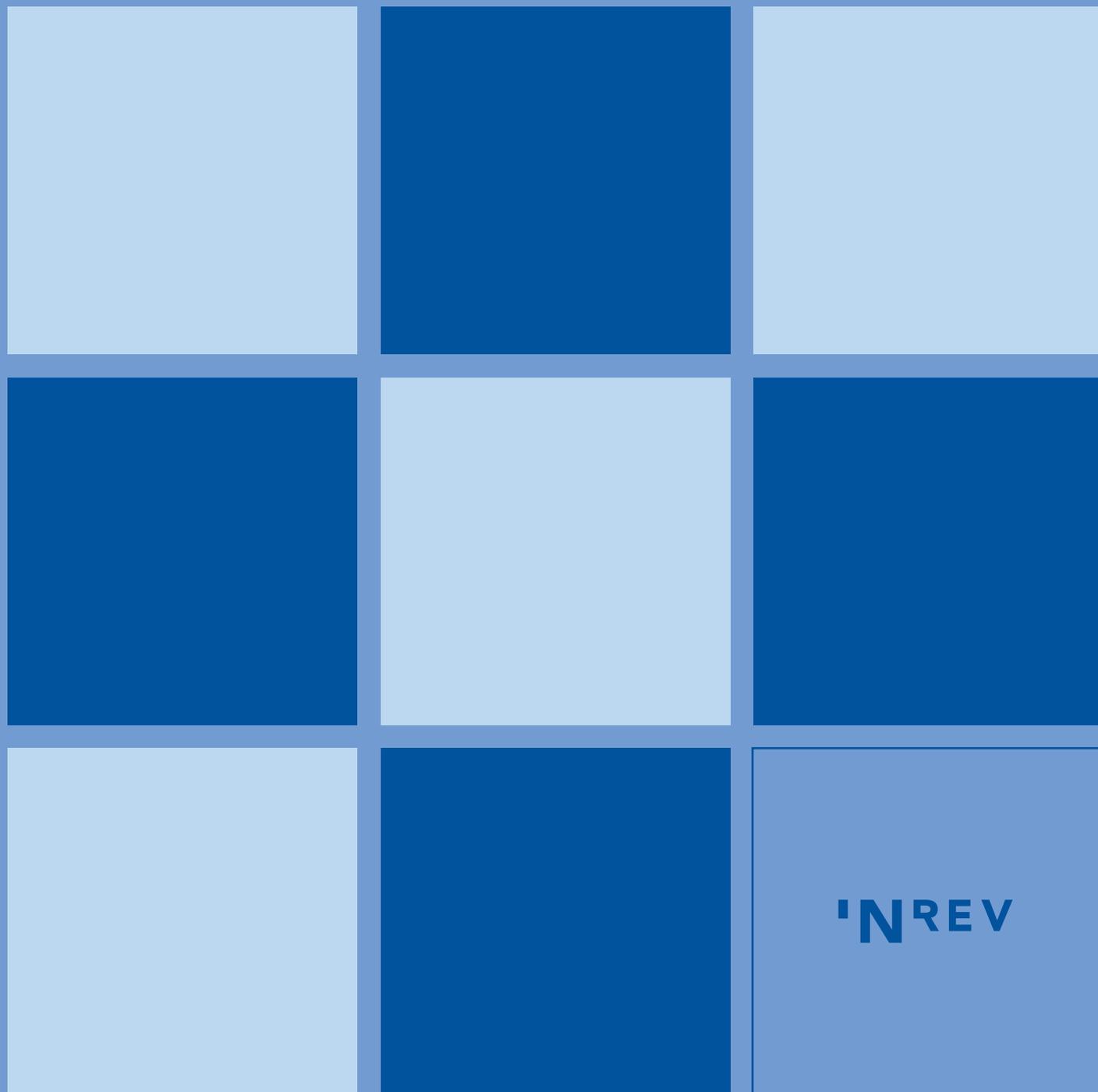


INREV RESEARCH & MARKET INFORMATION

INVESTMENT INTENTIONS SURVEY 2012



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INREV is the European Association for Investors in Non-Listed Real Estate Vehicles. Our aim is to improve the accessibility of non-listed real estate funds for institutional investors by promoting greater transparency, accessibility, professionalism and standards of best practice.

As a pan European body, INREV represents an excellent platform for the sharing and dissemination of knowledge on the non-listed real estate funds market. The association's primary focus is on institutional investors, although other market participants such as fund managers, investment banks, lawyers and other advisors provide additional support.

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EXECUTIVE SUMMARY

This year's INREV Investment Intentions Survey provides an insight into the expected trends among investors, fund of funds managers and fund managers in the non-listed real estate funds industry. In addition, the report includes a special section on country risk.

The results show that 42% of investors expect to increase allocations to non-listed real estate funds over the next two years, which is a small decrease since the 2010 and 2011 survey. The number of investors which expect to decrease allocations to non-listed real estate funds is higher this year at 21%.

The interest in joint ventures dropped this year with 39% of investors expecting to increase allocations in comparison to 67% last year. This drop in interest is mainly driven by German investors. Last year over 80% of German investors expected to increase allocations to joint ventures whereas only 13% expect to do this in this year's study. Despite the drop in interest, joint ventures are still most popular for investors when looking at the net increase across the investment options.

Almost 60% of investors expect to increase their allocations to non-European non-listed property funds which is comparable with last year's survey. The percentage of investors expecting to decrease their allocations (15%) is growing compared with last year. However, this still results in a large net increase of 45%, which is substantially higher in comparison with the 21% net increase for European non-listed property funds. This demand for non-listed real estate funds outside Europe is mainly driven by Nordic investors.

Core is the most preferred fund style for 69% of investors, a trend seen since the start of the credit crisis. This preference is mainly driven by the Dutch and 'other' investor groups. The interest for opportunity funds has slightly increased to 10% this year, an increase from 3% last year. This is at the expense of value added funds and mainly driven by Nordic Investors. Over a two year period close to 50% of investors expect to increase allocations to value added funds.

Around 65% of investors prefer a single country strategy over a multi-country strategy, which is lower in comparison to last year. The same applies for single sector versus multi-sector funds. Fund of funds managers think differently about sectors and prefer multi-sector funds over single sector funds. German and Dutch investors are like minded in their preference for single country single sector strategies.

Investors' preference for German retail is now even more pronounced than last year and still the most favoured location/sector combination by 64% of the investors. This interest in the German market by investors could be due to the Euro crisis with Germany seen as one of the most stable markets, and the majority of investors expect to make investments in core products.

The Nordic market has increased in popularity. Nordic retail is now in second place with almost 50% of investors choosing this option as their preferred choice. In addition, Nordic offices is now investors' third most preferred location/sector, which makes it the most favoured office market for investors.

Investors and fund of funds managers share the same risk perceptions for almost all markets within Europe. Southern Europe is now seen as a high risk market. Investors classify these countries as more risky than Eastern European markets. Germany and the Nordics are perceived as the countries with lowest risk. This low risk profile is one of the major drivers of the expected increase in allocations to these markets in coming two years.

On a global level the most popular region at present is Asia with 42% of investors expecting to increase their allocations to this region. At 56%, this figure is even higher for fund of funds managers. As only 7% of investors and 13% of fund of funds managers expect to decrease their allocations, this leads to large net increases of 35% and 43% respectively.

Access to expert management continues to be the most important reason for investing in non-listed real estate funds for all respondent types. Another popular reason is to be able to take advantage of current market conditions, which was second choice for both 53% of investors and 63% of fund of funds managers.

Market conditions and the availability of suitable products with 56% of responses are now jointly the two top reasons not to invest. These have now overtaken alignment of interest. Fund of funds managers views have also shifted in the same direction, although at 44% they also see liquidity as a major concern.

Real estate debt funds are the most popular mandate among the alternatives investments for investors and fund of funds managers, and in line with that most investments have been made into these type of funds as well as infrastructure. Around 27% of investors have already invested in debt funds and infrastructure, a figure that is slightly higher for fund of funds managers at 31%. Over the next two years around 41% of investors said they are likely or very likely to make an investment in real estate debt funds compared with 23% a year ago.

Upcoming regulations are expected to continue to impact the industry. It is noticed that 6% of investors and 19% of fund of funds managers think regulations is a reason not to invest in non-listed real estate funds, whereas a third of fund managers think this is the case. For more than 80% of all respondents regulations are still not holding them back from making new investments.

1 INTRODUCTION

This INREV Investment Intentions report provides an insight into the expected trends among investors, fund of funds managers and fund managers in the non-listed real estate funds industry in 2012. The first chapter of this report focuses on the investors' perspective on expected real estate allocations over the next two years. The rest of the report analyses the views of investors, fund of funds managers and fund managers in terms of preferred location/sector, fund strategy as well as views on current issues and the progress of the non-listed real estate funds industry. The report also includes a special section on country risk within Europe and how that relates to allocation expectations of investors and fund of funds managers over the next two years.

The report is based on the results of an online survey that questioned INREV members and other participants in the non-listed real estate funds industry. In total 366 online surveys were sent out. The survey was sent to a senior representative in each organisation, with each response intended to represent a company view.

The survey attracted 121 respondents, which comprised 33 investors, 16 fund of funds managers and 72 fund managers. This represents 34% of the INREV membership base. Of the respondents, 90% are INREV members.

More details on survey respondents can be found in Appendix 2 on page 51 – 54

2 INVESTORS' ALLOCATION TRENDS

This chapter looks at the current and expected allocation trends of investors in real estate. The table below shows current allocations to real estate. Of the 33 investor respondents, 23 reported their actual asset allocations as of 30 June 2011. In total, investors allocated 8.8% to real estate as a percentage of total assets under management. Of this proportion, 53.4% is allocated to global non-listed real estate, of which 72.4% is allocated to European non-listed real estate. These results indicate that the majority of the non-listed real estate investments are in Europe.

TABLE 01 / INVESTORS' CURRENT ALLOCATIONS TO REAL ESTATE	
	%
REAL ESTATE (% OF TOTAL ASSETS)	8.8
GLOBAL NON-LISTED REAL ESTATE (% OF TOTAL REAL ESTATE)	53.4
EUROPEAN NON-LISTED REAL ESTATE (% OF GLOBAL NON-LISTED REAL ESTATE)	72.4

Investors were asked about their expected change in current allocations in a range of European real estate products over the next two years.

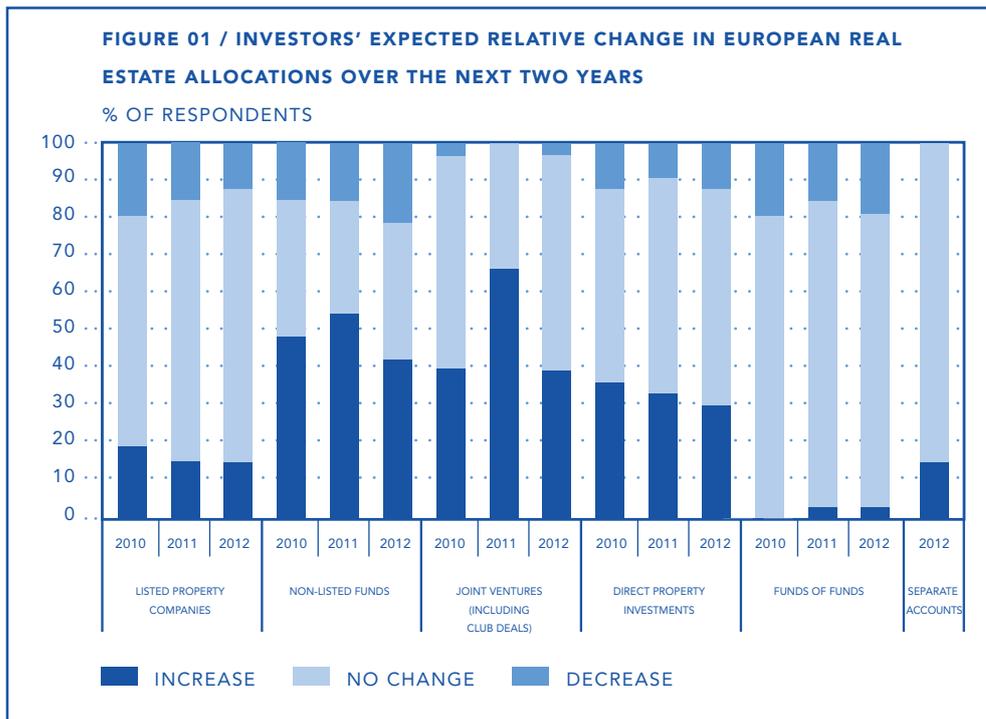
The results in Figure 01 show that 42% of the investors expect to increase allocations to non-listed real estate funds over the next two years. This figure is lower than the 49% and 55% in the 2010 and 2011 surveys respectively. The number of investors which expect to decrease allocations to non-listed real estate funds is higher this year. For 2012, 21% of respondents expected to decrease allocations compared with 15% in 2010 and 2011. However, looking at the net balance (the increase minus the decrease), investors are net allocators to funds at 21%. The group of investors that do not expect to change their allocations to non-listed funds is still substantial at 36%.

Last year's survey showed that investors want to have more control over their investments which resulted in 67% expecting to increase their allocations to joint ventures and club deals. This figure has dropped back substantially in 2012 to 39%, which is comparable with the 2010 results. However, as only 3% expect allocations to fall this leads to a net increase of 36% for joint ventures including club deals, the highest net increase across the range of products.

For allocation changes to listed and direct real estate, the results are comparable with the previous two years. In this year's survey 15% of the investors expect to increase allocations to listed real estate whereas 12% expect a decrease. This results in a net increase of 3%. For direct real estate the net increase is higher at 18%.

Funds of funds is the only real estate product with a net reduction in expected allocations with 3% expecting to increase and 19% to decrease. This outcome is similar to the 2010 and 2011 surveys. These figures could be affected by the size of investors as in general funds of funds attract smaller investors and the majority of respondents to this survey are likely to be classified as large investors.

For the first time, the survey asked respondents if they expect to make allocation changes to separate accounts and 15% of investors expected to increase their allocations.



For the following analysis investors are broken down by domicile with the total investor group separated into German (8), Dutch (12), Nordic (6) and 'other' (7) investors. The 'other' investor group includes investors from Switzerland, the UK and the US, among others.

Figure 02 shows that German and Nordic investors are mostly likely to increase allocations to non-listed property funds over the next two years at 50% each. None of the Nordic investors and 13% of the German investors expects to decrease their allocation, which leads to them being net allocators of 50% and 37% respectively.

