

ING CLARION GLOBAL REAL ESTATE INCOME FUND

Form DEF 14A

April 08, 2011

Table of Contents

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

ING Clarion Global Real Estate Income Fund

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

- Fee paid previously with preliminary materials.

Edgar Filing: ING CLARION GLOBAL REAL ESTATE INCOME FUND - Form DEF 14A

Check box if any part of the fee is offset as provided by Exchange Act Rule 240.0-11 and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

ING CLARION GLOBAL REAL ESTATE INCOME FUND
201 King of Prussia Road, Suite 600
Radnor, Pennsylvania 19087

Dear Shareholder:

We are writing to you on an important matter relating to your investment in ING Clarion Global Real Estate Income Fund (the Fund), a statutory trust organized under the laws of the State of Delaware. CB Richard Ellis Group, Inc. (CB Richard Ellis) has entered into definitive agreements to acquire the majority of the real estate investment management business (ING REIM) of ING Groep N.V. (ING Group), including ING Clarion Real Estate Securities, LLC (the Advisor), the Fund's investment adviser (the Proposed Acquisition). The Proposed Acquisition is expected to close in the third quarter of 2011. Upon the closing of the Transaction and subject to Shareholder approval, the Advisor would continue to act as investment adviser to the Fund under a new investment advisory agreement.

The Proposed Acquisition will have the effect of terminating the Fund's existing investment advisory agreement with the Advisor. Accordingly, and as discussed more fully in the enclosed proxy statement, we are requesting that you vote to approve a new investment advisory agreement between the Fund and the Advisor. The transaction will not result in changes to the Fund's investment objective and principal investment strategies or any increase in the Fund's fees and expenses.

CB Richard Ellis, a Fortune 500 and S&P 500 company headquartered in Los Angeles, California, is the world's largest commercial real estate services firm (in terms of 2010 revenue). CB Richard Ellis has approximately 31,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers through more than 300 offices (excluding affiliates) worldwide. CB Richard Ellis offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting. At closing, the Advisor will become a business unit of CB Richard Ellis Investors (CBRE Investors), an independently operated business unit of CB Richard Ellis. At closing, the Advisor will also assume the business of CBRE Global Real Estate Securities, an investment adviser subsidiary of CBRE Investors. The name of the combined CBRE Investors/ING REIM organization is being evaluated and will be announced in connection with the closing of the Proposed Acquisition. The Advisor's name and the Fund's name will likewise be changed at that time.

The Advisor has operated as an independent business unit of the larger ING REIM (and ING Group) organizations, benefiting from the real estate research capability of ING REIM and the operational and financial resources of ING Group. The Advisor will continue to operate as an independent business unit within the CBRE Investors (and CB Richard Ellis) organizations. All staff and functions within

Table of Contents

the Advisor's business are expected to remain the same, while the Advisor will benefit from the operational and financial resources of the larger CB Richard Ellis organization. The Advisor will continue to benefit from its relationship with ING REIM, as CB Richard Ellis is likewise acquiring the ING REIM operations in Europe and Asia, and will also benefit from access to the real estate research capability of CB Richard Ellis. Like ING REIM, CB Richard Ellis dedicates substantial resources to real estate market research, with over 400 individuals involved in real estate market research covering both developed and emerging markets.

A Special Meeting of Shareholders (the Meeting) of the Fund has been scheduled on June 15, 2011 at 10:00 a.m., Eastern Time at the offices of the Advisor, 201 King of Prussia Road, Suite 600, Radnor, Pennsylvania 19087 to vote on the new investment advisory agreement. If you are a Shareholder of record of the Fund as of the close of business on April 4, 2011, you are entitled to vote at the Meeting and any adjournment of the Meeting, even if you no longer own Fund shares.

After careful consideration, the Board of Trustees of the Fund (the Board) unanimously recommends that you vote **FOR** this Proposal.

You can vote on the approval of a new investment advisory agreement between the Fund and the Advisor in one of four ways:

by mail with the enclosed proxy card be sure to sign, date and return it in the enclosed postage-paid envelope;

through the web site listed in the proxy voting instructions;

by telephone using the toll-free number listed in the proxy voting instructions; or

in person at the Meeting on June 15, 2011.

We encourage you to vote over the Internet or by telephone, using the voting control number that appears on your proxy card. Your vote is extremely important. We ask that you take the time to carefully consider and vote on this important proposal. Please read the enclosed information carefully before voting. If you have questions, please call the Fund toll free at 1-888-711-4272 from 9:00 a.m. to 5:00 p.m. Eastern Time or Broadridge Financial Solutions, Inc., the Fund's proxy solicitor, at 1-877-257-9946.

If you do not vote using one of the above methods, you may be called by Broadridge Financial Solutions, Inc., our proxy solicitor, to vote your common shares over the telephone.

Proxies may be revoked prior to the Meeting by timely executing and submitting a revised proxy (following the methods noted above), by giving written notice of revocation to the Fund prior to the Meeting, or by voting in person at the Meeting.

