exchange rates and market values at the close of each fiscal year, the Trust does not isolate that portion of the results of operations arising as a result of changes in the foreign exchange rates from the fluctuations arising from changes in the market prices of long-term securities held at the end of the fiscal year. Similarly, the Trust does not isolate the effect of changes in foreign exchange rates from the fluctuations arising from changes in the market prices of portfolio securities sold during the fiscal year. Accordingly, realized foreign currency gains or losses will be included in the reported net realized gains or losses on investment transactions.

Net realized gains or losses on foreign currency transactions represent net foreign exchange gains or losses from the holding of foreign currencies, currency gains or losses realized between the trade date and settlement date on securities transactions, and the difference between the amounts of dividends, interest and foreign withholding taxes recorded on the Trust's books and the U.S. dollar equivalent amounts actually received or paid. Net unrealized currency gains or losses from valuing foreign currency denominated assets or liabilities (other than investments) at year end exchange rates are reflected as a component of net unrealized appreciation or depreciation on investments and foreign currencies.

Foreign security and currency transactions may involve certain considerations and risks not typically associated with those of domestic origin as a result of, among other factors, the possibility of political or economic instability, or the level of governmental supervision and regulation of foreign securities markets.

**Forward Foreign Currency Contracts** The Trust enters into forward foreign currency contracts in order to hedge its exposure to changes in foreign currency exchange rates on its foreign portfolio holdings, to hedge certain Trust purchase and sales commitments denominated in foreign currencies and for investment purposes. A forward foreign currency contract is a commitment to purchase or sell a foreign currency on a future date at a negotiated forward rate. The gain or loss arising from the difference between the original contracts and the closing of such contracts would be included in net realized gain or loss on foreign currency transactions.

Fluctuations in the value of open forward foreign currency contracts are recorded for financial reporting purposes as unrealized appreciation and depreciation by the Trust.

The Trust's custodian will place and maintain cash not available for investment or other liquid assets in a separate account of the Trust having a value at least equal to the aggregate amount of the Trust's commitments under forward foreign currency contracts entered into with respect to position hedges.

Risks may arise from the potential inability of a counterparty to meet the terms of a contract and from unanticipated movements in the value of a foreign currency relative to the U.S. dollar. The face or contract amount, in U.S. dollars, reflects the total exposure the Trust has in that particular currency contract. As of December 31, 2017, the Trust did not hold any forward foreign currency contracts.



**Table of Contents**

Notes to Financial Statements continued

**Options** The Trust may purchase or sell (write) options on securities and securities indices which are listed on a national securities exchange or in the over-the-counter ( OTC ) market as a means of achieving additional return or of hedging the value of the Trust's portfolio.

An option on a security is a contract that gives the holder of the option, in return for a premium, the right to buy from (in the case of a call) or sell to (in the case of a put) the writer of the option the security underlying the option at a specified exercise or strike price. The writer of an option on a security has an obligation upon exercise of the option to deliver the underlying security upon payment of the exercise price (in the case of a call) or to pay the exercise price upon delivery of the underlying security (in the case of a put).

There are several risks associated with transactions in options on securities. As the writer of a covered call option, the Trust forgoes, during the option's life, the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call but has retained the risk of loss should the price of the underlying security decline. The writer of an option has no control over the time when it may be required to fulfill its obligation as writer of the option. Once an option writer has received an exercise notice, it cannot effect a closing purchase transaction in order to terminate its obligation under the option and must deliver the underlying security at the exercise price. Written Options for the year ended December 31, 2017, are disclosed in the Trust's Portfolio of Investments.

**Securities Transactions and Investment Income** Securities transactions are recorded on a trade date basis. Realized gains and losses from securities transactions are recorded on the basis of identified cost. Dividend income is recorded on the ex-dividend date. Distributions received from investments in REITs are recorded as dividend income on ex-dividend date, subject to reclassification upon notice of the character of such distributions by the issuer. The portion of dividend attributable to the return of capital is recorded against the cost basis of the security. Withholding taxes on foreign dividends are recorded net of reclaimable amounts, at the time the related income is earned. Non-cash dividends included in dividend income, if any, are recorded at the fair market value of the securities received. Interest income, including accretion of original issue discount, where applicable, and accretion of discount on short-term investments, is recorded on the accrual basis.

**Dividends and Distributions to Shareholders** Dividends from net investment income, if any, are declared and paid on a monthly basis. Income dividends and capital gain distributions to common shareholders are recorded on the ex-dividend date. To the extent the Trust's net realized capital gains, if any, can be offset by capital loss carryforwards, it is the policy of the Trust not to distribute such gains.

On August 5, 2008, the Trust acting in accordance with an exemptive order received from the Securities and Exchange Commission and with approval of the Board, adopted a managed distribution policy under which the Trust intends to make regular monthly cash distributions to common shareholders, stated in terms of a fixed amount per common share. With this new policy the Trust can now include long-term capital gains in its distribution as frequently as twelve times a year. In practice, the Board views their approval of this policy as a potential means of further supporting the market price of the Trust through the payment of a steady and predictable level of cash distributions to shareholders.

The current monthly distribution rate is \$0.05 per share. The Trust continues to evaluate its monthly distribution policy in light of ongoing economic and market conditions and may change the amount of the monthly distributions in

the future.

**Use of Estimates** The preparation of financial statements, in conformity with U.S. GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting year. Actual results could differ from those estimates.

**Table of Contents**

Notes to Financial Statements continued

**3. Derivative Instruments**

The following table presents the fair value of derivatives held at December 31, 2017 and the location on the Statement of Assets and Liabilities:

<b>Derivatives not accounted for as hedging instruments</b>	<b>Location on Statement of Assets and Liabilities</b>	<b>Fair Value</b>
<b>Liability derivatives</b>		

**Equity Risk**

Written options	Written options	\$ (135,000)
-----------------	-----------------	--------------

The effect of derivative instruments on the Trust's Statement of Operations for the year ended December 31, 2017 was as follows:

<b>Derivatives not accounted for as hedging instruments</b>	<b>Realized gain (loss)</b>	<b>Change in unrealized appreciation (depreciation)</b>
<b>Equity Risk</b>		

**Equity Risk**

Written options	\$ 3,009,904	\$ (76,564)
-----------------	--------------	-------------

For the year ended December 31, 2017, the average month-end notional value of written options was \$55,616,623.