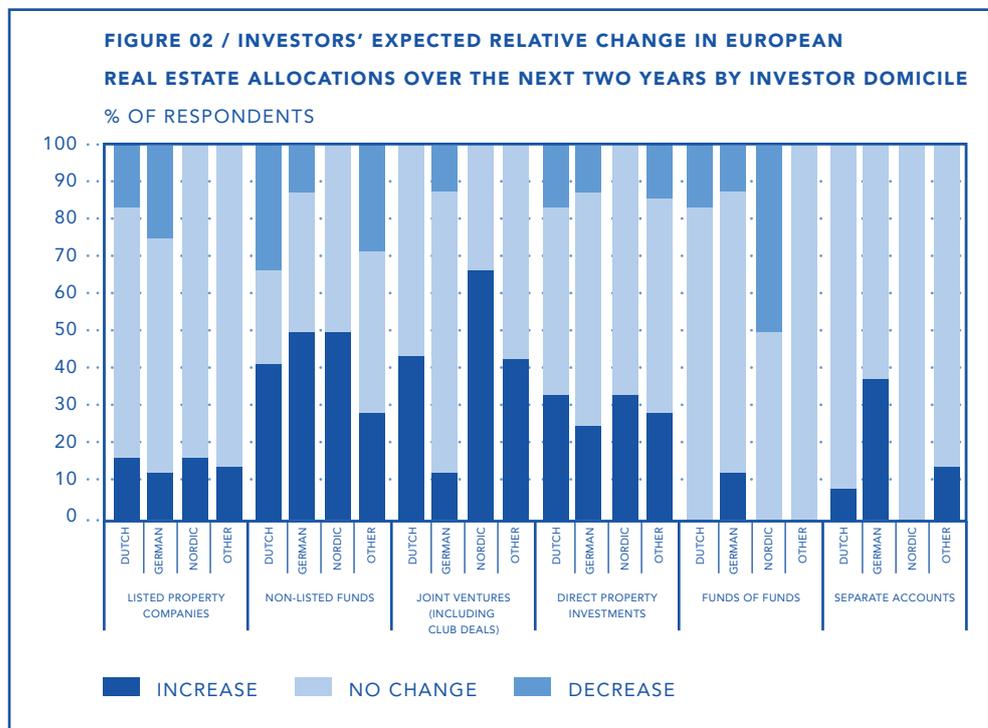
The number of investors expecting to lower their allocation to non-listed property funds is higher for the Dutch investors at 33%. However, as 42% expect to increase allocations, the Dutch are net allocators at 9%. For the 'other' investor group the number of investors expecting to increase or decrease allocations is the same at 29%.

The results from Figure 01 showed that the highest net increase is for joint ventures. It is now clear from Figure 02 that this result is partly driven by the Nordic investors, as 67% of respondents expect to increase their allocations. This figure is 42% for Dutch investors, which is in line with the 'other' group at 43%. None of the Nordic, Dutch or 'other' investors anticipates decreasing their allocations to this product. It is interesting to see that, at 13%, the same number of German investors expect to increase as well as decrease their allocations to joint ventures. This differs substantially compared with last year when more than 80% of German investors intended to increase their allocations to this type of real estate product.

For listed and direct real estate the trend among the different investor groups is similar. However, it is interesting to note that there is an expected net decrease of 13% for listed real estate by German investors.

For funds of funds, no Nordic investors expect to increase their allocations whereas 50% expect to decrease them. Again these figures should be analysed with caution as the outcome could be affected by the size of the respondents as well as the small sample size.

The interest in separate accounts as seen in Figure 01 appears to be driven by German investors. Close to 40% of these investors expect to increase their allocations to separate accounts over the next two years.



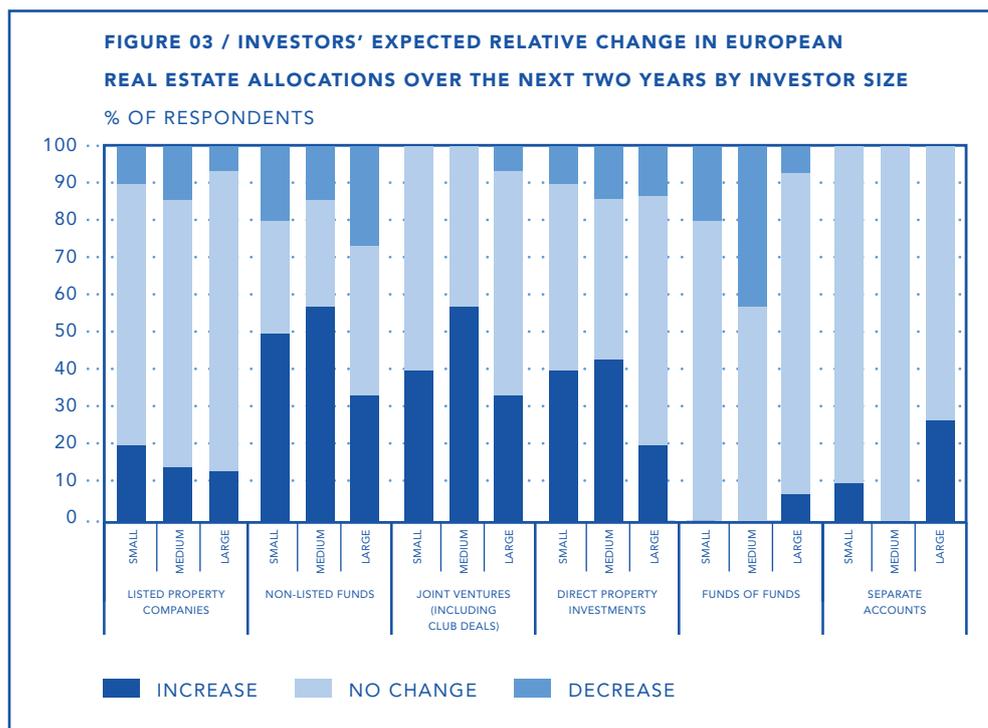
In the following analysis investors are separated by the size of their global investments in all assets classes. The small investor group (10) comprises investors with less than €10 billion of investments, the medium-size investor group (7) have €10 billion to €30 billion of investments and the large investor group (15) have more than €30 billion of investments. One investor is excluded from this analysis because the information about total investments was unknown.

Figure 03 shows the breakdown of expected allocations over the next two years by investor size. The most interest in non-listed property funds appears to come from medium-sized investors. Over 55% of these investors expect to increase their allocations compared to last year when smaller investors showed the most interest.

For joint ventures, medium-sized investors expect to increase allocations the most at 57%. Last year this was quite different as it was the large investor group driving the interest with almost 90% expecting to increase their allocations. These results might be influenced by the nature of German investors as the majority of this group can be classified as large investors and the results in Figure 02 already showed a decreased interest by this group in joint ventures.

For listed and direct real estate the differences between the investors groups are not substantial with the exception of the large investor group and their interest in direct real estate. Whereas close to 40% of small and medium investors expect to increase allocations to direct real estate, this figure is lower at 20% for the large investors.

Large investors are most interested in separate accounts with close to 30% expecting to increase their allocations. This may be explained by the fact that it requires larger amounts of capital to pursue this strategy so the approach is less relevant for small and medium-sized investors.



Investors were also asked to note their expected change in allocations to non-European real estate over the next two years (Figure 04, page 10). The outcome shows that in line with last year almost 60% of investors expect to increase their allocations to non-listed property funds.

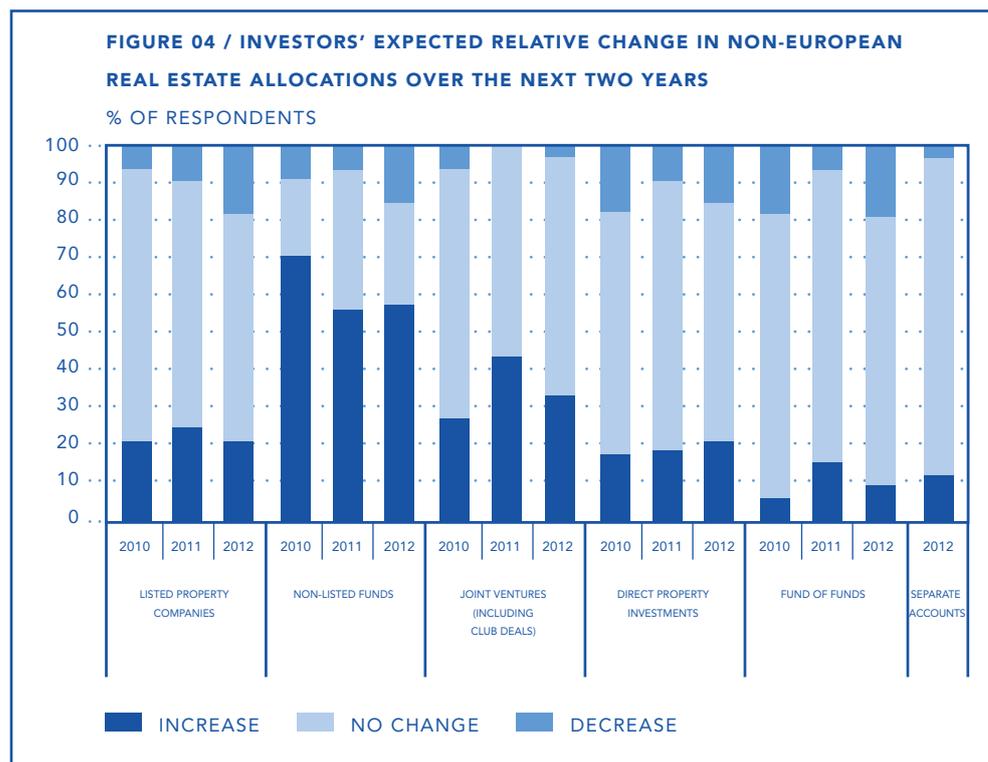
The percentage of investors expecting to decrease their allocations (15%) is growing compared with last year. However, there is still a large net increase of 42%, which is substantially higher in comparison with the 21% net increase for European non-listed property funds. These figures could be an outcome of the current Euro crisis, which might result in more investors looking for real estate opportunities outside Europe. More information on the consequences of country risk can be found on page 39 – 45 of this report.

In line with expected European allocations, the interest in non-European joint ventures is also lower compared with last year's results. In 2011, 44% of investors expected to increase allocations compared with 33% in 2012.

The results for listed and direct real estate are comparable with the 2010 and 2011 survey results. However, it is interesting to see that the percentage of investors expecting to decrease their allocations to listed real estate is growing. Back in 2010, 6% of investors expected to decrease allocations to listed real estate and this has grown to 18% in 2012.

Whereas in 2011 the number of investors expecting to increase allocations to funds of funds was growing, this number has dropped in 2012 to 9% from 16% in 2011. As 19% expect to decrease allocations this leads to a net reduction of 10% for non-European funds of funds. These results are comparable with European expectations.

In line with Europe, at 15% there is a small percentage of investors expecting to increase their allocations to separate accounts. For non-European allocations, this is slightly lower at 12%.



When looking at investor domicile, the results in Figure 05 clearly shows that the demand for non-listed real estate funds is driven by Nordic investors. Over 80% of these investors expect to increase their allocations over the next two years. The interest in non-listed property funds is also high from the other investors groups with around 50% of each also expecting an increase.

Just as with European funds, the Dutch investors are the biggest group expecting to lower allocations to non-European property funds. Whereas around 13% of German and 14% of 'other' investors expect to decrease allocations, this number is the highest at 25% for Dutch investors.

The largest interest for joint venture also comes from the Nordic investors at 50%. This compares to around 30% of the Dutch, German and 'other' investors expecting to increase allocations.

For non-European listed real estate, it is interesting to see that 38% of German investors expect to lower their allocations with only 13% expecting to increase, resulting in a net decrease of 25%. This is the only group with a net reduction, although the percentage of Dutch investors expecting to decrease or increase is the same at 25%.

For direct real estate investments outside Europe, the Dutch, German and Nordic investors think alike. Of the 'other' investor group, over 40% expect to increase their allocation which is substantially higher than the Dutch, German and Nordic investors at around 15%. The decrease in interest in non-European funds of funds is mainly driven by the German and Nordic investors with one third of Nordic investors and 25% of German investors expecting to decrease their allocations to funds of funds.

The interest in non-European separate accounts comes from the Germans at 25% and the Dutch at 17%. None of the Nordic or 'other' investors are expecting to make a change in allocations. This might indicate that these investors have not invested in this type of real estate product and do not expect to do so in the future.

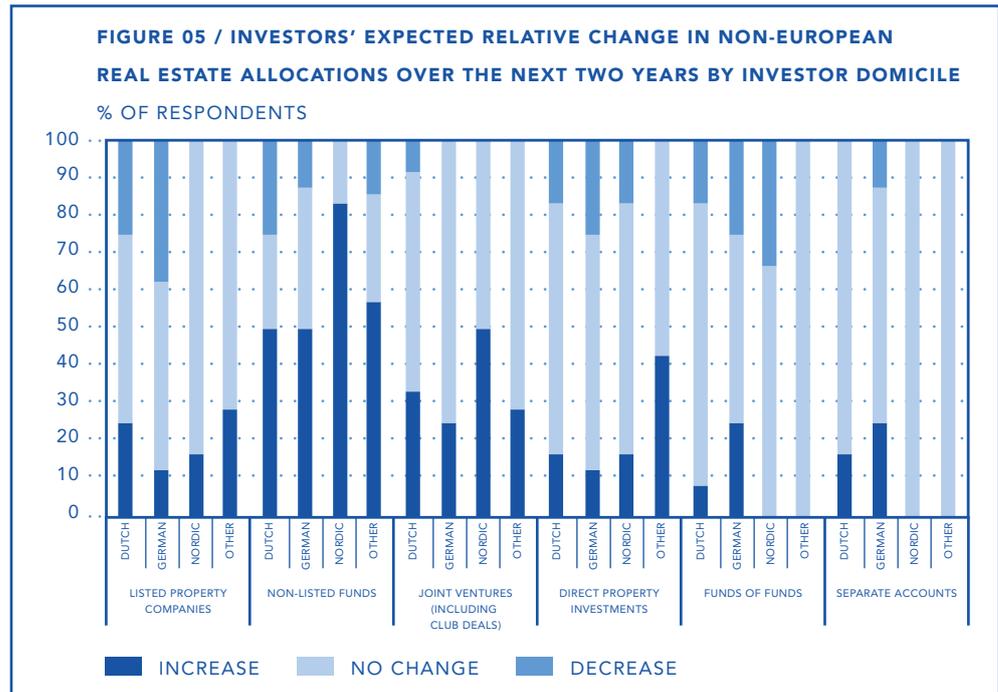
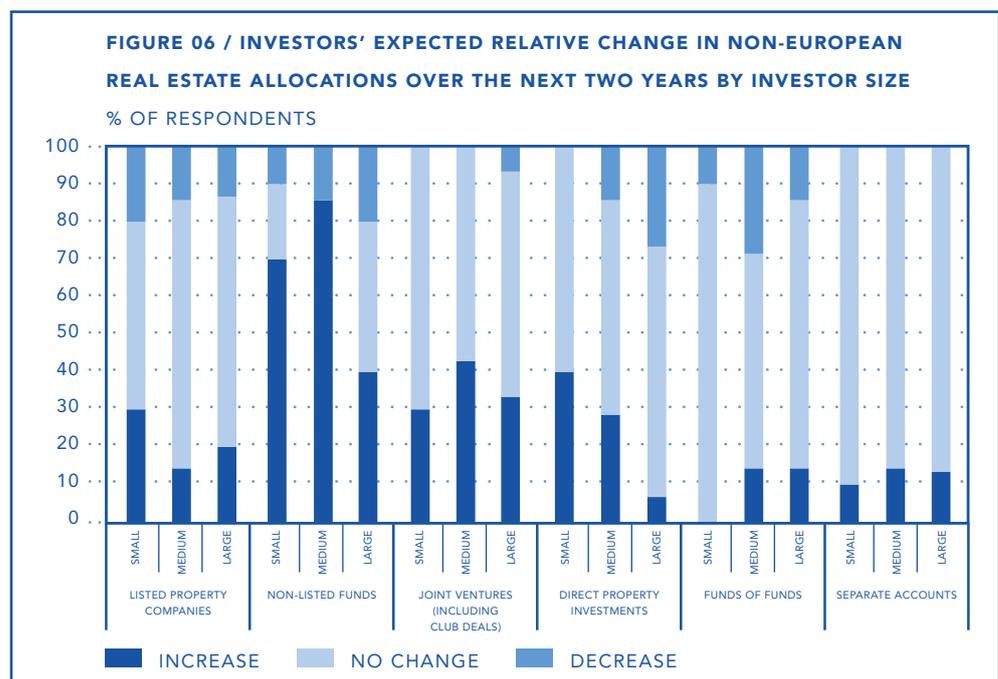


Figure 06 shows the breakdown of expected non-European real estate allocations over the next two years by investor size.