Table of Contents

We appreciate your participation and prompt response in this matter and thank you for your continued support.

Sincerely,

T. Ritson Ferguson

President and Chief Executive Officer of ING Clarion Global Real Estate Income Fund

April 8, 2011

Please vote now. Your vote is important.

To avoid the wasteful and unnecessary expense of further solicitation, we urge you to indicate your voting instructions on the enclosed proxy card, date and sign it and return it promptly in the envelope provided, or record your voting instructions by telephone or via the Internet, no matter how large or small your holdings may be. If you submit a properly executed proxy but do not indicate how you wish your shares to be voted, your shares will be voted For the Proposal. If your shares are held through a broker, you must provide voting instructions to your broker about how to vote your shares in order for your broker to vote your shares at the Meeting.

Table of Contents

VERY IMPORTANT INFORMATION FOR SHAREHOLDERS

By its very nature, the following Questions and Answers section is a summary and is not intended to be as detailed as the discussion found later in the proxy materials. For that reason, the information is qualified in its entirety by reference to the enclosed proxy statement to Shareholders (Proxy Statement).

QUESTIONS AND ANSWERS

Q. WHY AM I RECEIVING THIS PROXY STATEMENT?

- A. You are receiving these proxy materials a booklet that includes the Proxy Statement and your proxy card because you have the right to vote on an important proposal concerning your investment in ING Clarion Global Real Estate Income Fund (the Fund).

On February 15, 2011, CB Richard Ellis Group, Inc. (CB Richard Ellis) entered into definitive agreements to acquire the majority of the real estate investment management business (ING REIM) of ING Groep N.V. (ING Group), including ING Clarion Real Estate Securities, LLC (the Advisor), the Fund s investment adviser, for approximately \$940 million in cash (the Proposed Acquisition). Upon completion of the Proposed Acquisition, and subject to Shareholder approval, the Advisor would continue to act as investment adviser to the Fund under a new investment advisory agreement.

To provide for the continued management of the Fund by the Advisor, you are being asked to approve a new investment advisory agreement.

Q. WHY AM I BEING ASKED TO VOTE ON A NEW INVESTMENT ADVISORY AGREEMENT?

- A. Under the Investment Company Act of 1940, as amended (the 1940 Act), shareholders are required to approve investment advisory agreements.

The Fund s Board of Trustees (the Board), including a majority of the Trustees who are not interested persons, as defined by the 1940 Act, of the Fund (the Independent Trustees), has unanimously approved a new investment advisory agreement and has determined to submit the agreement to the Fund s Shareholders for consideration and approval.

Q. HOW WILL THE PROPOSED ACQUISITION AND NEW INVESTMENT ADVISORY AGREEMENT AFFECT ME?

- A. The Proposed Acquisition will not result in changes to the Fund s investment objective and principal investment strategies or any increase in the Fund s fees and expenses. The Advisor has operated as an independent business unit of the larger ING REIM (and ING Group) organizations and will continue to operate as an independent business unit of CB Richard Ellis after the Proposed Acquisition. All staff and functions within the Advisor s business are expected to remain the

Table of Contents

same. The Advisor does not expect any changes to the personnel primarily responsible for managing the Fund and has no intention to remove any of the current portfolio managers from management of the Fund.

The new investment advisory agreement should have very little effect on you as a Shareholder of the Fund. As it does under the existing investment advisory agreement, the Fund will pay the Advisor a fee monthly in arrears at the annual rate equal to 0.85% of the average value of the Fund's managed assets (which includes the amount from any preferred shares, if issued in the future, and any other leverage) plus certain direct and allocated expenses of the Advisor incurred on the Fund's behalf. However, the new investment advisory agreement provides that the fee will be calculated based on the average *daily* value of the Fund's managed assets, while the existing advisory agreement provides that the fee will be calculated based on the average *weekly* value of such assets. This more accurately describes the fee calculation and will not cause any variation in the amount of fees paid to the Advisor. Additionally, the new investment advisory agreement will not affect the fee waiver arrangement (*Fee Waiver*) established at the Fund's inception. Under the Fee Waiver, the Advisor has agreed to waive a portion of its management fee in the amount of 0.25% of the average weekly values of the Fund's managed assets for the first five years of the Fund's operations (through February, 2009), and in a declining amount for an additional four years (through February, 2013).

The new investment advisory agreement will include some additional non-material changes, as described in the proxy statement. In addition, the Advisor has represented to the Board that there will be no change in the investment advisory services provided to the Fund or the quality of those services due to the change in control of the Advisor. Subject to Shareholder approval, the new advisory agreement would become effective concurrent with the closing of the Proposed Acquisition. The new advisory agreement would have an initial term of two (2) years, and thereafter would be subject to annual approval, as described more fully in the Proxy Statement.