**4. Concentration of Risk**

Under normal market conditions, the Trust's investments will be concentrated in income-producing common equity securities, preferred securities, convertible securities and non-convertible debt securities issued by companies deriving the majority of their revenue from the ownership, construction, financing, management and/or sale of commercial, industrial, and/or residential real estate. Values of the securities of such companies may fluctuate due to economic, legal, cultural, geopolitical or technological developments affecting various global real estate industries.

**5. Investment Management Agreement and Other Agreements**

Pursuant to an investment management agreement between the Advisor and the Trust, the Advisor is responsible for the daily management of the Trust's portfolio of investments, which includes buying and selling securities for the Trust, as well as investment research. The Trust pays for investment advisory services and facilities through a fee payable monthly in arrears at an annual rate equal to 0.85% of the average daily value of the Trust's managed assets plus certain direct and allocated expenses of the Advisor incurred on the Trust's behalf. The Advisor agreed to waive a portion of its management fee in the amount of 0.25% of the average daily values of the Trust's managed assets for the first five years of the Trust's operations (through February 2009), and for a declining amount for an additional four years (through February 2013). During the year ended December 31, 2017, the Trust incurred management fees of \$9,952,405, of which \$884,055 is a payable as of year end. There were no fees waived during the year ended December 31, 2017.

The Trust has multiple service agreements with the Bank of New York Mellon (BNYM). Under the servicing agreements, BNYM will perform custodial, fund accounting, and certain administrative services for the Trust. As custodian, BNYM is responsible for the custody of the Trust's assets. As administrator, BNYM is responsible for maintaining the books and records of the Trust's securities and cash.

Computershare is the Trust's transfer agent and as such is responsible for performing transfer agency services for the Trust.

#### **6. Portfolio Securities**

For the year ended December 31, 2017, there were purchases and sales transactions (excluding short-term securities) of \$1,516,491,997 and \$1,447,241,139, respectively. These purchases and sales transaction amounts differ from the amounts disclosed on the Statement of Cash Flows primarily due to the re-characterization of dividends from ordinary income to return of capital and capital gain.

**Table of Contents**

Notes to Financial Statements continued

**7. Federal Income Taxes**

The Trust intends to elect to be, and qualify for treatment as, a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the Code). A regulated investment company generally pays no federal income tax on the income and gains that it distributes. The Trust intends to meet the calendar year distribution requirements imposed by the Code to avoid the imposition of a 4% excise tax.

The Trust is required to evaluate tax positions taken or expected to be taken in the course of preparing the Trust's tax returns to determine whether the tax positions are more-likely-than-not of being sustained by the applicable tax authority. Income tax and related interest and penalties would be recognized by the Trust as tax expense in the Statement of Operations if the tax positions were deemed to not meet the more-likely-than-not threshold. For the year ended December 31, 2017, the Trust did not incur any income tax, interest, or penalties. As of December 31, 2017, the Advisor has reviewed all open tax years and concluded that there was no impact to the Trust's net assets or results of operations. Tax years ended December 31, 2014, through December 31, 2017, remain subject to examination by the Internal Revenue Service and state taxing authorities. On an ongoing basis, the Advisor will monitor its tax positions to determine if adjustments to this conclusion are necessary.

The Trust distinguishes between dividends on a tax basis and on a financial reporting basis and only distributions in excess of tax basis earnings and profits are reported in the financial statements as a tax return of capital. Differences in the recognition or classification of income between the financial statements and tax earnings and profits which result in temporary over-distributions for financial statement purposes are classified as distributions in excess of net investment income or accumulated net realized losses in the components of net assets on the Statement of Assets and Liabilities.

In order to present paid-in capital in excess of par and accumulated net realized gains or losses on the Statement of Assets and Liabilities that more closely represent their tax character, certain adjustments have been made to additional paid-in capital, undistributed net investment income and accumulated net realized gains or losses on investments. For the year ended December 31, 2017, the adjustments were to decrease additional paid-in capital by \$115,818,334, decrease accumulated net realized loss on investments by \$64,107,359, and decrease distributions in excess of net investment income by \$51,710,975 due to the difference in the treatment for book and tax purposes of passive foreign investment company (PFIC) investments and recognition of foreign currency gain (loss) as ordinary income (loss), distribution reclasses and expiring capital losses. Results of operations and net assets were not affected by these reclassifications.

At December 31, 2017, the Trust had capital loss carryforwards which will reduce the Trust's taxable income arising from future net realized gain on investments, if any, to the extent permitted by the code and thus will reduce the amount of distributions to shareholders which would otherwise be necessary to relieve the Trust of any liability for federal income tax. Pursuant to the code, such capital loss carryforwards of \$26,711,743, if unused, will expire, in 2018. During the year ended December 31, 2017, the Trust utilized \$66,621,933 of capital loss carryforwards. Additionally, \$77,869,037 of capital loss carryforwards expired during the year ended December 31, 2017.

The Regulated Investment Company Modernization Act of 2010 (the Act) eliminated the eight-year carryover period for capital losses that arise in taxable years beginning after its enactment date of December 22, 2010. Consequently,

these capital losses can be carried forward for an unlimited period. However, capital losses with an expiration period may not be used to offset capital gains until all net capital losses without an expiration date have been utilized. Additionally, post-enactment capital loss carryovers will retain their character as either short-term or long-term capital losses instead of as short-term capital losses as under prior law. The Trust has no capital losses with no expiration.

Certain capital and qualified late year losses incurred after October 31 and within the current taxable year, are deemed to arise on the first business day of the Trust's following taxable year. The Trust incurred and will defer qualified late ordinary year losses of \$0 during 2017. The Trust incurred and will defer Post-October capital losses of \$23,309,919 during 2017.

For the year ended December 31, 2017, the tax character of distributions paid, as reflected in the Statements of Changes in Net Assets, was \$69,954,296 of ordinary income and \$0 of return of capital, respectively. For the year ended December 31, 2016, the tax character of distributions paid, as reflected in the Statements of Changes in Net Assets, was \$40,029,285 of ordinary income and \$29,925,011 of return of capital, respectively.

**Table of Contents**

Notes to Financial Statements concluded

Information on the tax components of net assets as of December 31, 2017 is as follows:

<b>Cost of Investments for Tax Purposes</b>	<b>Gross Tax Unrealized Appreciation</b>	<b>Gross Tax Unrealized Depreciation</b>	<b>Net Tax Unrealized Appreciation on Investments</b>	<b>Net Tax Unrealized Depreciation on Foreign Currency, Qualified Late Year Options</b>	<b>Qualified Ordinary Losses</b>	<b>Undistributed Long-Term Capital Gains/ (Accumulated Capital Loss)</b>
\$1,219,841,397	\$31,995,498	\$(31,569,700)	\$425,798	\$(61,073)	\$(0)	\$(50,022,321)

**8. Borrowings**

The Trust has access to a secured line of credit up to \$300,000,000 from BNYM for borrowing purposes. Borrowings under this arrangement bear interest at the Federal funds rate plus 75 basis points. At December 31, 2017, there were borrowings in the amount of \$175,743,600 on the Trust's line of credit.