The interest for non-listed property funds is coming from the medium- and small-sized investors. Over 80% of medium-sized investors and 70% of small investors expect to increase their allocations over the next two years. This is different for large investors at only 40%. The number of investors expecting to lower their allocations is also the highest for large investors at 20%. However, this still results in a net increase of 20%.

For non-European listed real estate, joint ventures and separate accounts, the different sized investor groups think alike and only differ for direct real estate. Here large investors expect to lower allocations with a net decrease of 20% whereas there is a net increase for small investors at 40%. The lower interest for funds of funds is mainly driven by the medium-sized investors.



3 PREFERRED STYLE AND FUND TYPES

This section looks at respondents' preferred style and fund types. Investors and fund of funds managers were asked to choose their preferred style while fund managers were asked to choose the style that they thought investors preferred at present.

Figure 07 shows core is the most preferred fund style for 69% of investors, which is comparable with the 2010 and 2011 studies where 69% and 67% of the investors preferred core respectively. The preference for core products is a trend that began at the start of the credit crisis taking over from value added funds as the preferred fund style. The interest for opportunity funds has slightly increased to 10% this year, an increase from 3% last year. This increased interest in opportunity funds is at the expense of value added funds. In 2011, 30% of investors preferred a value added style and this has dropped to 22% this year.

In last year's survey fund managers overestimated the preference for core products from investors. This year it is different and the results show that investors' preference and the fund managers' perception of investors' preferred style align across the three fund styles.

It is interesting to see that fund of fund managers' preference for style has shifted to opportunity funds at the expense of core. In the 2011 survey almost 50% of the fund of funds managers preferred core whereas 20% favoured opportunity funds. This year there is a perfect one third split in preference for core, value added and opportunity funds. These results indicate that the preference by style of fund of funds managers are not aligned with fund managers' perception of the investors' preferred style.

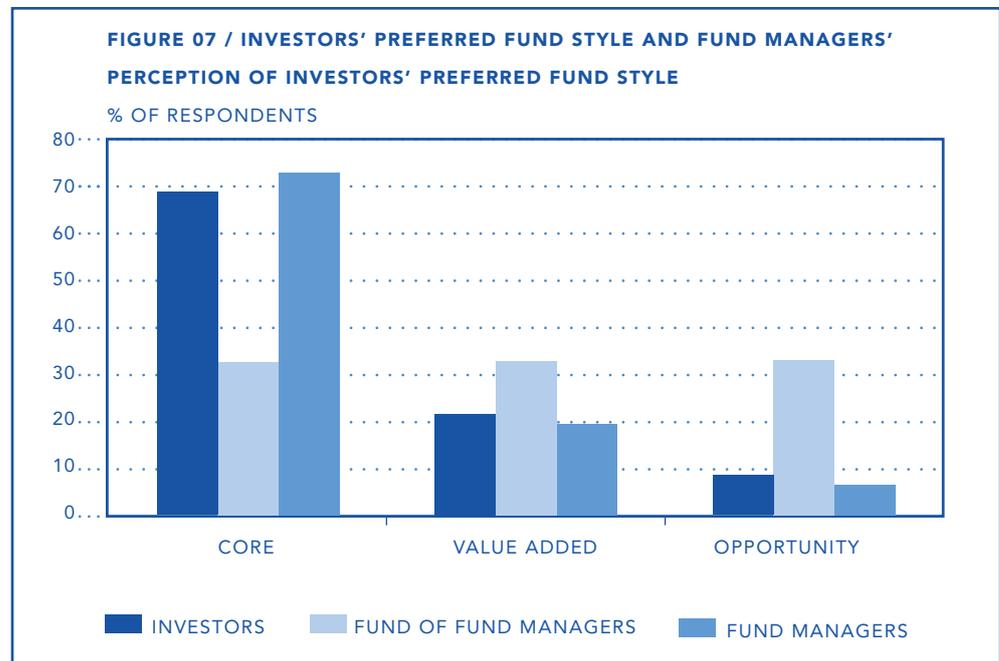
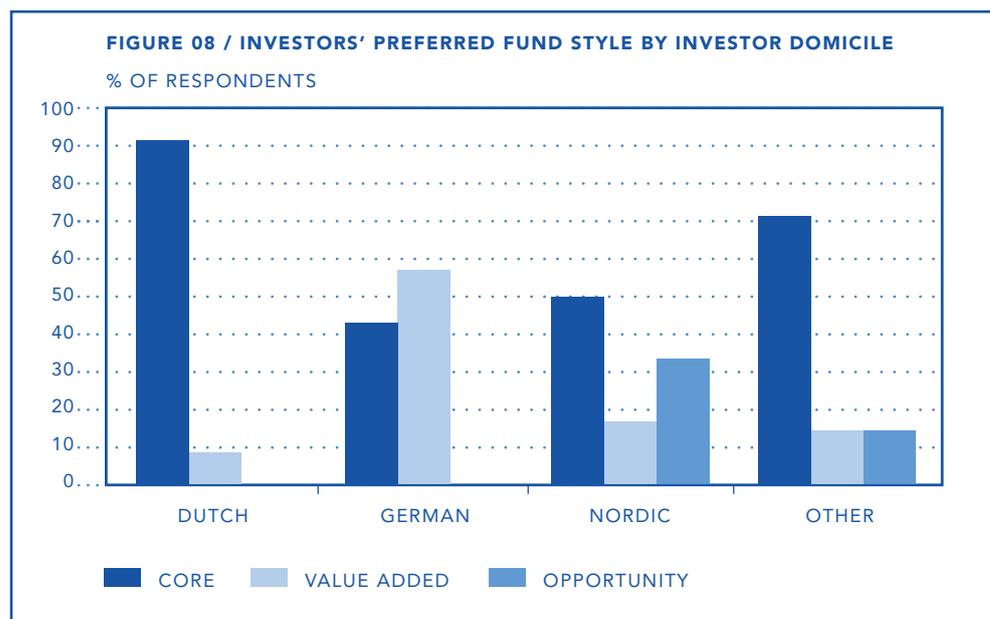


Figure 08 looks at the preferred fund style by investor domicile. Fund of funds managers are not included in this analysis.

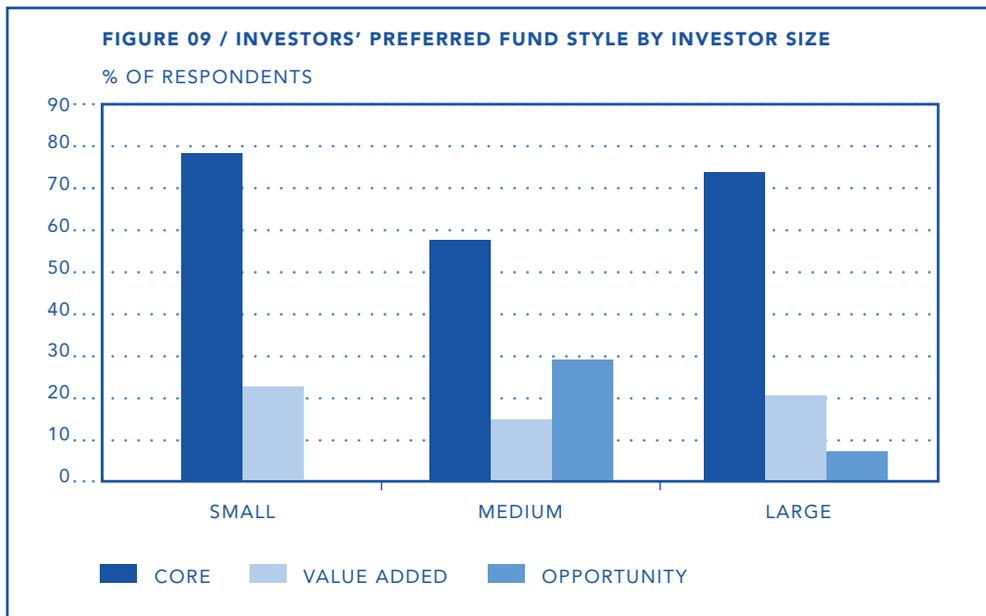
The results in Figure 07 already showed that the majority of investors prefer the core fund style. This preference is mainly driven by the Dutch and 'other' investors with over 90% of the Dutch and 70% of the 'other' selecting this style. Only 8% of the Dutch investors prefer value added and none of them selected opportunity funds.

For German fund managers value added is now the preferred fund style and was selected by 57% of respondents while 43% preferred core. These results are slightly different in comparison with last year when there was a perfect 50% split between core and value added funds.

Nordic investors also think differently in comparison with last year. In the 2011 survey, 71% preferred core and 29% value added. The preference has now shifted higher up the risk spectrum with 50% selecting core, 17% value added and 33% opportunity. The preferences of the 'other' investor group is comparable with last year. However, there is a slight increase in preference for core funds at the expense of value added. In 2012, 71% preferred core and 14% preferred each value added and opportunity. This compares to 2011, where 60% preferred core, 30% value added and 10% opportunity.



When looking at the preferred fund styles by investor size, there appears to be little difference between the size of an investor and its preference for fund styles. This is with the exception of medium-sized investors with almost 30% of them preferring opportunity funds. This is in contrast to none of the small investors and 7% of the large investors. This preference for opportunity funds by medium-sized investors is mainly at the expense of core funds.

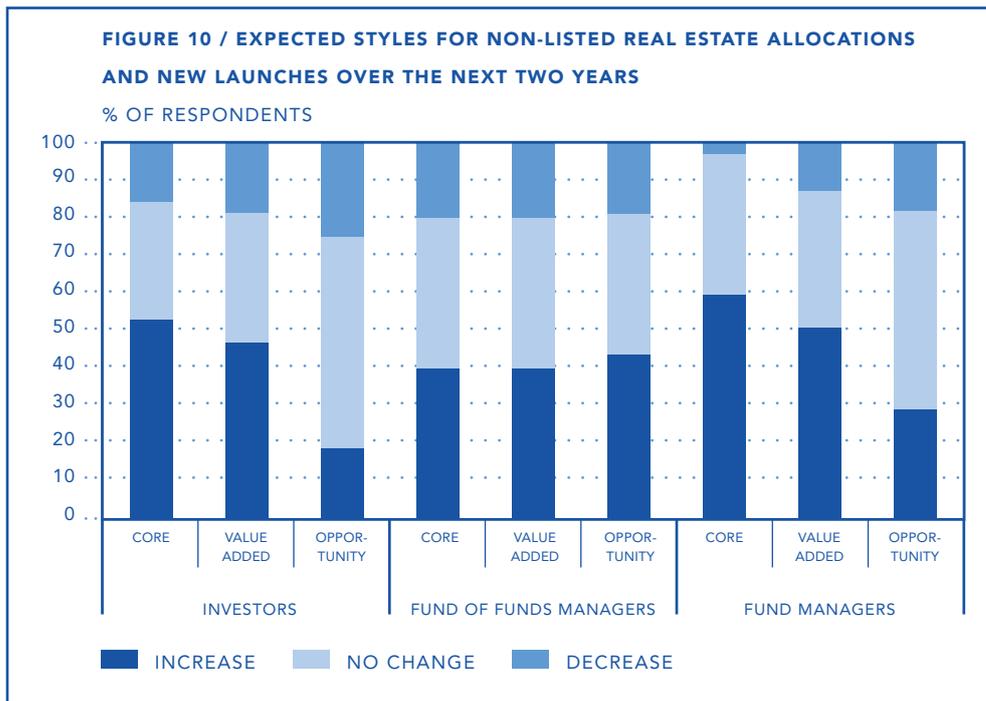


For the next analysis investors and fund of funds managers were asked how they expect their non-listed real estate allocation to develop by style in the next two years while fund managers were asked how they expected new launches from their companies to develop by style.

Figure 10 shows expected style change between 2012 and 2014. It comes as no surprise that over 50% of investors expect to increase their allocations to core funds over the next two years. More surprisingly is the expected change for value added funds. Close to half of investors expect to increase their allocations to value added in the coming two years despite the fact that only 22% indicated this style as their most preferred style. This might indicate that investors see value added funds as attractive for future investments. For opportunity funds the number of investors expecting to increase allocations is lower than those expecting to decrease allocations. This leads to a net decrease of 6% for opportunity funds.

In contrast, fund of funds managers allocation changes by style over the next two years look different. Here opportunity funds are the most favoured style with 44% expecting to increase and 19% to lower allocations resulting in a net increase of 25%. This is higher in comparison to the net increase of 20% for both core and value added funds. This is a shift from last year where the net increase was the highest for value added funds at around 50%.

The expected new launches of fund managers in the next two years are in line with investors' expectations. Around 60% of fund managers expect to increase the launches of core funds whereas only 3% expect to decrease, resulting in a net increase of 57%. After core the most new launches will occur in the value added style with 51% expecting to increase and 13% to lower their fund launches. This means that there is a net increase of 38% for value added funds, which is higher than the 11% net increase for opportunity funds. These expected new launches are again less aligned with the preferences of the fund of funds managers, which is a trend already seen earlier on in this chapter.