Q. WHO ARE THE ADVISOR AND CB RICHARD ELLIS?

- A. The Advisor is registered as an investment adviser under the Investment Advisers Act of 1940, specializing in the management of equity real estate securities portfolios on a discretionary basis, primarily for institutional accounts. As of December 31, 2010, the Advisor had assets under management of approximately \$19.4 billion. The Advisor is presently an indirect wholly-owned subsidiary of ING Group, a global financial services organization based in The Netherlands, and is a part of ING REIM.

CB Richard Ellis, a Fortune 500 and S&P 500 company headquartered in Los Angeles, California, is the world's largest commercial real estate services firm (in terms of 2010 revenue). CB Richard Ellis has approximately 31,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers

Table of Contents

through more than 300 offices (excluding affiliates) worldwide. CB Richard Ellis offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting. The principal business address of CB Richard Ellis is 11150 Santa Monica Boulevard, Suite 1600, Los Angeles, California 90025.

Q. WHAT IS THE PROPOSED ACQUISITION?

- A. CB Richard Ellis has entered into definitive agreements to acquire the majority of ING REIM, including the Advisor, from ING Group for approximately \$940 million in cash.

Together with the other ING REIM operations being acquired by CB Richard Ellis, the Advisor will become part of CB Richard Ellis Investors (CBRE Investors), an independently operated real estate investment management business unit of CB Richard Ellis. CBRE Investors' assets under management totaled \$37.6 billion as of December 31, 2010.* The brand or company name under which the combined ING REIM/CBRE Investors business will operate is being evaluated and will be announced in connection with the closing. Corresponding changes will be made to the names of the Advisor and the Fund at that time.

CB Richard Ellis plans to finance the acquisitions with cash on hand and borrowings under its secured credit facility. CB Richard Ellis ended 2010 with more than \$500 million of cash on its balance sheet, approximately \$650 million undrawn on its revolving credit facility and an \$800 million unutilized accordion facility. Following completion of the Proposed Acquisition, CB Richard Ellis expects that its debt will remain well below the maximum leverage ratio under its secured credit facility.

The Advisor expects to assume the business of CBRE Global Real Estate Securities (CBRE Securities) at the closing of the Proposed Acquisition. CBRE Securities is an existing investment adviser subsidiary of CBRE Investors with a business similar to that of the Advisor. As of December 31, 2010, CBRE Securities had assets under management of approximately \$2.5 billion. A select number of investment professionals are expected to join the Advisor from CBRE Securities, which will provide additional depth to the Advisor's investment team. Notwithstanding the additions to its investment team, the Advisor does not intend

* CBRE Investors' assets under management generally consist of real estate properties or loans, securities portfolios and investments in operating companies and joint ventures. The methodology used by ING REIM and CBRE Investors to determine their respective assets under management are not the same and, accordingly, the reported assets under management of ING REIM would be different if calculated using a methodology consistent with that of CBRE Investors. To the extent applicable, ING REIM's reported assets under management was converted from Euro to U.S. dollars using an exchange rate of \$1.3379 per 1.

Table of Contents

to change its investment process and has no intention to remove any of the current portfolio managers from management of the Fund.

Senior management of the Advisor, including the primary portfolio managers, will own nearly 25% of the firm on a fully-diluted basis after closing. This ownership will vest over time (generally 8 years) and a significant amount will be forfeited if the individual resigns voluntarily in the first several years. The Advisor believes that this arrangement will allow the firm to operate independently within CB Richard Ellis over the long-term.

Q. WILL THERE BE ANY CHANGES TO THE FUND'S OTHER SERVICE PROVIDERS?

A. It is not anticipated that there will be changes to the Fund's service providers. The Bank of New York Mellon Corporation will continue to serve as the Fund's Administrator, Transfer Agent and Custodian.

Q. HOW DOES THE BOARD RECOMMEND THAT I VOTE?

A. After careful consideration, the Board unanimously recommends that you vote **FOR** the proposal. Please see the section entitled "Board Recommendation" for a discussion of the Board's considerations in making such a recommendation.

Q. WHAT HAPPENS IF THE NEW INVESTMENT ADVISORY AGREEMENT IS NOT APPROVED?

A. Closing of the Proposed Acquisition is contingent upon, among other things, the approval or consent (as applicable) of the clients/shareholders representing a substantial percentage of the Advisor's assets under management, which includes the Fund's assets. If the new investment advisory agreement is not approved by Shareholders at the Meeting, the closing of the Proposed Acquisition may be delayed until Shareholder approval is obtained. The Advisor will continue to serve as investment adviser to the Fund under the existing investment advisory agreement until the closing of the Proposed Acquisition.

Q. WHAT VOTE IS REQUIRED TO APPROVE THE PROPOSAL?

A. To be approved, the proposal must be approved by a vote of a majority of the outstanding voting securities of the Fund. The "vote of a majority of the outstanding voting securities" is defined in the 1940 Act as the lesser of the vote of (i) 67% or more of the voting securities of the Fund entitled to vote thereon present at the Meeting or represented by proxy, if more than 50% of the Fund's outstanding voting securities are present or represented by proxy; or (ii) more than 50% of the outstanding voting securities of the Fund entitled to vote thereon.