The average daily amount of borrowings during the year ended December 31, 2017 was \$150,588,266 with an average interest rate of 1.75%. The maximum amount outstanding for the year ended December 31, 2017, was \$219,230,200. The Trust had borrowings under the line of credit for 365 days during 2017.

**9. Capital**

During 2004, the Trust issued 101,000,000 shares of common stock at \$15.00. In connection with the Trust's Dividend Reinvestment Plan (DRIP), the Trust issued no common shares for the year ended December 31, 2017 and the year ended 2016, respectively. At December 31, 2017, the Trust had outstanding common shares of 116,590,494 with a par value of \$0.001 per share. The Advisor owned none of the common shares outstanding as of December 31, 2017.

At December 31, 2017, the Trust had no shares of auction rate preferred securities outstanding.

**10. Indemnifications**

The Trust enters into contracts that contain a variety of indemnifications. The Trust's exposure under these arrangements is unknown. However, the Trust has not had prior claims or losses or current claims or losses pursuant to these contracts.

**11. Subsequent Events**

Events or transactions that occur after the balance sheet date but before the financial statements are issued are categorized as recognized or non-recognized for financial statement purposes. Since December 31, 2017, the Trust paid a dividend on January 31, 2018 of \$0.05 per share for the month of January 2018. No other notable events have

occurred between year-end and the issuance of these financial statements.

**20    CBRE CLARION GLOBAL REAL ESTATE INCOME FUND**



**Table of Contents**

Report of Independent

Registered Public Accounting Firm

To the shareholders and board of trustees

CBRE Clarion Global Real Estate Income Fund:

*Opinion on the Financial Statements*

We have audited the accompanying statement of assets and liabilities of CBRE Clarion Global Real Estate Income Fund (the Trust), including the portfolio of investments, as of December 31, 2017, the related statements of operations and cash flows for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the related notes (collectively, the financial statements) and the financial highlights for each of the years in the four-year period then ended. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Trust as of December 31, 2017, the results of its operations and its cash flows for the year then ended, the changes in its net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the four-year period then ended, in conformity with U.S. generally accepted accounting principles. The financial highlights presented for the year ended December 31, 2013 were audited by other auditors, whose report thereon dated February 25, 2014, expressed an unqualified opinion on those financial highlights.

*Basis for Opinion*

These financial statements and financial highlights are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Trust in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Such procedures also included confirmation of securities owned as of December 31, 2017, by correspondence with custodians and brokers, or other appropriate procedures where replies were not received. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Trust's auditor since 2014.

Philadelphia, PA

February 26, 2018

**ANNUAL REPORT 2017** 21

**Table of Contents**

Supplemental Information (unaudited)

**Federal Income Tax Information**

Qualified dividend income of as much as \$14,500,238 was received by the Trust through December 31, 2017. The Trust intends to designate the maximum amount of dividends that qualify for the reduced tax rate pursuant to the Jobs and Growth Tax Relief Reconciliation Act of 2003.

For corporate shareholders, 1.00% of ordinary income distributions for the year ended December 31, 2017 qualified for the corporate dividends-received deduction.

In February 2018, you will be advised on IRS Form 1099 DIV or substitute 1099 DIV as to the federal tax status of the distributions received by you in the calendar year 2017.

**Corporate Governance**

The Trust submitted its Annual CEO certification for 2017 to the New York Stock Exchange ( NYSE ) on October 25, 2017 stating that the CEO was not aware of any violation by the Trust of the NYSE s corporate governance listing standards. In addition, the Trust had filed the required CEO/CFO certifications regarding the quality of the Trust s public disclosure as exhibits to the Forms N-CSR and Forms N-Q filed by the Trust over the past fiscal year. The Trust s Form N-CSR and Form N-Q filings are available on the Commission s website at [www.sec.gov](http://www.sec.gov).

**Result of Shareholder Votes**

The Annual Meeting of Shareholders of the Trust was held on October 16, 2017.

With regard to the election of the following Trustees of the Trust:

	<b>Number of Shares In Favor</b>	<b>Number of Shares Withheld</b>
T. Ritson Ferguson	101,187,015.259	2,625,490.867
Fredrick S. Hammer	76,405,624.046	27,406,882.080

The other Trustees of the Trust whose terms did not expire in 2017 are Richard Sutton, John R. Bartholdson and Asuka Nakahara.

**Table of Contents**

Supplemental Information (unaudited) continued

**Trustees**

The Trustees of the CBRE Clarion Global Real Estate Income Fund and their principal occupations during the past five years:

<b>Name, Address and Age Trustees:</b>	<b>Term of Office and Length of Time Served <sup>(1)</sup></b>	<b>Title</b>	<b>Principal Occupations During The Past Five Years</b>	<b>Number of Portfolios in the Fund Complex Overseen by Trustee</b>	<b>Other Directorships Held by Trustee</b>
T. Ritson Ferguson*  201 King of Prussia Road, Suite 600  Radnor, PA 19087  Age: 58	3 years/ since inception	Trustee, President and Chief Executive Officer	Chief Executive Officer and Global Chief Investment Officer of CBRE Global Investors (since March 2016); Chief Executive Officer and Co-Chief Investment Officer of CBRE Clarion Securities LLC.	1	
Asuka Nakahara**  201 King of Prussia Road, Suite 600  Radnor, PA 19087  Age: 61	3 years/ since inception	Trustee	Associate Director of the Zell-Lurie Real Estate Center at the Wharton School, University of Pennsylvania (since 1999); Lecturer of Real Estate at the Wharton School, University of Pennsylvania (since 1999); Partner of Triton Atlantic Partners (since 2009).	1	Board of Comcast Corp. (since 2017)
Frederick S. Hammer  201 King of Prussia Road, Suite	3 years/ since inception	Trustee	Co-Chairman of IA Capital Group (since 1994) and a member of its investment committee.	1	Boards of Directors of Payall Corporation (since 2018);  JetPay Corporation (2011 - 2017); IA