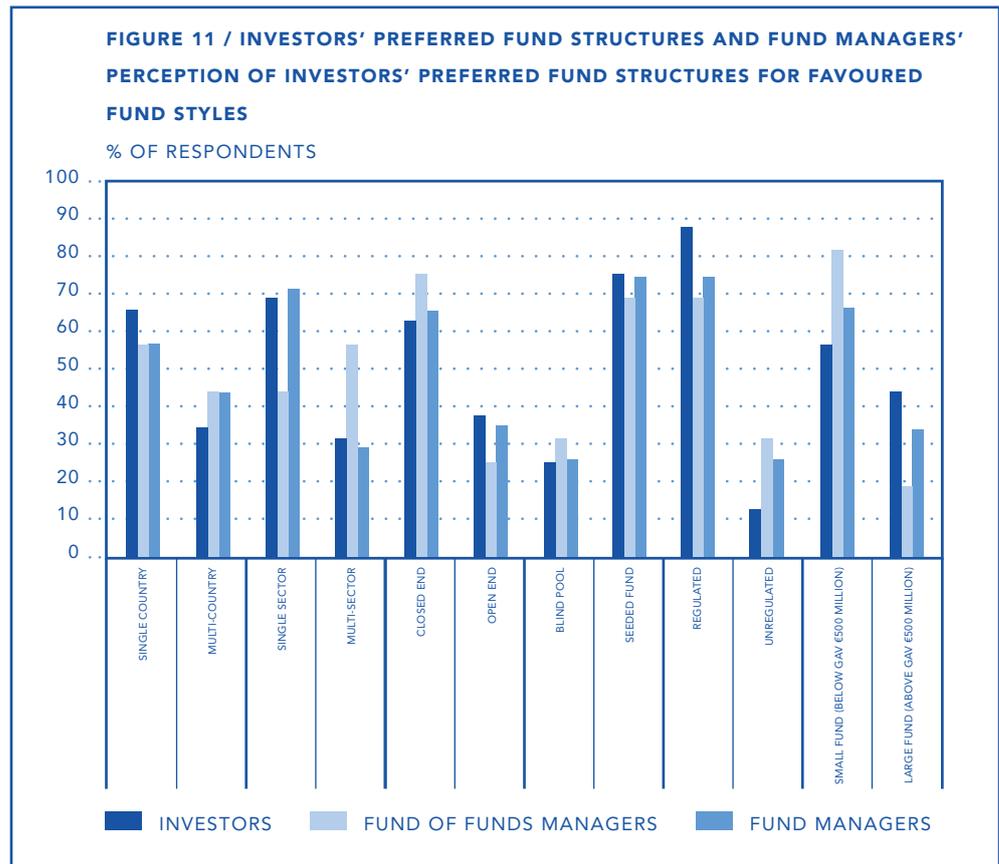
Investors and fund of funds managers were then asked to select their preferred strategy for their preferred fund style. Fund managers were asked to select the strategy that they thought investors preferred.

As can be seen in Figure 11 (page 16), around 65% of investors prefer a single country strategy above a multi-country strategy. This number is substantially lower in comparison to last year where almost 90% of investors preferred a single country strategy. These outcomes could be result of the Euro crisis and investors wanting to diversify their country risk within a fund. The same applies for single sector versus multi-sector funds. Whereas in 2011 close to 90% of the investors preferred a single sector strategy, this number has now dropped to 69%. Fund of funds managers think differently about sectors and prefer multi-sector funds above single sector funds. Again, fund managers think in a similar way to investors on preferred fund structures by country and sector.

In a similar vein to last year, both investors and fund of funds managers prefer closed end seeded funds. The interest in seeded funds does not come as a surprise as in the current challenging markets, investors are keen to know details of the assets before investing in the fund.

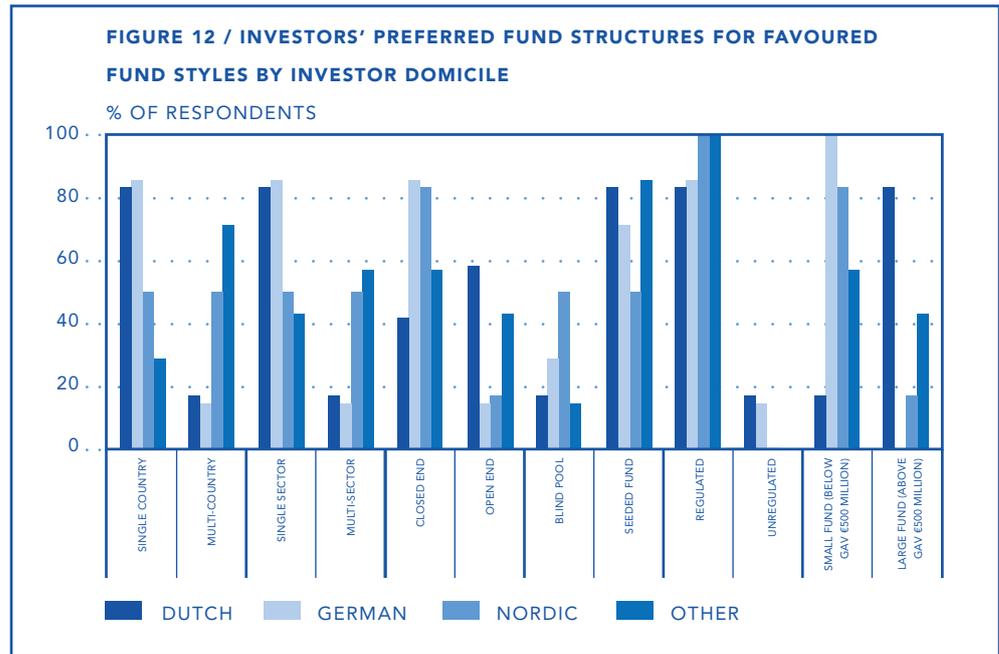
This year there is an even stronger preference for regulated funds with 88% of investors selecting this option in comparison to last year's survey results of around 80%. This might indicate that investors would like to have more transparency and consistency among the funds they invest in.

There appears to be a discrepancy between investors and fund of funds managers in their preferences for a small or large fund. Whereas 81% of fund of funds managers selected a small fund as their most favoured fund size, this number is lower for investors at 66%.



When looking at this issue further by investor type, the analysis shows that German and Dutch investors are like minded in relation to their country and sector strategy preferences. Over 80% of these investors prefer a single country and single sector strategy. The increased interest in multi-country funds seems to be driven by the 'other' investor group, of which 71% prefer a multi-country strategy.

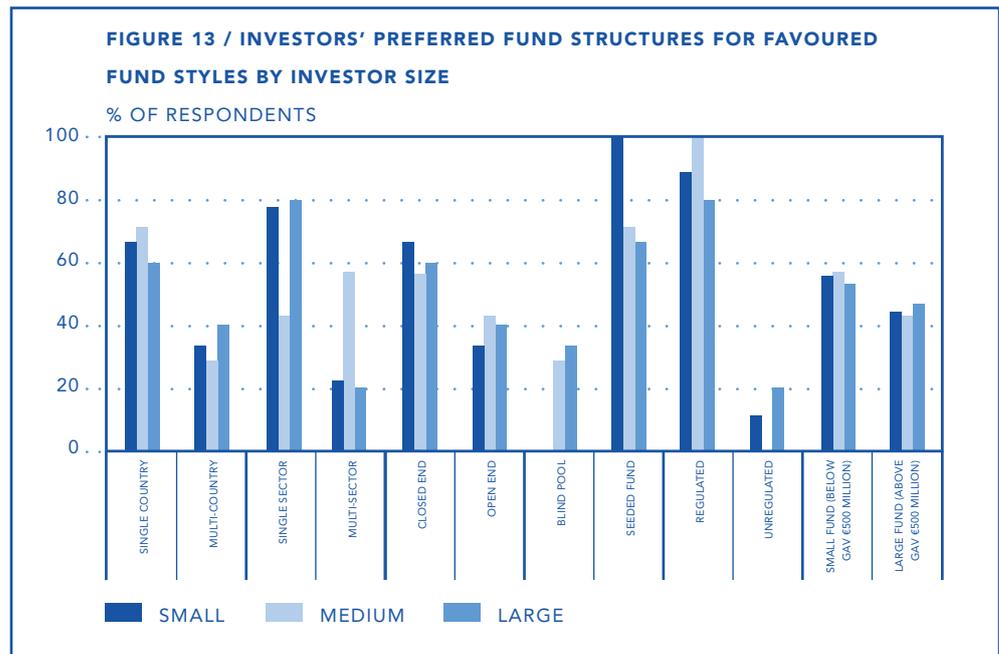
Dutch investors are the only group which prefer an open end structure over a closed end structure. It is interesting to see that Dutch investors also think differently about the size of fund. Whereas all other investors prefer a small fund, over 80% of the Dutch investors prefer a large vehicle. This is different in comparison with last year where a small fund was most favoured by close to 60% of the Dutch investors.



Investors seem to be indifferent regarding the country strategy of the fund when analysis is done by the different sizes of investors. However, for the sector strategy of the fund, medium-sized investors prefer a multi-sector as opposite to single sector strategy.

All sized investors think alike when it comes to preferring a closed end structure of a fund. The same applies for the size of a fund where close to 60% of the small, medium and large investors prefer a small fund.

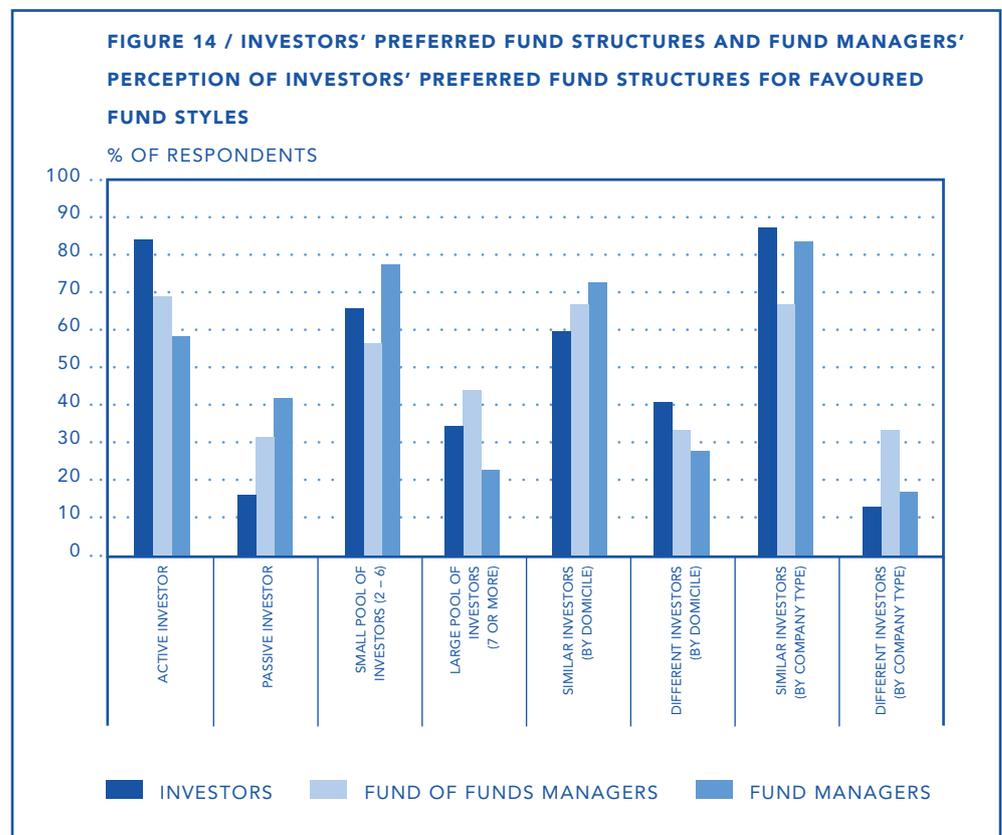
It is interesting to see that some of medium and large investors appear to be interested in a blind pool fund whereas all of the small investors prefer a seeded fund strategy.



As with last year’s survey, the majority of investors prefer active investor involvement in the fund. However, this is only indicated by 58% of fund managers compared to 84% of investors that selected this option. Fund of funds managers are in the middle with close to 70% preferring an active involvement as opposite to passive involvement in the fund.

All three groups seem to prefer a small pool of two to six investors as opposite to a fund with seven or more investors. The results show that fund managers acknowledge that their investors look for a small pool of investors.

Similarly to last year, the majority of investors prefer to invest alongside like-minded investors by domicile and company type and this trend is recognised by fund managers. In particular, investors look for similar type of investors by company type. This might be due to the fact that it is important to share the same strategy as the other investors in the fund for good alignment of interest between investors.



When considering the domicile of an investor, it becomes clear that the German investors are like-minded on the issues of investor involvement, the number of investors in a fund and the preferred domicile and company type of the other investors. All German investors prefer a small pool of two to six investors and similar investors by domicile and company type. Over 80% prefers active investor involvement instead of passive involvement. These outcomes are comparable with last year’s survey results.

Dutch investors seem to be less in tune with each other about the size of pool of investors and the preference for domicile. The Dutch investors are the only ones who prefer different investors by domicile at 67%. The Nordic and 'other' investor groups are also less like minded than the German investors, although the majority prefers active investor involvement, a small pool of investors and similar type of investors by domicile and company structure.

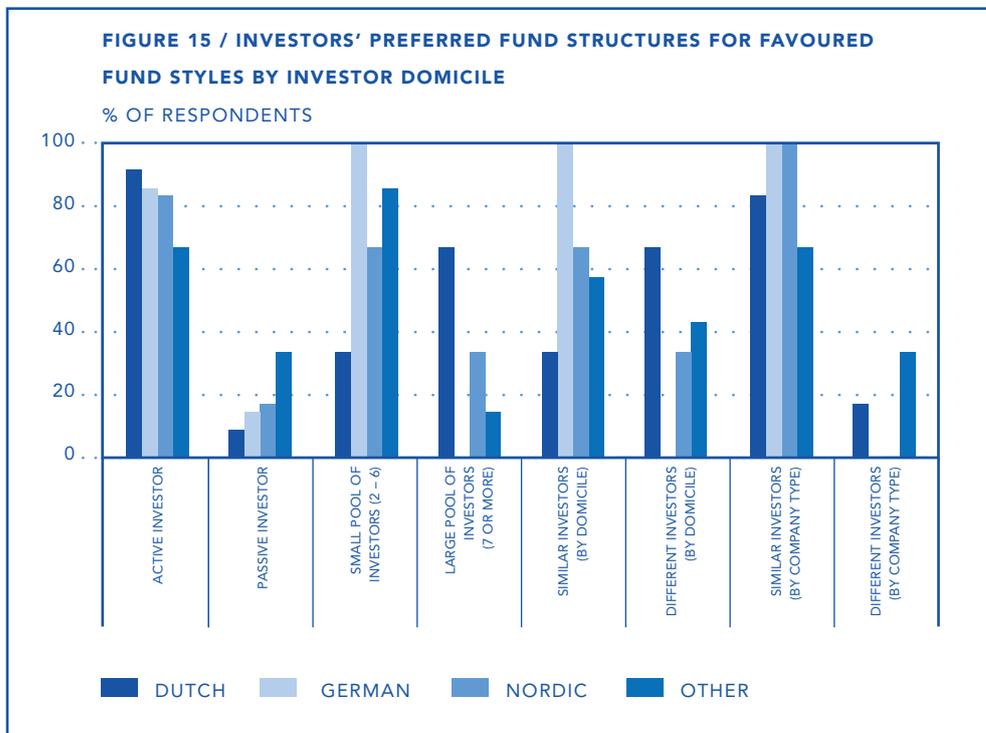
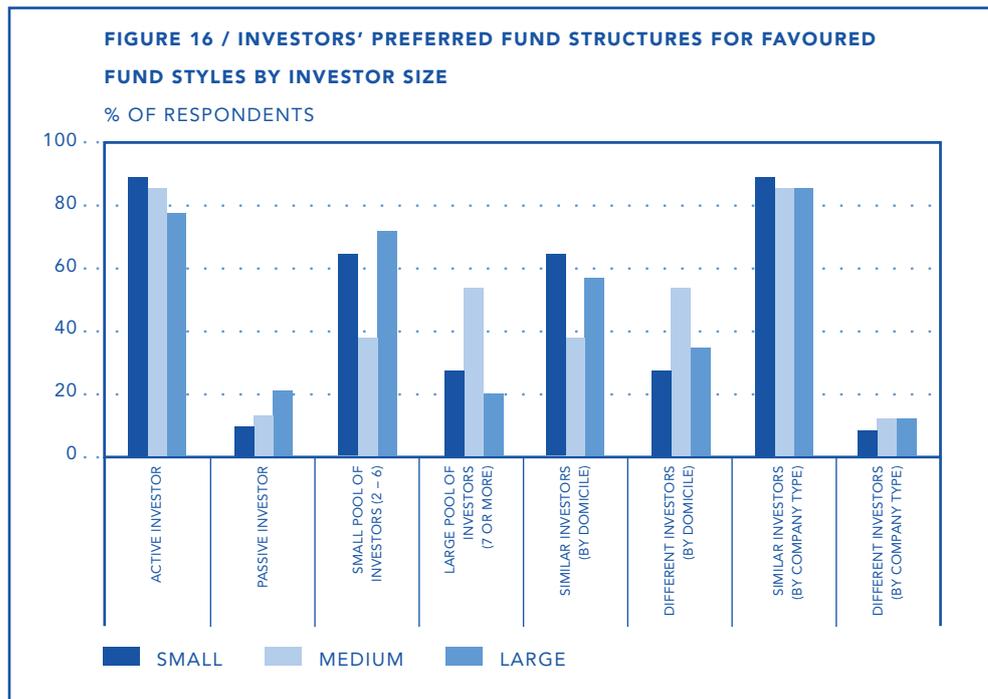