Q. HOW DO I PLACE MY VOTE?

A. You may vote by mail with the enclosed proxy card, by Internet by following the instructions in the proxy voting instructions, by telephone using the toll-free

Table of Contents

number listed in the proxy voting instructions, or in person at the Meeting. You may use the enclosed postage-paid envelope to mail your proxy card. Please follow the enclosed instructions to utilize any of these voting methods. If you need more information on how to vote, or if you have any questions, please call the Fund's proxy solicitation agent at the telephone number below.

Proxies may be revoked prior to the Meeting by timely executing and submitting a revised proxy (following the methods noted above), by giving written notice of revocation to the Fund prior to the Meeting, or by voting in person at the Meeting.

Q. WHOM DO I CALL IF I HAVE QUESTIONS?

- A. We will be happy to answer your questions about this proxy solicitation. If you have questions, please call the Fund toll free at 1-888-711-4272 from 9:00 a.m. to 5:00 p.m. Eastern Time or Broadridge Financial Solutions, Inc., the Fund's proxy solicitor, at 1-877-257-9946.

REMEMBER YOUR VOTE COUNTS, EVEN IF YOU HAVE SOLD YOUR SHARES BETWEEN THE RECORD DATE AND THE DATE OF THE MEETING!

If your completed proxy ballot is not received, you may be contacted by representatives of Broadridge Financial Solutions, Inc. to vote your common shares over the telephone. Broadridge Financial Solutions, Inc. has been engaged to assist the Fund in soliciting proxies. Representatives of Broadridge Financial Solutions, Inc. will remind you to vote your shares.

Table of Contents

**ING CLARION GLOBAL REAL ESTATE INCOME FUND
201 King of Prussia Road, Suite 600
Radnor, Pennsylvania 19087**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JUNE 15, 2011**

To Shareholders of ING Clarion Global Real Estate Income Fund:

NOTICE IS GIVEN THAT a Special Meeting of Shareholders (the Meeting) of ING Clarion Global Real Estate Income Fund (the Fund), a statutory trust organized under the laws of the State of Delaware, will be held at the offices of ING Clarion Real Estate Securities, LLC (the Advisor), 201 King of Prussia Road, Suite 600, Radnor, Pennsylvania 19087 on June 15, 2011 at 10:00 a.m., Eastern Time for the following purposes:

1. To approve a new investment advisory agreement between the Fund and the Advisor (Proposal 1); and
2. To transact such other business as may properly come before the Meeting.

Shareholders of record as of the close of business on April 4, 2011 are entitled to notice of, and to vote at, the Meeting or any adjournment or postponement thereof.

THE BOARD OF TRUSTEES OF THE FUND REQUESTS THAT YOU VOTE YOUR COMMON SHARES BY INDICATING YOUR VOTING INSTRUCTIONS ON THE ENCLOSED PROXY CARD, DATING AND SIGNING SUCH PROXY CARD AND RETURNING IT IN THE ENVELOPE PROVIDED, WHICH IS ADDRESSED FOR YOUR CONVENIENCE AND NEEDS NO POSTAGE IF MAILED IN THE UNITED STATES, OR BY RECORDING YOUR VOTING INSTRUCTIONS BY TELEPHONE OR VIA THE INTERNET.

THE BOARD OF TRUSTEES OF THE FUND RECOMMENDS THAT YOU CAST YOUR VOTE:

FOR THE APPROVAL OF A NEW INVESTMENT ADVISORY AGREEMENT BETWEEN THE FUND AND THE ADVISOR, AS DESCRIBED IN THE PROXY STATEMENT.

IN ORDER TO AVOID THE ADDITIONAL EXPENSE OF FURTHER SOLICITATION, WE ASK THAT YOU MAIL YOUR PROXY CARD OR

Table of Contents

RECORD YOUR VOTING INSTRUCTIONS BY TELEPHONE OR VIA THE INTERNET PROMPTLY.

For the Board of Trustees,

T. RITSON FERGUSON
President and Chief Executive Officer
ING Clarion Global Real Estate Income Fund

April 8, 2011

YOUR VOTE IS IMPORTANT.

**PLEASE VOTE PROMPTLY BY SIGNING AND RETURNING
THE ENCLOSED PROXY CARD OR BY RECORDING YOUR
VOTING INSTRUCTIONS BY TELEPHONE OR VIA THE
INTERNET, NO MATTER HOW MANY
COMMON SHARES YOU OWN.**

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF
PROXY MATERIALS FOR THE SPECIAL MEETING OF
SHAREHOLDERS TO BE HELD ON JUNE 15, 2011**

The Fund's Notice of a Meeting of Shareholders, Proxy Statement and Form of Proxy Card are available on the Internet at www.ingclarionres.com by clicking on the "Closed-end funds" link under "Products."