600				Capital Group (2007 - 2011); and
Radnor, PA 19087				Homeowners Insurance Corp. (since 2006)
Age: 81				
Richard L. Sutton	3 years/ since inception	Trustee	Partner, Morris, Nichols, Arsht & Tunnel (1966 - 2000).	1 Board of Directors of Schroder Global Real Estate Securities Limited (F/K/A Investors in Global Real Estate Ltd.) (2006 - 2015).
201 King of Prussia Road, Suite 600				
Radnor, PA 19087				
Age: 82				
John R. Bartholdson	3 years/ 13 years	Trustee/Audit Committee Financial Expert	Senior Vice President, CFO and Treasurer, and a Director of Triumph Group, Inc. (1993 -2007).	1 Trustee of Berwyn Cornerstone Fund, Berwyn Income Fund, and Berwyn Fund (2013 - 2016). Board of Old Mutual Advisor Funds, Old Mutual Funds II and Old Mutual Insurance Series Fund (2004 - 2012), and Old Mutual Funds III (2008 - 2009).
201 King of Prussia Road, Suite 600				
Radnor, PA 19087				
Age: 73				

(1) After a Trustee's initial term, each Trustee is expected to serve a three-year term concurrent with the class of Trustees for which he serves. Mr. Nakahara, as Class II Trustee, is expected to stand for re-election at the Trust's 2018 annual meeting of shareholders; Messrs. Sutton and Bartholdson, as Class III Trustees, are expected to stand for re-election at the Trust's 2019 annual meeting of shareholders; Messrs. Ferguson and Hammer, as Class I Trustees, are expected to stand for re-election at the Trust's 2020 annual meeting of shareholders.

\* Mr. Ferguson is deemed to be an interested person of the Trust as defined in the Investment Company Act of 1940 (the "1940 ACT"), as amended, due to his position with the Advisor.

\*\* Mr. Nakahara owned 5,000 shares of CB Richard Ellis Group, Inc. ("CB Richard Ellis"), of which the advisor is an indirect majority-owned subsidiary, as of July 1, 2011, the date CB Richard Ellis acquired the advisor, and through September 2, 2011, technically making him an interested person of the Trust (as defined in the 1940 Act) during that period. Mr. Nakahara purchased the shares several years ago. Mr. Nakahara no longer owns those shares and is an independent Trustee of the Trust.



**Table of Contents**

Supplemental Information (unaudited) continued

**Officers**

The Officers of the CBRE Clarion Global Real Estate Income Fund and their principal occupations during the past five years:

<b>Name, Address, Age and Position(s) Held with Registrant Officers:</b>	<b>Length of Time Served</b>	<b>Principal Occupations During the Past Five Years and Other Affiliations</b>
Jonathan A. Blome  201 King of Prussia Road, Suite 600  Radnor, PA 19087  Age: 40	since 2006	Chief Financial Officer and Director of Operations of CBRE Clarion Securities LLC (since 2011).
Chief Financial Officer William E. Zitelli  201 King of Prussia Road, Suite 600  Radnor, PA 19087  Age: 49	since 2007	General Counsel of CBRE Clarion Securities LLC (since 2007).
Chief Compliance Officer and Secretary		

**Table of Contents**

Supplemental Information (unaudited) continued

**Board Considerations in Approving the Advisory Agreement**

At a meeting of the Board held on December 8, 2017, the Board approved the continuation of the investment management agreement (the Advisory Agreement) between the Advisor and the Trust through December 31, 2018. Overall, the Board concluded that continuation of the Advisory Agreement was in the best interests of the Trust and consistent with the expectations of its shareholders. In determining to approve the continuation of the Advisory Agreement, the Board took into account a number of factors, in each case in the context of the specific facts and circumstances of the Trust and without assigning relative weight to any factor or identifying any factor as determinative.

In approving the continuation of the Advisory Agreement, the Board reviewed the nature, extent and quality of advisory services and administrative services provided by the Advisor, including the performance achieved by the Advisor for the Trust in varying market environments. The Board considered the consistency of the Advisor's investment decision-making process, the experience of the Advisor's personnel, the stability of the Advisor and its parent company, and the continuing commitment of the Advisor's executive management team and management committee to the operation and management of the Trust. The Board also considered the administrative resources devoted by the Advisor to oversight of the Trust's operations, without separate charge to the Trust. The Board noted the Trust's strategic focus on providing income to its shareholders and discussed current industry and economic trends and conditions. In reviewing the Trust's performance, the Board considered information relating to the reported performance and fees and expenses of comparable closed-end real estate funds (peer group funds) and the Advisor's view as to the reasons for performance differences, including the Trust's global investment mandate, its focus on providing income and minimal use of leverage as compared to certain of the peer group funds and the Trust's overall risk profile. The Board also considered information relating to the reported performance and fees and expenses of open-end real estate funds, as a point of reference. The Board concluded that the quality of the services provided to the Trust by the Advisor, including the performance achieved for the Trust relative to its primary and secondary investment objectives, was satisfactory and supported the continued retention of the Advisor by the Trust.

The Board also considered the level of compensation to which the Advisor is entitled under the Advisory Agreement and concluded that fees paid to the Advisor by the Trust are not excessive and that the advisory fee rate is reasonable under the circumstances of the Trust. In reaching this conclusion, the Board considered the Trust's advisory fee structure and the methodology with which the Advisor's fee is calculated. The Board also considered information provided by the Advisor with respect to the profits realized by the Advisor as a result of its services to the Trust, including the factors considered by the Advisor in determining such profits, and the Advisor's profitability in connection with its management of other advisory accounts and its services as sub-advisor to certain funds and separate accounts. The Board also considered the fact that the Trust's advisory fee had remained comparable to that of peer group funds (some of which funds are charged separately for administrative services provided by their investment managers) while its expense ratio remained considerably lower than the average expense ratio of peer group funds.



## **Table of Contents**

Supplemental Information (unaudited) concluded

### **Additional Information**

Statement of Additional Information includes additional information regarding the Trustees. This information is available upon request, without charge, by calling the following toll-free telephone number: 1-888-711-4272.

The Trust has delegated the voting of the Trust's voting securities to the Trust's advisor pursuant to the proxy voting policies and procedures of the advisor. You may obtain a copy of these policies and procedures by calling 1-888-711-4272. The policies may also be found on the website of the Securities and Exchange Commission (<http://www.sec.gov>).

Information regarding how the Trust voted proxies for portfolio securities, if applicable, during the most recent 12-month period ended December 31, is also available, without charge and upon request by calling the Trust at 1-888-711-4272 or by accessing the Trust's Form N-PX on the Commission's website at <http://www.sec.gov>.