Figure 16 (page 20) shows that the size of investors does not have an influence on the preference for active or passive investor involvement. Close to 80% of all investor groups prefer active investor involvement and this number is even higher for smaller investors. This comes as a surprise as it is expected that larger investors with greater capital commitments are more likely to have higher levels of involvement, for example within an advisory board. This was also the case last year where all of the large investors preferred active involvement in comparison to around 70% of the smaller investors.

It is interesting to note that the small and large investors seem to be like minded about the size of the investor pool and the type of investors by domicile. Large and small investors prefer a small pool of investors from the same domicile where medium-sized investors selected a large pool of investors from a different domicile as their most preferred fund structure.



4 PREFERRED LOCATIONS AND SECTORS IN EUROPE

When asked to rate the three most appealing location/sector combinations by performance prospects for 2012, German retail was the most favoured choice by investors. This was also the same combination choice as last year but investors' preference for German retail is now even more pronounced with 64% selecting this option compared with 36% last year. For fund of funds managers and fund managers the preference for German retail is lower at 33% and 34% respectively. This interest in the German market by investors could be due to the Euro crisis which has left Germany being seen as one of the most stable markets. The results of the previous chapter already showed that the majority of investors expect to make investments in core products.

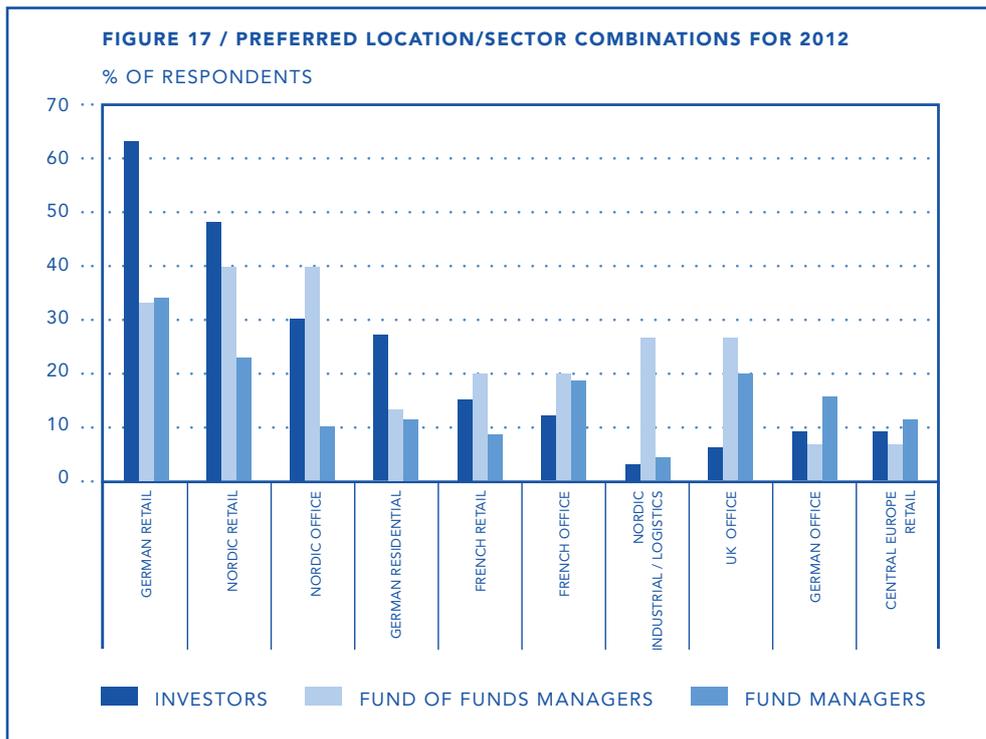
There have been other shifts in the market. The French office market was listed as second most preferred location/sector combination last year. This year, it dropped to number six. Whereas close to 35% of investors favoured the French office market in 2011, this number dropped to 12% in this year's survey. The drop in interest for the French market could be a result of the current uncertainties surrounding France as it recently lost its triple A status as a result of French banks' relatively high allocations of investments to Southern Europe.

The Nordic market has increased in popularity. Nordic retail is now in second place with almost 50% of investors choosing this option. This is an increase from last year's figure when it was close to 25%. In addition, Nordic offices has increased in popularity and is now investors' third most preferred location/sector and making it the most favoured office market for investors. For fund of funds managers the Nordic retail and office markets are the most popular with 40% of the respondents selecting this market as their preferred location/sector allocation in 2012.

It is interesting to see the decreasing appetite to invest in the UK market. In 2009 and 2010 the UK market was the top choice by investors but this interest dropped in 2011 when German retail took over. However, in 2011 the UK market was still well represented with UK offices, retail and diversified included in the top 10. This year only UK offices made the top 10 and it is preferred by only 6% of the investors. Fund of funds managers seem to be more interested with 27% of the respondents selecting this location/sector.

A new trend for Central and Eastern European retail can also be seen. Almost 10% of the investors and 7% of the fund of funds managers selected Central European retail and it is the first time the region has been in the top 10 of preferred location/sector combinations. It is also interesting to see that 13% of the fund of funds managers now has a preference for Eastern European retail (not included in graph). This may be due to the slightly more opportunistic nature of fund of funds managers who are likely to take the first step into these higher risk markets.

Fund managers seem to be less like minded in terms of preferred location/sector for 2012. This could be due to the large variety of fund managers responding to this survey. Some of the fund managers have a single country strategy which could affect their responses.

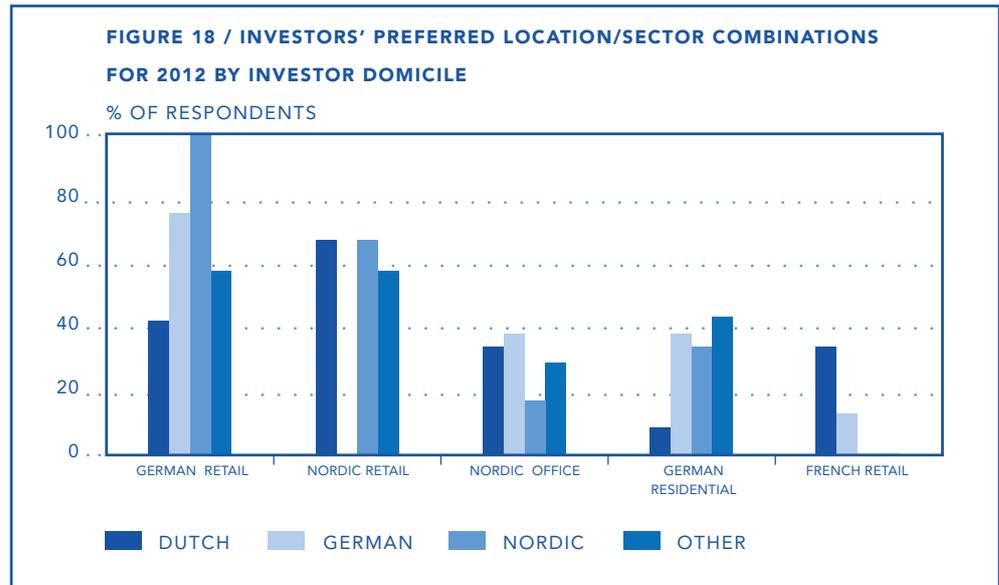


When looking at the results by investor domicile, German and Nordic investors select German retail as their most favoured location/sector combination for 2012. The Dutch investors think differently picking the Nordic retail market over German retail. Last year’s results show that German investors mainly had a preference for funds investing in their home market. This again seems to be the case with German residential and retail included in their top three investment locations.

Nordic investors seem to be less focused on their home markets. They also include the German retail and residential markets in their top three as well the Nordic retail market.

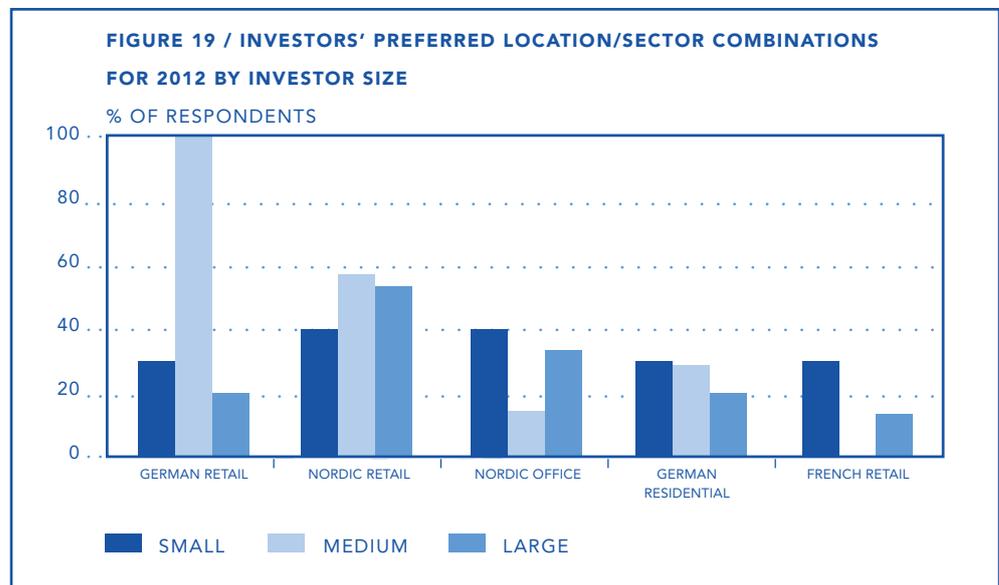
Dutch investors show a preference for retail markets, with 67% selecting Nordic retail, 42% selecting German retail and also 33% selecting French retail. In addition, 8% of the Dutch investors also prefer Central European retail. These results are comparable with last year as the top four country/sector allocations for 2011 were all retail markets.

For the ‘other’ investor group the German and Nordic retail markets are most favoured.



When looking at the results by size, Figure 19 shows that all medium-sized investors prefer German retail. These numbers are much lower for small and large investors at 30% and 20% respectively.

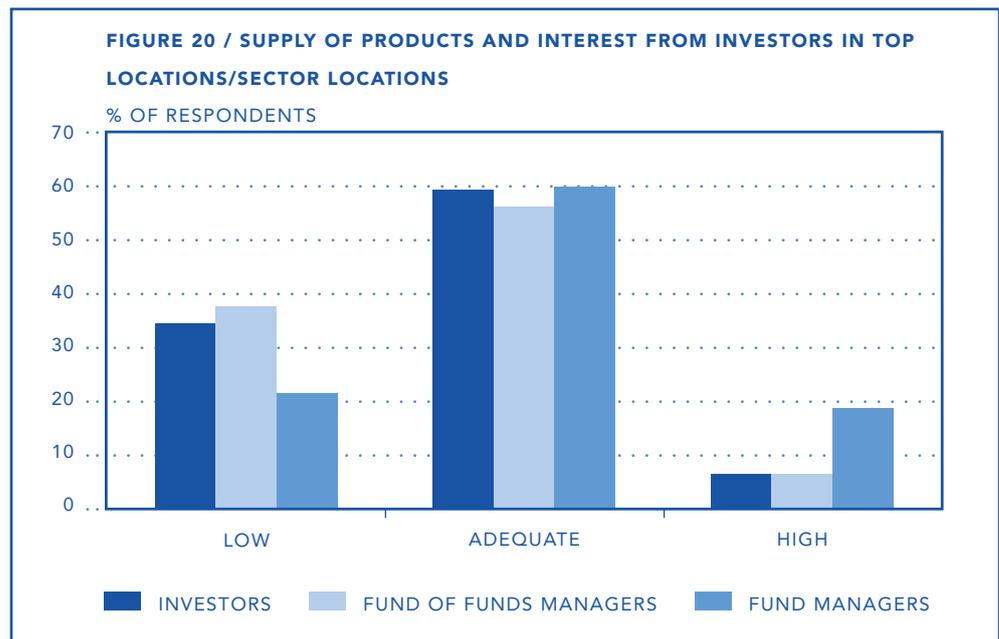
When it comes to Nordic retail and German residential, the size of the investor appears not to be a factor. Small and large investors are more interested in the Nordic office market compared with the medium sized investors.



Additionally, investors and fund of funds managers were asked if there was an adequate selection of the products in their preferred location/sector combination while fund managers were asked what the level of interest from investors was when considering new fund launches in their top location/sector.

Figure 20 shows that the majority of all respondent types think there is an adequate supply of investment products and interest from investors. Although these results are comparable with the outcome last year, the proportion of investors that think that there is an adequate supply of investment products is decreasing. Last year 69% of the investors said there was an adequate selection but this has now dropped to 59% in this year's survey. The number of investors that indicate that there is low supply of products in their top location/sector combination is growing. Whereas 24% of the investors indicated that there was a low supply in 2011, this number has now increased to 34%. For fund of funds managers this figure is even higher at 38%.