Table of Contents

**ING CLARION GLOBAL REAL ESTATE INCOME FUND
201 King of Prussia Road, Suite 600
Radnor, Pennsylvania 19087**

PROXY STATEMENT

**SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JUNE 15, 2011**

The Board of Trustees (the **Board**) of ING Clarion Global Real Estate Income Fund, a statutory trust organized under the laws of the State of Delaware and a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940 (the **1940 Act**), is soliciting proxies from the Shareholders of the Fund in connection with a Special Meeting of Shareholders of the Fund, and at any adjournment or postponement thereof (the **Meeting**), to be held at the offices of ING Clarion Real Estate Securities, LLC (the **Advisor**), the Fund's investment adviser, 201 King of Prussia Road, Suite 600, Radnor, Pennsylvania 19087, on June 15, 2011 at 10:00 a.m. Eastern Time.

The Meeting's notice, this proxy statement (the **Proxy Statement**) and proxy card(s) are being sent to Shareholders of record as of the close of business on April 4, 2011 (the **Record Date**) beginning on or about April 11, 2011. Additional information about the Fund is available by calling the Fund toll free at 1-888-711-4272 from 9:00 a.m. to 5:00 p.m. Eastern Time. Only one copy of this Proxy Statement may be mailed to households, even if more than one person in a household owns shares of the Fund, unless the Fund has received contrary instructions from the Shareholder. If you need additional copies of this Proxy Statement, please contact our proxy solicitor, Broadridge Financial Solutions, Inc., at 1-877-257-9946.

At the Meeting, Shareholders will vote on the following proposals (each a **Proposal** and collectively, the **Proposals**):

1. To approve a new investment advisory agreement between the Fund and the Advisor (**Proposal 1**); and
2. To transact such other business as may properly come before the Meeting.

The Fund will furnish, without charge, a copy of the Fund's most recent annual report to any Shareholder upon request. Shareholder who wishes to request copies of the Fund's annual report may do so by contacting the Advisor as follows:

Call: 1-888-711-4272 from 9:00 a.m. to 5:00 p.m. Eastern Time

Write: ING Clarion Real Estate Securities, LLC 201 King of Prussia Road, Radnor, Pennsylvania 19087

Visit: www.ingclarionres.com

Table of Contents

Any Shareholder who owned shares of the Fund on the Record Date is entitled to notice of, and to vote at, the Meeting or any adjournment or postponement thereof. Each Shareholder is entitled to one vote for each full share and an appropriate fraction of a vote for each fractional share held.

Shareholders who execute proxies retain the right to revoke them in person at the Meeting or by written notice received by the Secretary of the Fund at any time before the proxies are voted. Unrevoked proxies will be voted as specified on the proxy card(s) and, unless specified to the contrary, will be voted FOR each Proposal.

The presence in person or by proxy of Shareholders owning a majority of the shares entitled to vote on any matter is necessary to constitute a quorum for the transaction of business at the Meeting. In the event that a quorum is not present at the Meeting, the Shareholders of a majority of the votes present in person or by proxy may adjourn the Meeting from time to time to a date not more than 120 days after the Record Date without notice other than announcement at such Meeting.

The persons named as proxies will vote, in their discretion, those proxies that they are entitled to vote FOR or AGAINST each Proposal. Approval of Proposal 1 requires the affirmative vote of a majority of the outstanding voting securities of the Fund. Under the Investment Company Act of 1940, as amended (the 1940 Act), the vote of a majority of the outstanding voting securities means the affirmative vote of the lesser of (1) the holders of 67% or more of the shares represented at the Meeting, if the holders of more than 50% of the shares of the Fund are represented at the Meeting, or (2) more than 50% of the outstanding shares of the Fund.

Abstentions and broker non-votes will be counted as shares present at the Meeting for quorum purposes. Abstentions will be counted as present and entitled to vote at the Meeting but will not be considered votes cast at the Meeting. Broker non-votes are shares held in street name for which the broker indicates that instructions have not been received from the beneficial owners or other persons entitled to vote and for which the broker does not have discretionary voting authority. Abstentions and broker non-votes are effectively votes against Proposal 1 because an absolute percentage of affirmative votes is required to approve the Proposal.

Additional information regarding outstanding shares, voting your proxy card(s) and attending the Meeting(s) are included at the end of the Proxy Statement in the section entitled Voting Information.

The Proposed Acquisition

General Terms

On February 15, 2011, CB Richard Ellis Group, Inc. (CB Richard Ellis) entered into definitive agreements to acquire the majority of the real estate investment management business (ING REIM) of ING Groep N.V. (ING Group),

Table of Contents

including the Advisor, for approximately \$940 million in cash (the Proposed Acquisition).