The Trust files its complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Trust's Form N-Qs are available on the SEC website at <http://www.sec.gov>. The Trust's Form N-Qs may also be viewed and copied at the Commission's Public Reference Room in Washington, DC; information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330.

### **Dividend Reinvestment Plan (unaudited)**

Pursuant to the Trust's Dividend Reinvestment Plan (the Plan), shareholders of the Trust are automatically enrolled, to have all distributions of dividends and capital gains reinvested by The Bank of New York Mellon (the Plan Agent) in the Trust's shares pursuant to the Plan. You may elect not to participate in the Plan and to receive all dividends in cash by sending written instructions or by contacting The Bank of New York Mellon, as dividend disbursing agent, at the address set forth below. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by contacting the Plan Agent before the dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution. Shareholders who do not participate in the Plan will receive all distributions in cash paid by check and mailed directly to the shareholders of record (or if the shares are held in street or other nominee name, then to the nominee) by the Plan Agent, which serves as agent for the shareholders in administering the Plan.

After the Trust declares a dividend or determines to make a capital gain distribution, the Plan Agent will acquire shares for the participants' account, depending upon the circumstances described below, either (i) through receipt of unissued but authorized shares from the Trust (newly issued shares) or (ii) by open market purchases. If, on the dividend payment date, the NAV is equal to or less than the market price per share plus estimated brokerage commissions (such condition being referred to herein as market premium), the Plan Agent will invest the dividend amount in newly issued shares on behalf of the participants. The number of newly issued shares to be credited to each participant's account will be determined by dividing the dollar amount of the dividend by the NAV on the date the shares are issued. However, if the NAV is less than 95% of the market price on the payment date, the dollar amount of the dividend will be divided by 95% of the market price on the payment date. If, on the dividend payment date, the NAV is greater than the market value per share plus estimated brokerage commissions (such condition being referred to herein as market discount), the Plan Agent will invest the dividend amount in shares acquired on behalf of the

participants in open-market purchases.

The Plan Agent's fees for the handling of the reinvestment of dividends and distributions will be paid by the Trust. However, each participant will pay a pro rata share of brokerage commissions incurred with respect to the Plan Agent's open market purchases in connection with the reinvestment of dividends and distributions. The automatic reinvestment of dividends and distributions will not relieve participants of any Federal income tax that may be payable on such dividends or distributions.

The Trust reserves the right to amend or terminate the Plan. There is no direct service charge to participants in the Plan; however, the Trust reserves the right to amend the Plan to include a service charge payable by the participants. Participants that request a sale of shares through the Plan Agent are subject to a \$2.50 sales fee and a \$0.15 per share sold brokerage commission. All correspondence concerning the Plan should be directed to the Plan Agent at Computershare Shareowner Services LLC, P.O. Box 505000, Louisville, KY 40233, Phone Number: (866) 221-1580.

**26 CBRE CLARION GLOBAL REAL ESTATE INCOME FUND**

**Table of Contents**

**CBRE CLARION GLOBAL REAL ESTATE INCOME FUND**

**BOARD OF TRUSTEES**

T. RITSON FERGUSON

ASUKA NAKAHARA

FREDERICK S. HAMMER

RICHARD L. SUTTON

JOHN R. BARTHOLDSON

**OFFICERS**

T. RITSON FERGUSON

*PRESIDENT AND*

*CHIEF EXECUTIVE OFFICER*

JONATHAN A. BLOME

*CHIEF FINANCIAL OFFICER*

WILLIAM E. ZITELLI

*CHIEF COMPLIANCE OFFICER*

*AND SECRETARY*

**INVESTMENT ADVISOR**

CBRE CLARION SECURITIES LLC

201 KING OF PRUSSIA ROAD, SUITE 600

RADNOR, PA 19087

888-711-4272

**ADMINISTRATOR AND CUSTODIAN**

THE BANK OF NEW YORK MELLON

NEW YORK, NEW YORK

TRANSFER AGENT

COMPUTERSHARE

LOUISVILLE, KENTUCKY

LEGAL COUNSEL

MORGAN, LEWIS & BOCKIUS LLP

WASHINGTON, DC

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP

PHILADELPHIA, PENNSYLVANIA

**Table of Contents**

**Item 2. Code of Ethics.**

- (a) The Trust, as of the end of the period covered by this report, has adopted a Code of Ethics for Senior Financial Officers that applies to the Trust's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, regardless of whether these individuals are employed by the Trust or a third party (the Financial Officer Code of Ethics).
- (b) Not applicable.
- (c) There have been no amendments, during the period covered by this report, to a provision of the Financial Officer Code of Ethics that relate to one or more of the items set forth in paragraph (b) of this item's instructions.
- (d) The Trust has not granted any waivers, including an implicit waiver, from a provision of the Financial Officer Code of Ethics that relates to one or more of the items set forth in paragraph (b) of this item's instructions.
- (e) Not applicable.
- (f) The Trust's Financial Officer Code of Ethics is attached hereto as an exhibit.

**Item 3. Audit Committee Financial Expert.**

All of the members of the audit committee have the business and financial experience necessary to understand the fundamental financial statements of a closed-end, registered investment company; further, each member of the committee is financially literate, as such qualification is interpreted by the Board of Trustees in its business judgment. In addition, the Board has determined that John R. Bartholdson is an audit committee financial expert and independent as those terms are defined in Item 3 of Form N-CSR.

**Item 4. Principal Accountant Fees and Services.**

**Audit Fees**

- (a) The aggregate fees billed for each of the last two fiscal years for professional services rendered by the principal accountant for the audit of the Trust's annual financial statements or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years are \$49,000 for 2017 and \$49,000 for 2016.

**Audit-Related Fees**

- (b) The aggregate fees billed in each of the last two fiscal years for assurance and related services by the principal accountant that are reasonably related to the performance of the audit of the Trust's financial statements and are not reported under paragraph (a) of this Item are \$0 for 2017 and \$0 for 2016.

Tax Fees

- (c) The aggregate fees billed in each of the last two fiscal years for professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning are \$23,500 for 2017 and \$23,500 for 2016. Services include income tax return services including the review and signing of the Trust's Form 1120-RIC as prepared by the Trust's administrator.

## Table of Contents

### All Other Fees

- (d) The aggregate fees billed in each of the last two fiscal years for products and services provided by the principal accountant, other than the services reported in paragraphs (a) through (c) of this Item are \$0 for 2017 and \$34,000 for 2016. These services consisted of certain filings to reclaim taxes paid to European countries by the Trust.