Fund managers partly recognise the interest of investors in their favoured location/sector combinations. Of the fund managers, 19% indicate that there is a high demand for their new investment products compared with 12% last year.

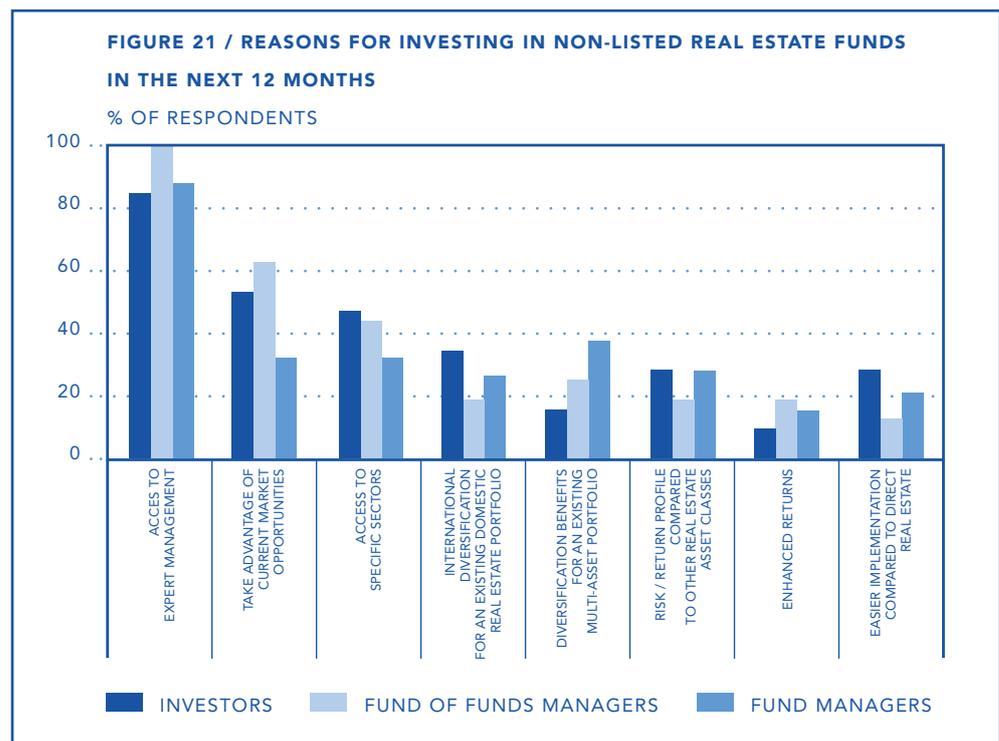


5 PROS AND CONS OF INVESTING IN NON-LISTED REAL ESTATE FUNDS

Access to expert management continues to be the most important reason for investing in non-listed real estate funds for all respondent types (Figure 21), with around 85% of investors and fund managers and all fund of funds managers selecting this option. This has remained the top choice since the 2006 survey.

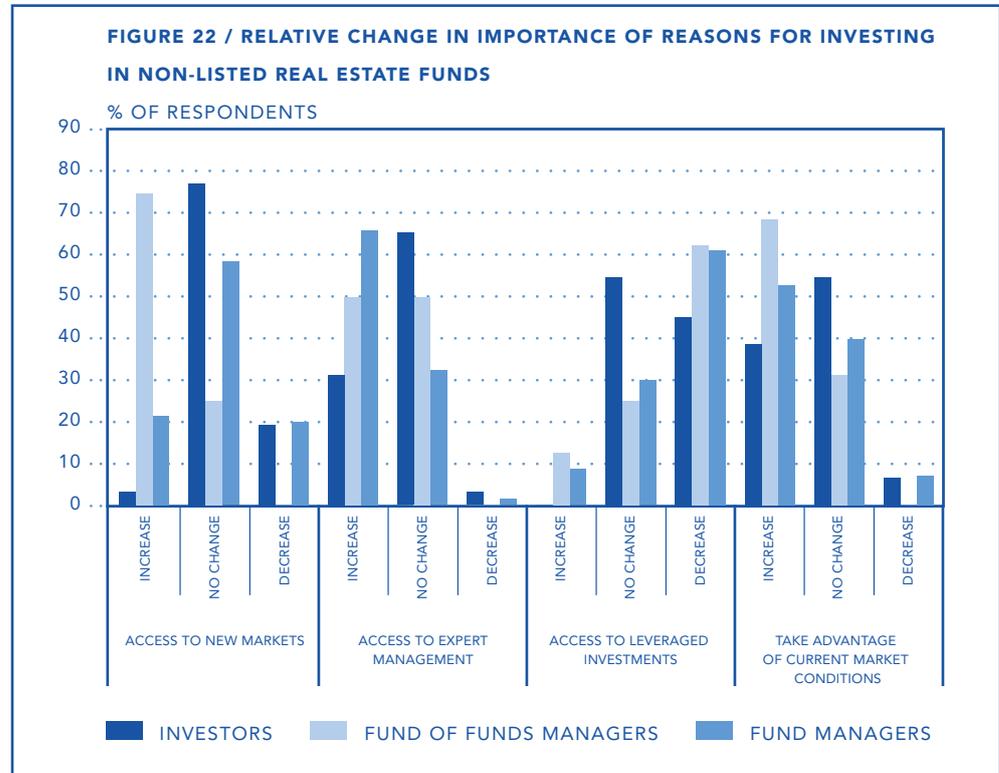
Another popular reason is to be able to take advantage of current market conditions, which was second choice for 53% of investors and 63% of fund of funds managers. This indicates that despite the economic concerns, they still think there is value to be found in the current market. However, fund managers rated this option less and instead chose funds' diversification benefits in a multi-asset class portfolio as its second choice with 38%.

For investors the risk/return profile compared to other real estate asset classes has become a more important reason compared to last year. This year, this reason was selected by 28% of the investors compared with 15% in 2011.



When looking at the relative change for reasons to invest in funds, investors' positions have varied little compared to last year (Figure 22). Large proportions of investors say there has been no change in the importance of access to expert management or access to new markets at 66% and 77% respectively. The same is for taking advantage of current conditions although around 39% think that it has become more important. Once again, no change is the main message with access to leverage investments although 45% thinks it has declined in importance.

According to 75% of the fund of fund managers, access to new markets has become a more important reason while 69% selected taking advantage of market conditions. Fund managers were also focused on market conditions at 53% and the growing importance of access to expert management at 66%.



The complete version of this graph is available in Appendix 1, Figure A01.

There has been a big shift in investor thinking when it comes to reasons to not invest in non-listed real estate funds. Figure 23 shows that the market conditions and the availability of suitable products with 56% are now jointly the two top reasons to not invest. These have now overtaken alignment of interest at 44% as the top reason. In 2011, 75% of investors cited alignment of interest so this has dropped 31 percentage points.

Fund of funds managers views have also shifted in the same direction, although at 44% they also see liquidity as a major concern. For fund managers, at 55%, liquidity was the main concern followed by market conditions and alignment of interest.

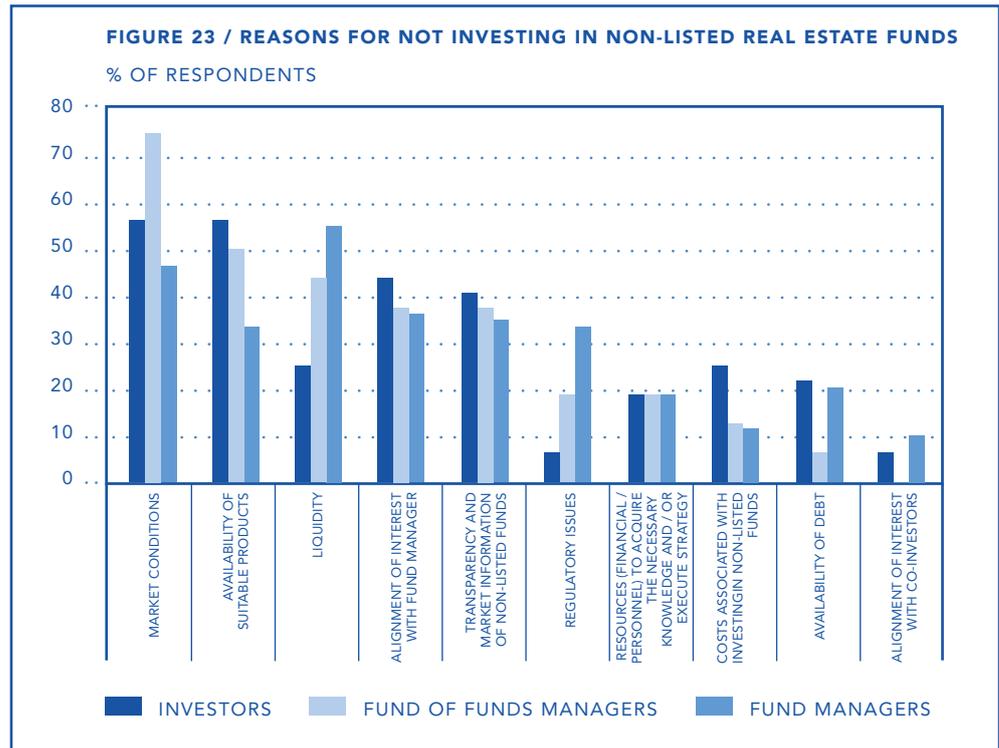
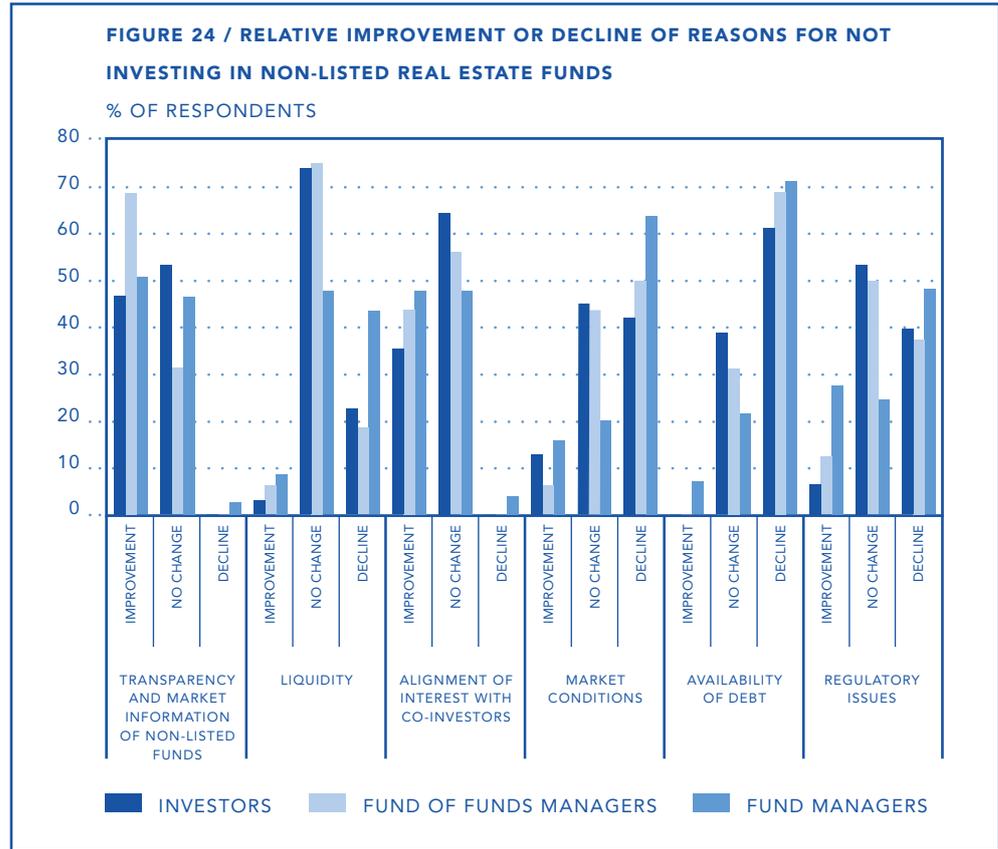


Figure 24 (page 28) shows that a good number of respondents think that the issues around alignment of interest now form a lower barrier for investment than a year ago. An improvement is seen by 48% of fund managers, 44% of fund of funds managers and 36% of investors. If they do not see an improvement then, other than a small number of fund managers, they think there has been no change compared to last year.

The results also show that fund managers are very clear about the major barriers that have become worse for the industry in the last year. Around 70% of fund managers think the availability of debt has become a greater barrier. This view is shared by the other respondents. Fund managers also think market conditions have become a bigger barrier and this is cited by 64%. Here, 50% of fund of funds managers and 42% of investors agree.



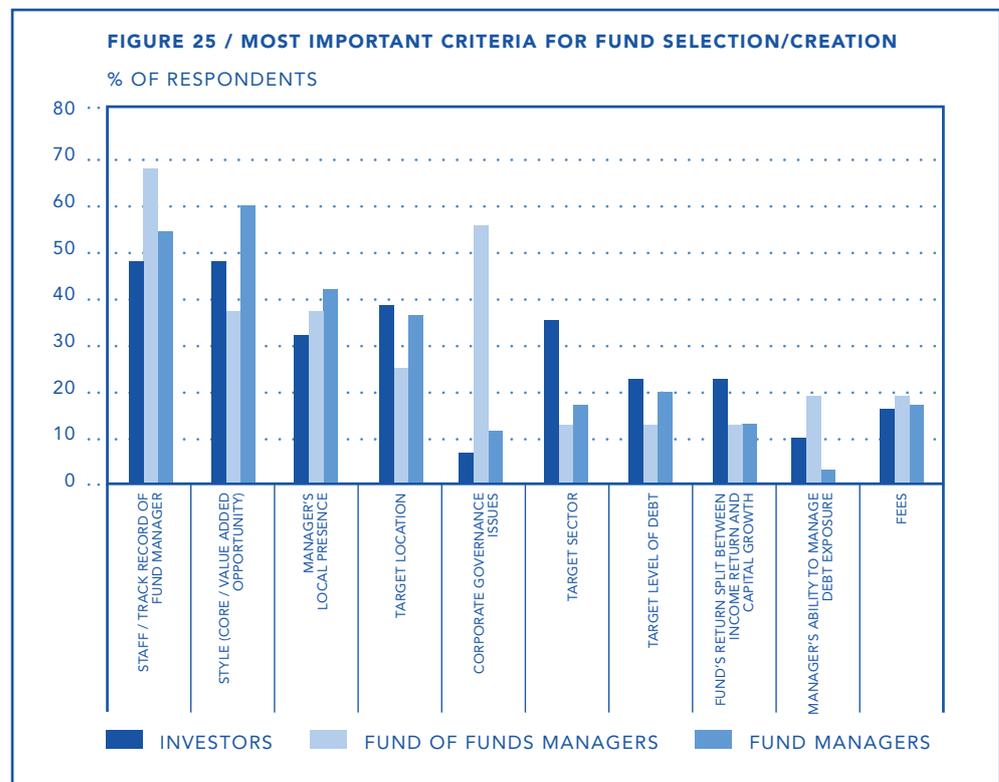
The complete version of this graph is available in Appendix 1, Figure A02.