The Advisor currently serves as the Fund's investment adviser under the terms of an investment advisory agreement with the Fund dated February 18, 2004 (the Existing Advisory Agreement). The closing of the Proposed Acquisition will result in a change of control of the Advisor, which will terminate the Existing Advisory Agreement under its terms. Therefore, concurrent with the closing of the Proposed Acquisition and subject to Shareholder approval, the Fund intends to continue the Advisor's engagement as investment adviser by entering into a new investment advisory agreement (the New Advisory Agreement).

The Advisor is registered as an investment adviser under the Investment Advisers Act of 1940. The Advisor specializes in the management of equity real estate securities and manages diversified securities portfolios on a discretionary basis, primarily for institutional accounts. As of December 31, 2010, the Advisor had assets under management of approximately \$19.4 billion. The Advisor is presently an indirect wholly-owned subsidiary of ING Group, a global financial services organization based in The Netherlands. Within ING Group, the Advisor is unit of ING REIM, one of the world's largest global real estate investment managers with offices in The Netherlands, the United Kingdom, Hong Kong and Japan, as well as the United States. The ING REIM businesses being acquired by CB Richard Ellis, including the Advisor, had aggregate assets under management of approximately \$59.8 billion as of December 31, 2010.

CB Richard Ellis, a Fortune 500 and S&P 500 company headquartered in Los Angeles, California, is the world's largest commercial real estate services firm (in terms of 2010 revenue). CB Richard Ellis has approximately 31,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers through more than 300 offices (excluding affiliates) worldwide. CB Richard Ellis offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting. The principal business address of CB Richard Ellis is 11150 Santa Monica Boulevard, Suite 1600, Los Angeles, California 90025.

Together with the other ING REIM operations being acquired by CB Richard Ellis, the Advisor will become part of CB Richard Ellis Investors (CBRE

CBRE Investors' assets under management generally consist of real estate properties or loans, securities portfolios and investments in operating companies and joint ventures. The methodology used by ING REIM and CBRE Investors to determine their respective assets under management are not the same and, accordingly, the reported assets under management of ING REIM would be different if calculated using a methodology consistent with that of CBRE Investors. To the extent applicable, ING REIM's reported assets under management was converted from Euro to U.S. dollars using an exchange rate of \$1.3379 per 1.

Table of Contents

Investors), an independently operated real estate investment management business unit of CB Richard Ellis. CBRE Investors' assets under management totaled \$37.6 billion as of December 31, 2010. The brand or company name under which the combined ING REIM/CBRE Investors business will operate is being evaluated and will be announced in connection with the closing. Corresponding changes will be made to the name of the Advisor and the Fund at that time.

CB Richard Ellis plans to finance the acquisitions with cash on hand and borrowings under its secured credit facility. CB Richard Ellis ended 2010 with more than \$500 million of cash on its balance sheet, approximately \$650 million undrawn on its revolving credit facility and an \$800 million unutilized accordion facility. Following completion of the Proposed Acquisition, CB Richard Ellis expects that its debt will remain well below the maximum leverage ratio under its secured credit facility.

Impact on the Advisor and the Fund

The Advisor has operated as an independent business unit of the larger ING REIM (and ING Group) organizations and will continue to operate as an independent business unit within the larger CBRE Investors (and CB Richard Ellis) organizations. All staff and functions within the Advisor's business are expected to remain the same. Portfolio management, client service, marketing and operational staff will continue in their current roles in all global offices. The Advisor does not expect any changes to the personnel primarily responsible for managing the Fund and has taken significant steps to encourage retention and align the interests of management with its clients, including the Fund. Although there may be additions to its investment team, the Advisor has no intention to remove any of the current portfolio managers from management of the Fund.

The Advisor has historically benefited from the real estate research capability of the ING REIM organization. This is expected to continue, as CB Richard Ellis is likewise acquiring the ING REIM operations in Europe and Asia. Like ING REIM, CB Richard Ellis dedicates substantial resources to real estate market research, with over 400 individuals involved in real estate market research covering both developed and emerging markets.

The Advisor expects to assume the business of CBRE Global Real Estate Securities (CBRE Securities) at the closing of the Proposed Acquisition. CBRE Securities is an existing investment adviser subsidiary of CBRE Investors with a business similar to that of the Advisor. As of December 31, 2010, CBRE Securities had assets under management of approximately \$2.5 billion. A select number of investment professionals are expected to join the Advisor from CBRE Securities, which will provide additional depth to the Advisor's investment team. Notwithstanding the additions to its investment team, the Advisor does not intend to change

See prior Note.

Table of Contents

its investment process and has no intention to remove any of the current portfolio managers from management of the Fund.

Senior management of the Advisor, including the primary portfolio managers, will own nearly 25% of the firm on a fully-diluted basis after the closing. This ownership will vest over time (generally 8 years) and a significant amount will be forfeited if the individual resigns voluntarily in the first several years. The Advisor believes that this arrangement will allow the firm to operate independently within CB Richard Ellis over the long-term.