#### (e)(1)

(i) The Trust has an Audit Committee Charter in place (the "Charter") that governs the pre-approval by the Trust's Audit Committee of all engagements for audit services and all Covered Non-Audit Engagements (as defined in the Charter) provided by the Trust's independent auditor (the "Independent Auditor") to the Trust and other "Related Entities" (as defined below). Each calendar year, the Audit Committee will review and re-approve the Charter, together with any changes deemed necessary or desirable by the Audit Committee. The Audit Committee may, from time to time, modify the nature of the services pre-approved, the aggregate level of fees pre-approved, or both.

Related Entities means (i) CBRE Clarion Securities LLC (the "Advisor") or (ii) any entity controlling, controlled by or under common control with the Advisor.

Pre-approval shall be required only with respect to non-audit services (i) related directly to the operations and financial reporting of the Trust and (ii) provided to a Related Entity that furnishes ongoing services to the Trust. Such pre-approval shall not apply to non-audit services provided to any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser. Pre-approval by the Audit Committee of such non-audit services shall be effected pursuant to the pre-approval procedures described in the Charter. The Charter shall not be violated if pre-approval of any such non-audit service is not obtained in circumstances in which the pre-approval requirement is waived under applicable rules promulgated by the Securities and Exchange Commission ("SEC") or the NYSE, in accordance with the Sarbanes Oxley Act.

Requests for pre-approval of Covered Non-Audit Engagements are submitted to the Audit Committee by the Independent Auditor and by the chief financial officer of the Related Entity for which the non-audit services are to be performed. Such requests must include a statement as to whether, in the view of the Independent Auditor and such officer, (a) the request is consistent with the SEC's rules on auditor independence and (b) the requested service is or is not a non-audit service prohibited by the SEC. A request submitted between scheduled meetings of the Audit Committee should state the reason that approval is being sought prior to the next regularly scheduled meeting of the Audit Committee.

Between regularly scheduled meetings of the Audit Committee, the Committee Chairman or Audit Committee Financial Expert shall have the authority to pre-approve Covered Non-Audit Engagements, provided that fees associated with such engagement do not exceed \$10,000 and the services to be provided do not involve provision of any of the following services by the Independent Auditor: (i) bookkeeping or other services related to the accounting records or financial statements of the audit client; (ii) financial information systems design and implementation; (iii) appraisal or valuation services, fairness opinions, or contribution-in-kind reports; (iv) actuarial services; (v) internal audit outsourcing services; (vi) management functions; (vii) human resources; (viii) broker dealer, investment advisor or investment banking services; (ix) legal services; or (x) expert services unrelated to the audit.

## **Table of Contents**

The terms and fees of the annual Audit services engagement for the Trust are subject to the specific pre-approval of the Audit Committee. The Audit Committee will approve, if necessary, any changes in terms, conditions or fees resulting from changes in audit scope, Trust structure or other matters.

(e)(2)

100% percent of services described in each of paragraphs (b) through (d) of this Item were approved by the Trust's audit committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

- (f) The percentage of hours expended on the principal accountant's engagement to audit the Trust's financial statements for the most recent fiscal year that were attributed to work performed by persons other than the principal accountant's full-time, permanent employees was less than fifty percent.
- (g) The aggregate non-audit fees billed by the Trust's accountant for services rendered to the Trust, and rendered to the Trust's investment adviser (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser), and any entity controlling, controlled by, or under common control with the adviser that provides ongoing services to the Trust for each of the last two fiscal years of the Trust was \$365,400 for 2017 and \$410,900 for 2016.
- (h) The registrant's audit committee of the board of trustees has considered whether the provision of non-audit services that were rendered to the registrant's investment adviser (not including any sub-adviser whose role is primarily portfolio management and is subcontracted with or overseen by another investment adviser), and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to paragraph (c)(7)(ii) of Rule 2-01 of Regulation S-X is compatible with maintaining the principal accountant's independence.

## **Item 5. Audit Committee of Listed Registrants.**

- (a) The Trust has a separately designated audit committee consisting of all the independent trustees of the Trust. The members of the audit committee are: Frederick S. Hammer, Asuka Nakahara, Richard L. Sutton and John R. Bartholdson.
- (b) Not applicable.

## **Item 6. Investments.**

- (a) Schedule of Investments in securities of unaffiliated issuers as of the close of the reporting period is included as part of the report to shareholders filed under Item 1 of this form.



(b) Not applicable.

**Table of Contents****Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.**

The Trust has delegated the voting of proxies relating to its voting securities to the Advisor, pursuant to the proxy voting procedures of the Advisor. The Trust's and the Advisor's Proxy Voting Policies and Procedures are included as an exhibit hereto.

**Item 8. Portfolio Managers of Closed-End Management Investment Companies.****(a)(1)**

As of **March 5, 2018**:

T. Ritson Ferguson

Principal, Chief Executive Officer and Global Chief Investment Officer, CBRE Clarion Securities LLC since 1992

Steven D. Burton

Principal, and Co-Chief Investment Officer, CBRE Clarion Securities LLC since 1995

Joseph P. Smith

Principal, President and Co-Chief Investment Officer, CBRE Clarion Securities LLC since 1997

**(a)(2) Other Accounts Managed (as of December 31, 2017).**

The Portfolio Managers are also collectively responsible for the day-to-day management of the Advisor's other accounts, as indicated by the following table.

**Name of**

<b>Portfolio Managers</b>	<b>Type of Accounts</b>	<b>Number of Accounts Managed</b>	<b>Total Assets in the Accounts</b>	<b>Managed with Advisory Fee Based on Performance</b>	<b>Managed with Advisory Fee Based on Performance</b>
T. Ritson Ferguson	Registered Investment Companies	12	\$ 7,374,608,689.77	0	\$ 0
	Other Pooled Investment Vehicles	22	\$ 2,509,287,673.75	0	\$ 0
	Other Accounts	44	\$ 4,793,742,920.35	6	\$ 1,816,088,586.85
Steven D. Burton	Registered Investment Companies	9	\$ 6,057,396,592.29	0	\$ 0
	Other Pooled Investment Vehicles	15	\$ 2,196,171,931.64	0	\$ 0

Edgar Filing: CBRE CLARION GLOBAL REAL ESTATE INCOME FUND - Form N-CSR

	Other Accounts	29	\$ 3,086,735,008.87	5	\$ 1,268,178,802.44
Joseph P. Smith	Registered Investment Companies	11	\$ 7,305,927,983.97	0	\$ 0
	Other Pooled Investment Vehicles	17	\$ 2,301,068,773.84	0	\$ 0
	Other Accounts	42	\$ 4,369,868,931.67	6	\$ 1,816,088,586.85

**Table of Contents**

**Potential Conflicts of Interests**

A portfolio manager may be subject to potential conflicts of interest because the portfolio manager is responsible for other accounts in addition to the Trust. These other accounts may include, among others, other closed-end funds, mutual funds, separately managed advisory accounts, commingled trust accounts, insurance separate accounts, wrap fee programs, and hedge funds. Potential conflicts may arise out of the implementation of differing investment strategies for a portfolio manager's various accounts, the allocation of investment opportunities among those accounts or differences in the advisory fees paid by the portfolio manager's accounts.