6 CRITERIA FOR FUND SELECTION AND CHALLENGES FOR FUND MANAGERS

Respondents were asked to select the three most important criteria for fund selection/fund creation. Figure 25 shows that this year style is seen as one of the main criteria as it takes joint first place for investors at 48% and first place for fund managers at 61%.

Staff/track record was jointly placed top by 48% of investors after two years as being selected as the most important criterion by all respondent types. However, it was still the main criterion for fund of funds managers with close to 70% of respondents and was the second most chosen option by fund managers at 55%.

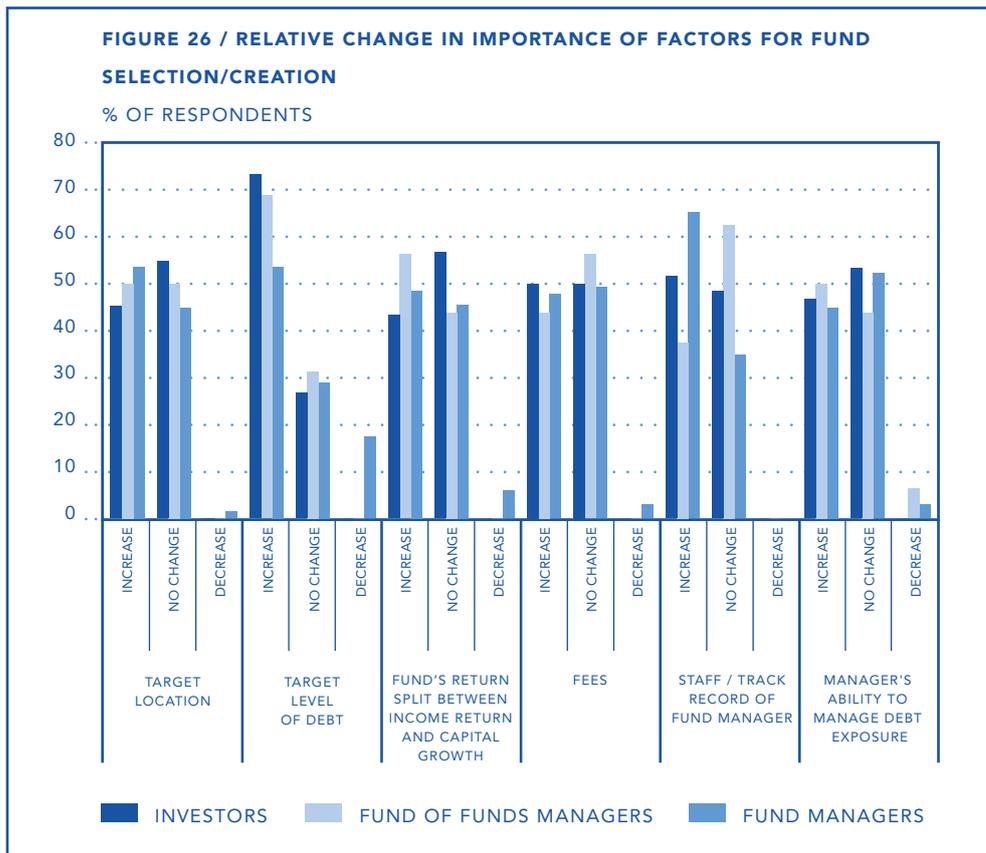
The second most important criterion for fund of funds managers is corporate governance at 56%. This is a notable increase since last year when it was 37%.



For the relative change in importance for fund selection, even though only 20% of investors opted for target level of debt as the most important criterion for fund selection, almost 75% consider it to have increased in relative importance when selecting funds in the next 12 months (Figure 26, page 30). This is the same for 69% of the fund of funds managers while 54% of the fund managers think it has increased in importance for fund creation.

Staff/track record has increased in relative importance for 65% of fund managers, this is a slightly lower than last year, but nonetheless reflects the continued emphasis on this factor by investors.

For fees, there is a 50/50 split by investors as to whether they have become a more important factor in fund selection or that there is no change.



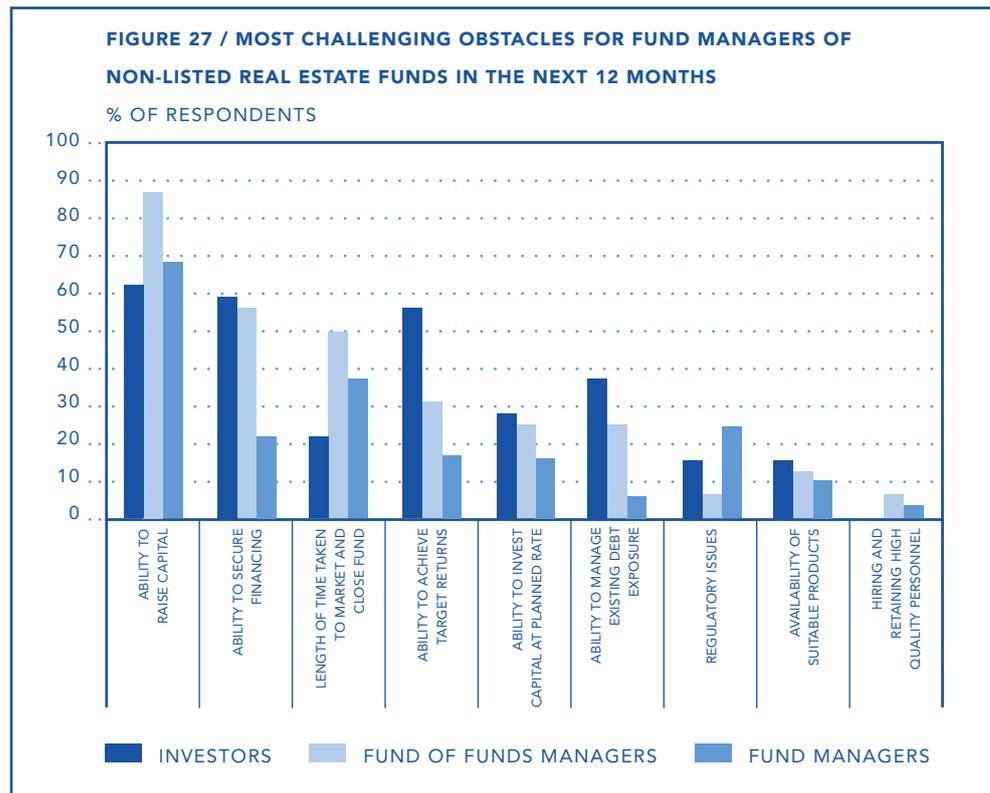
The complete version of this graph is available in Appendix 1, Figure A03.

Respondents were also asked to choose the three most challenging obstacles for fund managers in the next 12 months. Figure 27 shows that all respondents believe that the ability to raise capital remains the biggest obstacle for them during 2012. This was cited by 63% of investors, 88% of fund of funds managers and 69% of funds managers. However, for fund managers this figure has decreased by 10 percentage points since last year, which indicates that they are slightly more positive about the ability to raise capital this time than last year.

Investors are also very concerned about a fund manager’s ability to secure financing and to achieve target returns, which were cited by 59% and 56% respectively. Fund of funds managers share concerns about financing at 56% and 50% are also concerned about the length of time take to market and close a fund. This is obviously connected to the ability to raise capital but might also reflect the time pressures fund of funds managers have to commit capital.

Fund managers appear less concerned about securing financing and instead are also focused on the length of time taken to close a fund at 37%.

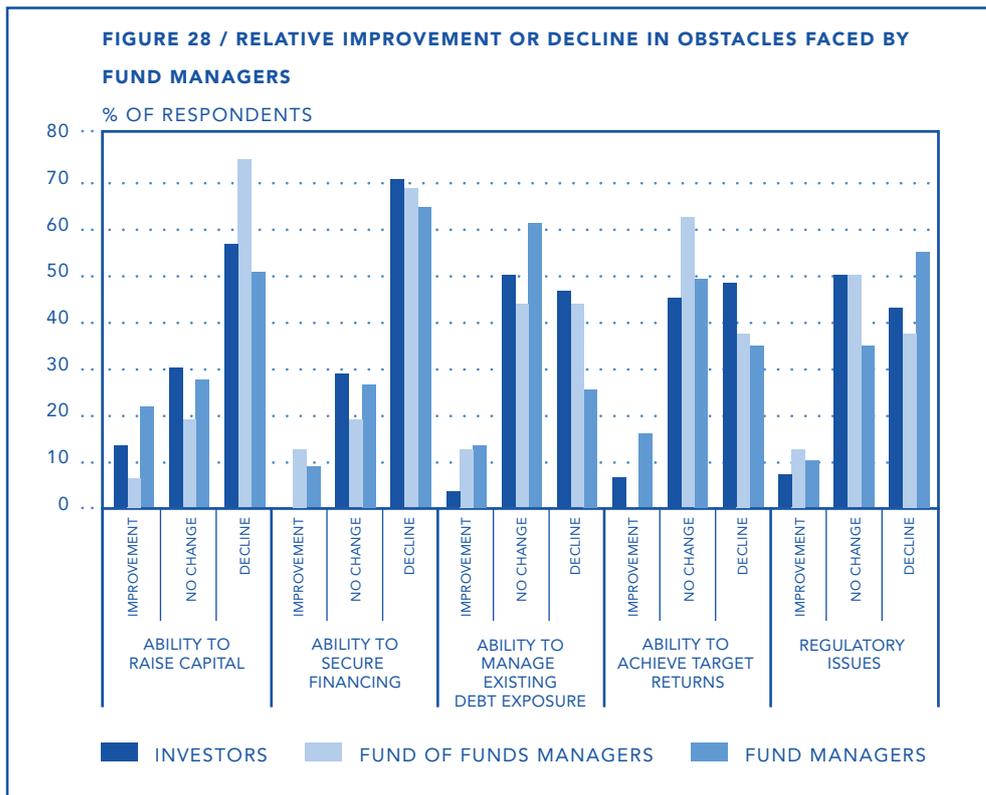
It is interesting to see that fund managers worry less about regulatory issues in comparison to last year. Last year almost 40% of fund managers thought regulatory issues was one of the biggest challenges compared to 25% this year.



While last year the 50% of the investors and 58% of the fund managers believed that the ability to raise capital was less of a problem, this year 57% of the investors and 51% of the fund managers see it more of an obstacle. For fund of funds managers this figure is even higher at 75%. This is not surprising given the current challenging market circumstances.

The ability to secure financing is also seen more as a problem for fund managers compared to last year with 65% of fund managers and 69% of fund of funds managers reporting that this problem has become more of an obstacle. The investors agree on this with over 70% seeing this as more of an obstacle.

The majority of fund managers now consider regulatory issues more of an obstacle. These results are comparable with last year’s survey.



The complete version of this graph is available in Appendix 1, Figure A04.

7 REGULATORY ISSUES

The industry continues to prepare for upcoming regulatory initiatives, which are being put in place in response to the financial crisis. The regulations that could significantly impact the non-listed real estate funds industry. Proposed regulatory initiatives which were included in the questionnaire are Basel III, Solvency II, the EU AIFM Directive and EMIR.

- **Basel III:** Basel III focuses on strengthening the regulation, supervision and risk management of the banking sector. One of the main aims is to increase the capital reserves that banks must hold against losses. Basel III sets a new key capital ratio of 4.5%, plus a new buffer of a further 2.5%. The new rules will be phased in between January 2013 and January 2019.
- **Solvency II:** A new EU Directive regulating the solvency of European insurance companies, due to be implemented in January 2013, but likely to be delayed until January 2014. The Solvency II framework is designed to harmonise the capital adequacy requirements of European insurance providers. It sets capital requirements and risk management standards which are designed to ensure that an insurer always has sufficient resources available to meet its obligations to policyholders.
- **EU AIFM Directive:** the aim of this directive is to establish a secure and harmonised EU framework for monitoring and supervising the risks that Alternative Investment Fund Managers (AIFMs) pose to their investors, counterparties, other financial market participants and to financial stability. It also aims to permit AIFMs to provide services and market their funds across the internal European market.
- **EMIR:** the objective of the European Market Infrastructure Regulation (EMIR) is to increase stability and transparency of the over-the-counter (OTC) derivatives markets and the financial markets generally, by reducing volatility stemming from the uncontrolled trading of swaps. Any entity classified as “financial”, and thus including non-listed real estate funds, will be subject to mandatory clearing of derivative transactions and be required to post cash or other liquid assets as collateral. Physical properties underlying the derivative contract can no longer be used as collateral.

The majority of the respondents expect that the upcoming regulations will have an impact on their companies in 2012, and what follows is an overview of the comments received from survey results and open-ended questions.

Basel III: A number of respondents expect that less capital for financing will be available due to the Basel III regulation and that putting more equity into assets acquisitions will become necessary. Respondents also expected banks to tighten lending and, as a consequence, lending costs will rise and the opportunity to obtain debt in asset transactions will be restricted. Bank regulations are also likely to attract new sources of capital to replace bank lending and more specialised lending will become more common, such as through mezzanine funds or insurance companies.

Solvency II: Around 80% of investors, 86% of fund of funds managers and 72% of fund managers expect Solvency II to impact them. Last year around 40% of the investors and fund of funds managers selected ‘do not know’ to this questions so it seems likely that there is also now more information and awareness on this legislation.

Under current proposals, respondents said that attractiveness of real estate may decrease. This is partially due to higher capital reserve requirements and the increased opportunity cost of putting capital into real estate. As a consequence, target fund returns may also

have to be higher. Insurance companies in particular are likely to be less active in the real estate market due to Solvency II.

However, real estate debt might become a more attractive option. Equity investors in real estate will seek higher returns, or alternatively look at real estate debt investment. Demand for un-gearred structures may become more attractive as investors opt for lower risk approaches to avoid higher capital requirements.

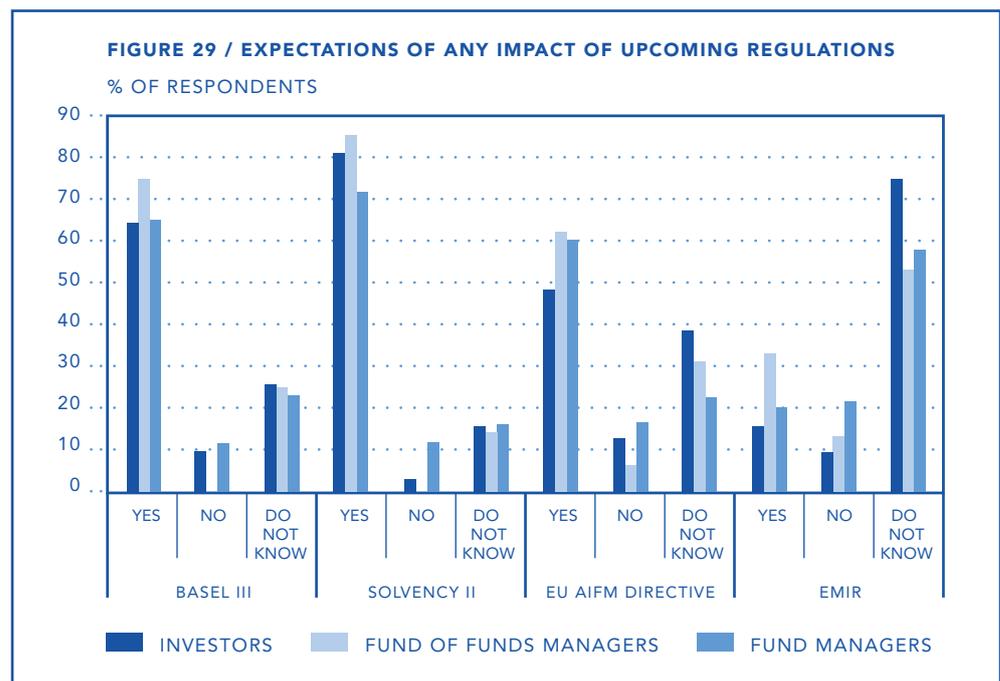
EU AIFMD Directive: The directive is perceived, at least by large investors, as being less of an obstacle than either Solvency II or Basel III. For investors the directive brings overall tighter control and improved investor security, which could lead to a more professional industry.