New Advisory Agreement

At an in-person meeting held on March 8, 2011, the Board, including a majority of the Board members who are not interested persons, as defined in the 1940 Act (the Independent Trustees), unanimously approved the New Advisory Agreement and recommended its approval by Shareholders as being in the best interests of the Fund and its Shareholders (see Board Considerations in Approving the New Advisory Agreement below). The 1940 Act requires that the New Advisory Agreement be approved by the Fund's Shareholders in order for it to become effective.

Section 15(f) of the 1940 Act offers a safe harbor for persons selling advisory businesses from claims that they have sold a fiduciary office (*i.e.*, their investment advisory contractual relationship with the funds they advise) in exchange for compensation in the sale of their business. Section 15(f) provides in substance that when a sale of a controlling interest in an investment adviser of a registered investment company occurs, the investment adviser or any of its affiliated persons may receive any amount or benefit in connection with the sale so long as two conditions are satisfied. The first condition of Section 15(f) is that during the three-year period following the completion of the transaction, at least 75% of the investment company's board of trustees must not be interested persons, as defined in the 1940 Act, of the investment adviser or predecessor adviser. The Fund's Board currently satisfies this requirement. Second, an unfair burden must not be imposed on the investment company as a result of the transaction relating to the sale of such interest, or any express or implied terms, conditions or understandings applicable thereto. The term unfair burden, as defined in the 1940 Act, includes any arrangement during the two-year period after the transaction whereby the investment adviser (or predecessor or successor adviser), or any interested person, as defined in the 1940 Act, of such an adviser, receives or is entitled to receive any compensation, directly or indirectly, (i) from any person in connection with the purchase or sale of securities or other property to, from, or on behalf of, an investment company, other than bona fide ordinary compensation as principal underwriter, or (ii) from an investment company or its security holders for other than bona fide investment advisory or other services.

Consistent with the conditions of Section 15(f) of the 1940 Act, the Advisor and CB Richard Ellis have agreed that they will not take any action that would have the

Table of Contents

effect, directly or indirectly, of causing any requirement of the provisions of Section 15(f) to be violated with respect to the Proposed Acquisition.

The Advisor and CB Richard Ellis represented to the Board that no unfair burden would be imposed on the Fund as a result of the Proposed Acquisition.

Service Providers

ING Clarion Real Estate Securities, LLC serves as the investment adviser to the Fund and is located at 201 King of Prussia Road, Suite 600, Radnor, Pennsylvania 19087.

The Bank of New York Mellon Corporation, located at 101 Barclay Street, New York, New York 10286, serves as administrator, custodian and transfer agent to the Fund.

The shares of the Fund trade on the New York Stock Exchange. (NYSE) under the ticker symbol IGR and will continue to be so listed subsequent to the Proposed Acquisition. Reports, proxy statements and other information concerning the Fund may be inspected at the offices of the NYSE 11 Wall Street, New York, New York 10005.

THE BOARD RECOMMENDS THAT THE SHAREHOLDERS OF THE FUND VOTE FOR THE APPROVAL OF THE PROPOSAL.

The date of this Proxy Statement is April 8, 2011.

Additional information about the Fund is available in its most recent annual and semi-annual reports to Shareholders. Most recently, the Fund's annual report has been mailed to Shareholders. Copies of these documents are available without charge on a web site maintained by the Advisor at www.ingclarionres.com or from the Advisor by calling (888) 711-4272 or by writing to the Fund at 201 King of Prussia Road, Radnor, Pennsylvania 19087. The Fund is subject to the informational requirements of the Securities Exchange Act of 1934 and in accordance therewith files reports, proxy statements, proxy material and other information with the Securities and Exchange Commission (SEC). Materials filed with the SEC can be reviewed and copied at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549 or downloaded from the SEC's web site at www.sec.gov. Information on the operation of the SEC's Public Reference Room may be obtained by calling the SEC at (202) 551-8090. You may also request copies of these materials, upon payment at the prescribed rates of a duplicating fee, by electronic request to the SEC's e-mail address (publicinfo@sec.gov) or by writing the Public Reference Branch, Office of Consumer Affairs and Information Services, SEC, Washington, DC, 20549-0102.

TABLE OF CONTENTS

| | |
|---|-----|
| <u>DISCUSSION OF PROPOSAL</u> | 1 |
| <u>PROPOSAL TO APPROVE A NEW INVESTMENT ADVISORY AGREEMENT BETWEEN THE FUND AND THE ADVISOR</u> | 1 |
| <u>Description of Proposal 1</u> | 1 |
| <u>Description of Proposal 2</u> | |
| <u>Description and Comparison of the New Advisory Agreement and the Existing Advisory Agreement</u> | 2 |
| <u>Board Considerations in Approving the New Advisory Agreement</u> | 5 |
| <u>Board Approval and Recommendation</u> | 6 |
| <u>Additional Information Concerning the Advisor and CB Richard Ellis</u> | 6 |
| <u>Required Vote</u> | 7 |
| <u>Shareholder Information</u> | 8 |
| <u>Shareholder Communications with the Board of Trustees</u> | 8 |
| <u>Householding</u> | 8 |
| <u>SHAREHOLDER PROPOSALS</u> | 8 |
| <u>VOTING INFORMATION</u> | 9 |
| <u>Quorum, Record Date and Share Ownership</u> | 9 |
| <u>Submitting and Revoking Your Proxy</u> | 9 |
| <u>Required Vote</u> | 10 |
| <u>Solicitation of Proxies</u> | 11 |
| <u>OTHER BUSINESS</u> | 11 |
| <u>INDEX TO EXHIBITS TO PROXY STATEMENT</u> | 12 |
| <u>EXHIBIT A</u> | A-1 |