A potential conflict of interest may arise as a result of a portfolio manager's responsibility for multiple accounts with similar investment guidelines. Under these circumstances, a potential investment may be suitable for more than one of the portfolio manager's accounts, but the quantity of the investment available for purchase is less than the aggregate amount the accounts would ideally devote to the opportunity. Similar conflicts may arise when multiple accounts seek to dispose of the same investment.

A portfolio manager may also manage accounts whose objectives and policies differ from those of the Trust. These differences may be such that under certain circumstances, trading activity appropriate for one account managed by the portfolio manager may have adverse consequences for another account managed by the portfolio manager. For example, if an account were to sell a significant position in a security, which could cause the market price of that security to decrease while the Trust maintained its position in that security.

A potential conflict may arise when a portfolio manager is responsible for accounts that have different advisory fees the difference in the fees may create an incentive for the portfolio manager to favor one account over another, for example, in terms of access to particularly appealing investment opportunities. This conflict may be heightened where an account is subject to a performance-based fee.

## **Table of Contents**

CBRE Clarion recognizes the duty of loyalty it owes to its clients and has established and implemented certain policies and procedures designed to control and mitigate conflicts of interest arising from the execution of a variety of portfolio management and trading strategies across the firm's diverse client base. Such policies and procedures include, but are not limited to: (i) investment process, portfolio management, and trade allocation procedures; (ii) procedures regarding short sales in securities recommended for other clients; and (iii) procedures regarding personal trading by the firm's employees (contained in the Code of Ethics).

### **(a)(3) Compensation Structure of Portfolio Manager(s) or Management Team Members**

In principle, portfolio manager compensation is not based on the performance of any particular account, including the Fund, nor is compensation based on the level of Fund assets.

Compensation for each portfolio manager other than Mr. Ferguson is structured as follows:

*Base Salary* Each portfolio manager receives a base salary. Base salaries have been established at a competitive market levels and are set forth in the portfolio manager's employment agreement. An annual adjustment is made based on changes in the consumer price index. Base salaries are reviewed periodically by the CBRE Clarion Compensation Committee and its Board of Directors, but adjustments are expected to be relatively infrequent.

*Bonus* Portfolio manager bonuses are drawn from an incentive compensation pool into which a significant percentage of firm's pre-tax profits is set aside. Incentive compensation allocations are determined by the Compensation Committee based on a variety of factors, including the performance of particular investment strategies. To avoid the pitfalls of relying solely on a rigid performance format, however, incentive compensation decisions also take into account other important factors, such as the portfolio manager's contribution to the team, firm, and overall investment process. Each of the portfolio managers is a member of the Committee. Incentive compensation allocations are reported to the Board of Directors, but the Board's approval is not required.

*Deferred Compensation* CBRE Clarion requires deferral of a percentage of incentive compensation exceeding a certain threshold in respect of a single fiscal year. The Compensation Committee may, in its discretion, require the deferral of additional amounts. Such deferred amounts are subject to the terms of a Deferred Bonus Plan adopted by the Board of Directors. The purpose of the Deferred Bonus Plan is to foster the retention of key employees, to focus plan participants on value creation and growth and to encourage continued cooperation among key employees in providing services to CBRE Clarion's clients. The value of deferred bonus amounts is tied to the performance of CBRE Clarion investment funds chosen by the Compensation Committee; provided, that the Committee may elect to leave a portion of the assets uninvested. Deferred compensation vests incrementally, one-third after 2 years, 3 years and 4 years. The Deferred Bonus Plan provides for forfeiture upon voluntary termination of employment, termination for cause or conduct detrimental to the firm.

## **Table of Contents**

*Profit Participation* Each of the portfolio managers is a principal and owns shares of the firm. The firm distributes its income to its owners each year, so each portfolio manager receives income distributions corresponding to his ownership share. Ownership is structured so that the firm's principals receive an increasing share of the firm's profit over time. In addition, a principal may forfeit a portion of his ownership if he resigns voluntarily.

*Other Compensation* Portfolio managers may also participate in benefit plans and programs available generally to all employees, such as CBRE Group's 401(k) plan.

As the Chief Executive Officer of CBRE Global Investors, Mr. Ferguson's compensation differs to some degree from the other portfolio managers, although it is comprised of similar elements:

*Base Salary* Mr. Ferguson's base salary has been established and approved by the Compensation Committee of the Board of Directors of CBRE Group, Inc. (the Committee). (CBRE Group, Inc. is the majority owner of CBRE Clarion.) CBRE provides competitive base salaries that allow the company to attract and retain a high-performing leadership team at a reasonable level of fixed costs. Base pay levels generally reflect a variety of factors, such as the executive's skill and experience, the seniority of the position, the difficulty of finding a replacement, affordability, and the positioning of the base pay against market salary levels and against base salaries of other senior executives at the company. Base salaries are generally reviewed annually during the first quarter of the year, but may also be reviewed at other times if the executive officer's responsibilities have materially changed or other special circumstances so warrant.