Table of Contents

**DISCUSSION OF PROPOSAL
PROPOSAL TO APPROVE A NEW INVESTMENT ADVISORY
AGREEMENT BETWEEN THE FUND AND THE ADVISOR**

Description of Proposal 1

At the Meeting, you will be asked to approve the New Advisory Agreement between the Fund and the Advisor. The Advisor is registered as an investment adviser under the Investment Advisers Act of 1940, specializing in the management of equity real estate securities portfolios on a discretionary basis, primarily for institutional accounts. As of December 31, 2010, the Advisor had assets under management of approximately \$19.4 billion. A general description of the proposed New Advisory Agreement is included below. A form of the New Advisory Agreement is attached hereto as Exhibit A.

Under the 1940 Act, a change in control of an investment adviser results in the assignment, and automatic termination, of the investment advisory agreement. The Proposed Acquisition will result in a change of control of the Advisor and the automatic termination of the Existing Advisory Agreement. A new investment advisory agreement, such as the New Advisory Agreement, requires the approval of both the board of trustees of the investment company and the shareholders of such investment company.

In anticipation of the closing of the Proposed Acquisition, the Trustees, including a majority of the Independent Trustees, considered and approved, subject to Shareholder approval, the New Advisory Agreement at an in-person Special Meeting held on March 8, 2011. The terms of the New Advisory Agreement are substantially similar in all material respects to the terms of the Existing Advisory Agreement. In particular, the management fee rate under the New Advisory Agreement is the same as the rate provided for by the Existing Advisory Agreement. In addition, the fee waiver arrangement, pursuant to which the Advisor is waiving a portion of its management fee in a declining amount through February 2013, will remain in place. Subject to Shareholder approval, the New Advisory Agreement would become effective concurrent with the closing of the Proposed Acquisition, which is expected to occur prior to the end of the third quarter of 2011, would have an initial term of two (2) years, and would continue in effect thereafter for successive annual periods so long as such continuance is specifically approved at least annually (i) by either the Board or by vote of a majority of the outstanding voting securities, as defined in the 1940 Act, of the Fund, and (ii) in either event, by the vote of a majority of the Independent Trustees cast in-person at a meeting called for the purpose of voting on such approval.

The Board recommends that Shareholders approve the New Advisory Agreement.

Table of Contents

Description and Comparison of the New Advisory Agreement and the Existing Advisory Agreement

General Information. The following description of the material terms of the New Advisory Agreement is qualified in its entirety by reference to the form of New Advisory Agreement attached hereto as Exhibit A. The New Advisory Agreement contains materially similar terms as the Existing Advisory Agreement, except as described below. Pursuant to the Existing Advisory Agreement, the Advisor served as the investment adviser to the Fund since its inception. The Trustees, including a majority of the Independent Trustees, initially approved the Existing Advisory Agreement at the Fund's organizational meeting held in-person on December 17, 2003. The Existing Advisory Agreement was approved by the Fund's initial Shareholder on February 18, 2004 and most recently reapproved by the Board on March 8, 2011.

Investment Advisory Services. The terms of the New Advisory Agreement provide for the provision by the Advisor of the same services that the Advisor currently provides under the Existing Advisory Agreement. The Advisor would, among other things and subject to the terms of the New Advisory Agreement and the supervision of the Board: (i) act as investment advisor for and supervise and manage the investment and reinvestment of the Fund's assets and in connection therewith have complete discretion in purchasing and selling securities and other assets for the Fund; (ii) supervise continuously the investment program of the Fund and the composition of its investment portfolio; (iii) arrange for the purchase and sale of securities and other assets held in the investment portfolio of the Fund; and (iv) provide investment research to the Fund. The Advisor shall also (i) provide periodic reports to the Board concerning the Advisor's discharge of its duties and responsibilities under the New Advisory Agreement as the Board reasonably requests; (ii) vote, or in accordance with the Advisor's proxy voting policies, procedures and guidelines cause to be voted, proxies, exercising consents, and exercising all other rights appertaining to securities and assets held by the Fund in accordance with the voting policies and procedures approved by the Board; (iii) as appropriate, select broker-dealers to execute portfolio transactions for the Fund; and (iv) maintain and preserve for the periods prescribed by Rule 31a-2 under the 1940 Act, such records as are required to be maintained by Rule 31a-1 under the 1940 Act.