*Annual Performance Award (Cash)* - The CBRE Compensation Committee grants annual performance awards to executives under a stockholder-approved Executive Incentive Plan (EIP). The EIP is an incentive plan that permits executives to earn performance awards up to an individual cap based on a percentage of CBRE Group's adjusted EBITDA for the relevant performance period (which cap is 1.5% for Mr. Ferguson). Within the framework of the EIP, the Committee uses the Executive Bonus Plan (EBP) to establish target and maximum awards and determine actual payouts thereunder to the company's executives. The EBP is designed to motivate and reward executives by aligning pay with annual performance, and the amount of an award thereunder is measured by the executive's success against a combination of challenging financial and strategic performance measures established by the Committee. The maximum payout of annual performance awards to an executive under the EBP is less than his or her respective cap under the EIP. Notwithstanding the maximum amount, the Committee may exercise its discretion in any year to award additional amounts to an executive up to his or her respective cap under the EIP or to pay additional bonus outside of the EIP. For business line executives such as Mr. Ferguson, financial performance targets are measured against adjusted EBITDA against plan at both the global (CBRE Group) level and at the segment and business line levels (CBRE Development Services and CBRE Global Investors). Pursuant to his employment agreement, 60% of Mr. Ferguson's EBP award is weighted based on financial performance measures and the remaining 40% is to be weighted on both financial performance measures and individual strategic measures. Target financial performance under the EBP corresponds to the Board-approved internal financial and operating plan established at the beginning of each performance year. Following year-end, our actual financial performance is compared to the targeted financial performance, and a resulting adjustment factor is applied to the relevant portion of the executive's target EBP award. Although company financial performance is critical to its success, the Committee also believes that a portion of the EBP

**Table of Contents**

award should be affected by reference to performance against important strategic measures. The payout of the strategic measure component of annual performance awards is more qualitative in nature and subjective in measurement. These measures which the Committee approves for each executive at the beginning of each performance year - enable the Committee to influence management's performance against strategies beyond near-term financial measures to include certain strategic measures such as the quality of earnings, the positioning of the business for the future and the mitigation of risk. Following the end of the performance year, the Committee reviews each executive's performance against the various strategic measures that were established at the beginning of the year, determines the relative weighting of each strategic measure, and considers any special factors that couple have affected performance during the year. The Committee then further reviews each executive's performance relative to his or her executive colleagues and takes into account other objectives and measures that may have become important to the company or the executive during the year that are not reflected in the formal strategic review measures approved at the beginning of the performance year. Based on this review, the Committee determines a final strategic measures performance multiplier to be applied against the strategic measures portion of the target EBP award.

**Long-Term (Equity-Based) Incentives** - CBRE uses equity compensation as a long-term incentive to create alignment with stockholders, to reward achievement of multi-year financial objectives, and as a retention tool for top executives that have the most direct impact on corporate results. The link to performance in long-term incentive grants is prospective in nature. For example, equity grants encourage executives to not only to contribute to the creation of additional stockholder value, but also to help maintain and preserve existing stockholder value because the executives share that value through their equity. Equity grants are subject to multi-year vesting schedules, which helps the company retain key talent. Generally, the Committee grants annual equity awards in two forms: a Time Vesting Equity Award and an Adjusted EPS Equity Award. Time Vesting Equity Awards vest 25% per year over a four-year period. Adjusted EPS Equity Awards are generally granted with a target number of restricted stock units, zero to 200% of which may be earned based on the achievement of certain adjusted EPS performance targets (over a minimum threshold) as measured on a cumulative basis over two fiscal years, with full vesting of any earned amount three years after the grant date. The CEO recommends to the Committee each year the recipients of equity awards as well as the amount of each award. In evaluating these recommendations and making its final award determinations for all executive officers, the Committee considers (i) the executive's position within the organization, (ii) ongoing performance and expected contributions by the executive to the company's future success; and (iii) input from the Committee's independent compensation consultant, taking into consideration relevant market data (when applicable), pay equity among the relevant employee group and other factors.

**CBRE Clarion Profit Participation** Mr. Ferguson remains a principal and owns shares of CBRE Clarion. CBRE Clarion distributes its income to its owners each year, and Mr. Ferguson receives income distributions corresponding to his ownership share.

**(a)(4) Disclosure of Securities Ownership**

The following table indicates the dollar range of securities of the Trust beneficially owned by the Portfolio Managers as of December 31, 2017.

**Table of Contents**

<b>Name of Portfolio Managers</b>	<b>Dollar Value of Trust Shares Beneficially Owned</b>
T. Ritson Ferguson	\$ 100,001-\$500,000
Steven D. Burton	\$ 100,001-\$500,000
Joseph P. Smith	\$ 10,001-\$50,000

(b) Not applicable

**Item 9. Purchases of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.**

Not applicable.

**Item 10. Submission of Matters to a Vote of Security Holders.**

Not applicable.

**Item 11. Controls and Procedures.**

- (a) The Trust's principal executive officer and principal financial officer have evaluated the Trust's disclosure controls and procedures within 90 days of this filing and have concluded that the Trust's disclosure controls and procedures were effective, as of that date, in ensuring that information required to be disclosed by the Trust in this Form N-CSR was recorded, processed, summarized, and reported timely.
- (b) The Trust's principal executive officer and principal financial officer are aware of no changes in the Trust's internal control over financial reporting that occurred during the Trust's last fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Trust's internal control over financial reporting.

**Item 12. Disclosure of Securities Lending Activities for Closed-End Management Investment Companies.**

Not applicable.



**Table of Contents**

**Item 13. Exhibits.**

- (a)(1) Financial Officer Code of Ethics
- (a)(2) Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.
- (a)(3) Not applicable.
- (a)(4) Not applicable.
- (b) Certifications pursuant to Rule 30a-2(b) under the 1940 Act and Section 906 of the Sarbanes-Oxley Act of 2002 are attached hereto.
- (c) Proxy Voting Policies and Procedures.
- (d) Notices to Trust's common shareholders in accordance with Investment Company Act Section 19(a) and Rule 19a-1.(1)
  - (1) The Trust has received exceptive relief from the Securities and Exchange Commission permitting it to make periodic distributions of long-term capital gains with respect to its outstanding common stock as frequently as twelve times each year. This relief is conditioned, in part, on an undertaking by the Trust to make the disclosures to the holders of the Trust's common shares, in addition to the information required by Section 19(a) of the Investment Company Act and Rule 19a-1 thereunder. The Trust is likewise obligated to file with the Commission the information contained in any such notice to shareholders and, in that regard, has attached hereto copies of each such notice made during the period.

**Table of Contents**

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(Registrant) CBRE Clarion Global Real Estate Income Fund

By (Signature and Title)\* /s/ T. Ritson Ferguson

T. Ritson Ferguson  
President and Chief Executive Officer

Date March 5, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)\* /s/ T. Ritson Ferguson

T. Ritson Ferguson  
President and Chief Executive Officer

Date March 5, 2018

By (Signature and Title)\* /s/ Jonathan A. Blome

Jonathan A. Blome  
Chief Financial Officer

Date March 5, 2018

\* Print the name and title of each signing officer under his or her signature.