However, it is likely to affect the number of fund managers active in the industry, as they will need to be regulated and have sufficient resources for its requirements, but it could also improve the overall professionalism in the fund management industry.

Costs and therefore fees are expected to increase with the extra work required by fund managers to comply with the directive. These costs will put an additional burden on managers and make it especially difficult for smaller managers or start ups to survive. This could result in a lower number of products on offer.

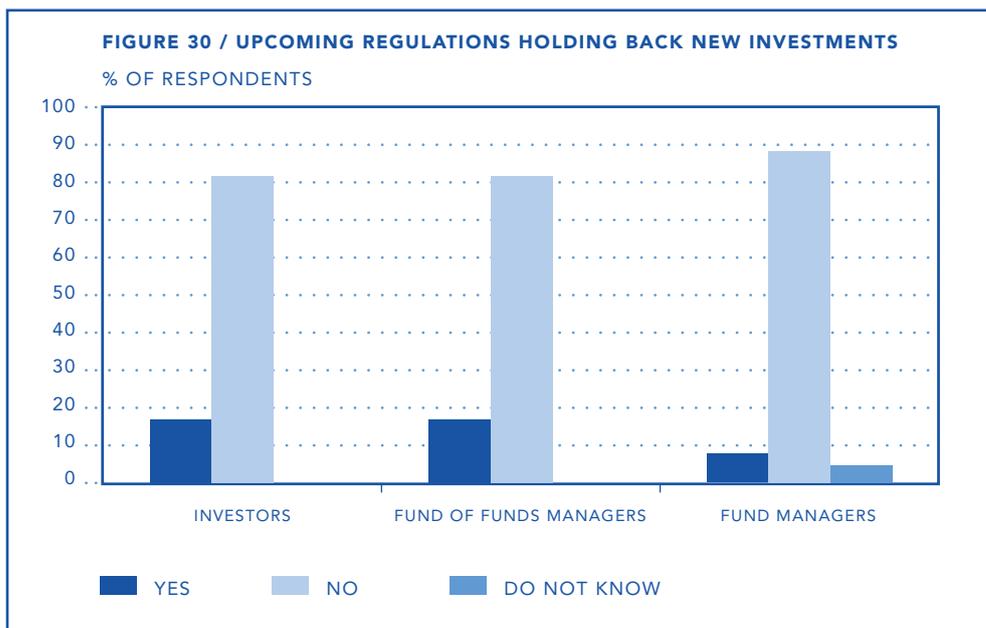
EMIR: It is clear that there is less awareness in the industry about EMIR and its impact. Only 16% of investors, 20% of fund managers and one third of the fund of funds managers expect an impact from EMIR, which is relatively low in comparison to the other regulations. A large majority of investors, fund of funds managers and fund managers do not know what impact EMIR could have on the industry.

Respondents expect an impact on real estate hedge funds but fewer expect an impact on traditional property funds. EMIR is most likely to affect instruments used for hedging against interest rates. Under EMIR funds will have to cover exchange rate risk with cash, increasing the liquidity the fund has to hold. Hence, this directive can have an important impact on the potential profit of a fund, as well as on the required cash.



Despite the fact that upcoming regulations could have a major impact on the non-listed real estate funds market, 81% of investors, 81% of fund of funds managers and 88% of the fund managers do not believe that regulations are currently holding back new investments (Figure 30).

However, investors say they will take a more cautious and selective approach when considering new investments, while funds with mostly insurance companies as investors may have trouble raising further capital if required as a consequence of the upcoming regulations.

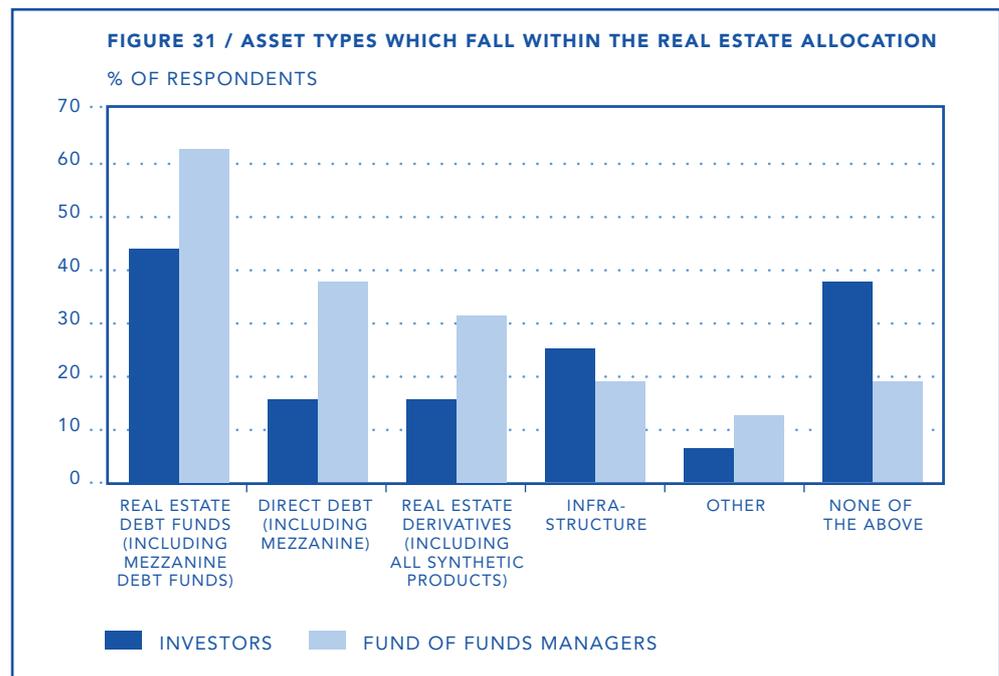


8 ALTERNATIVE SECTORS

Figure 31 shows which asset types fall within the real estate mandates of investors and fund of funds managers. The results show that for 44% of investors and 63% of fund of funds managers, real estate debt funds fall within their real estate allocations, and this is the alternative with the highest proportion of mandates among the respondent groups. The results for these alternatives are almost identical to last year's survey. However, the percentage that are not able to invest in any alternatives cannot be compared with last year as listed real estate and real estate hedge funds were also included in the question in 2011.

After real estate debt funds, the next most popular alternative is infrastructure, which is included in the mandate of 25% of investors followed by 16% with the ability to invest in both direct debt (whereby the investor lends directly from its own account rather than via a fund) and real estate derivatives. Close to 40% of investors do not have a mandate to invest in any of the alternatives.

Funds of funds have broader mandates for real estate when it comes to alternative products. In addition to real estate debt funds, 38% of fund of funds managers has a mandate to invest in direct debt, 31% in real estate derivatives and 19% in infrastructure. Just as with the investors, these results are in line with last year's survey.

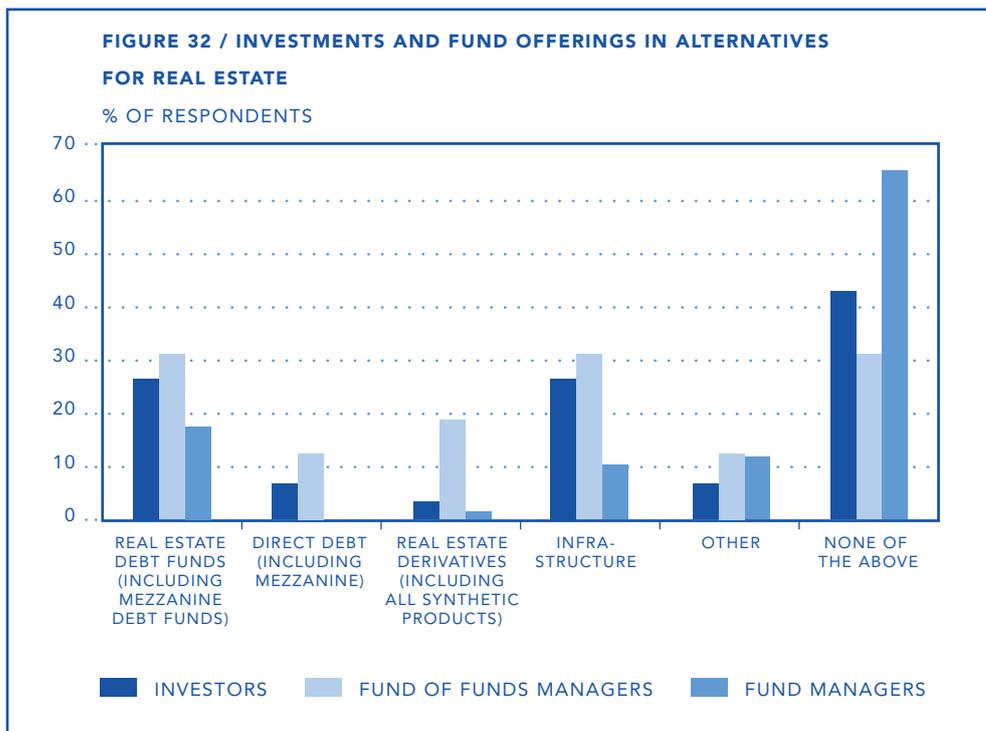


Investors and fund of funds managers made most investments into real estate debt and infrastructure, in line with the popularity of these mandates in Figure 32. For these two alternatives, 27% of investors have already made investments while the number for fund of funds managers is slightly higher at 31%.

At 7%, only a small proportion of investors have allocated capital to direct real estate debt and other alternatives. These 'other' alternatives include, for example, timberland investments. This figure is slightly higher for fund of funds managers at 13%.

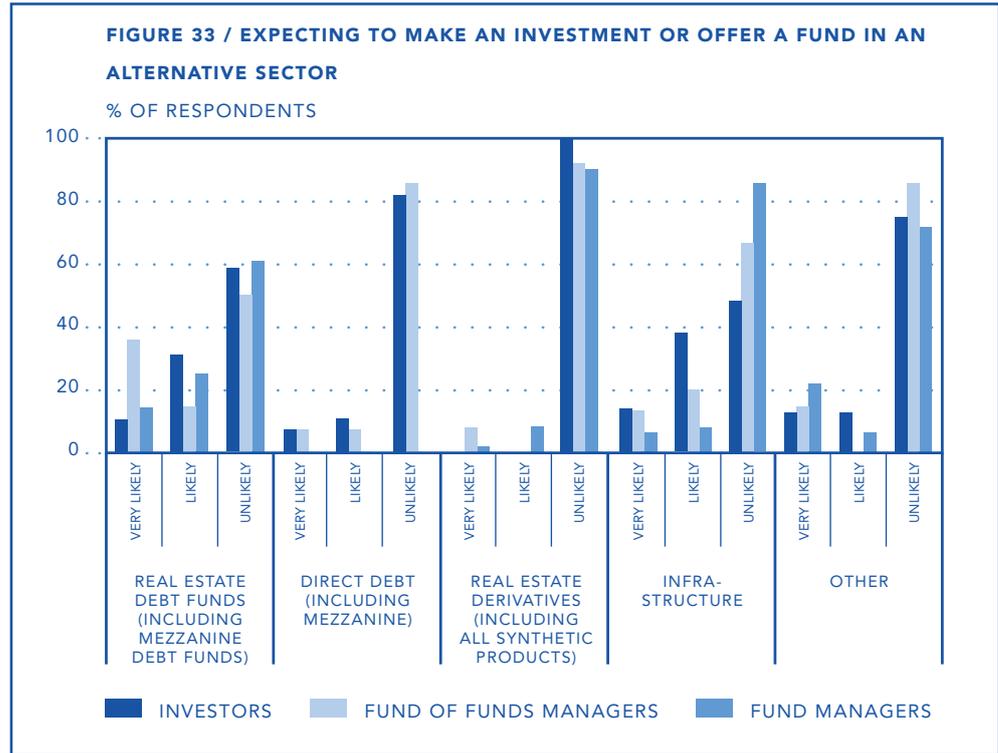
However, the majority of investors and fund of funds managers has not yet made investments into any of these alternatives. This is 43% of investors and 31% of fund of funds managers.

This lack of take up may not be surprising as close to 65% of fund managers are not yet offering any products within this range of alternatives. The most offered alternative by fund managers is real estate debt funds. This seems to be in line with the current mandate and investments of investors and fund of funds managers.



For future investments, investors and fund of funds managers favour real estate debt funds and infrastructure. Around 41% of investors said they are likely or very likely to make an investment in real estate debt funds compared with 23% last year. This increased interest might be partly driven by the upcoming Solvency II regulations, where relatively high capital charge on real estate investments drive insurance companies to consider real estate investments with lower capital charges such as real estate debt, in particular where they are short term (below 5 years). The interest in infrastructure remained relatively stable with 52% likely or very likely to make an investment compared with 55% last year. None of the investors is expecting to make an investment in real estate derivatives.

Fund of funds managers seem to be more focused on real estate debt funds and less focused on infrastructure. When you break down the 50% that expects to make an investment into real estate debt funds, 36 percentage points of this is very likely to do this compared with 18% last year. Although fund of funds managers seem to be less focused on infrastructure than investors, the percentage that is likely or very likely to make an investment has grown from 6% in 2011 to 33% this year. In line with investors, fund of funds managers seem to be less focused on real estate derivatives with 90% unlikely to make an investment.



9 COUNTRY RISK WITHIN EUROPE

The economic headlines for 2011 were dominated by the worsening Euro crisis as long term interest rates increased for vulnerable countries such as Spain and Italy, forcing European leaders to take drastic steps.

This included increasing the rescue package to €1 trillion and investors accepting a 50% write off on Greece debt. Despite all the new steps taken by European leaders, stability in the European financial markets has not returned and recently France, Italy and Spain lost their triple A status.

This financial turbulence of 2011 is likely to have a major influence on the real estate allocations of investors and fund of funds managers. In order to explore this, we asked investors and fund of funds managers about their expected allocations to individual European countries, the associated risks and expected internal rates of return (IRRs).

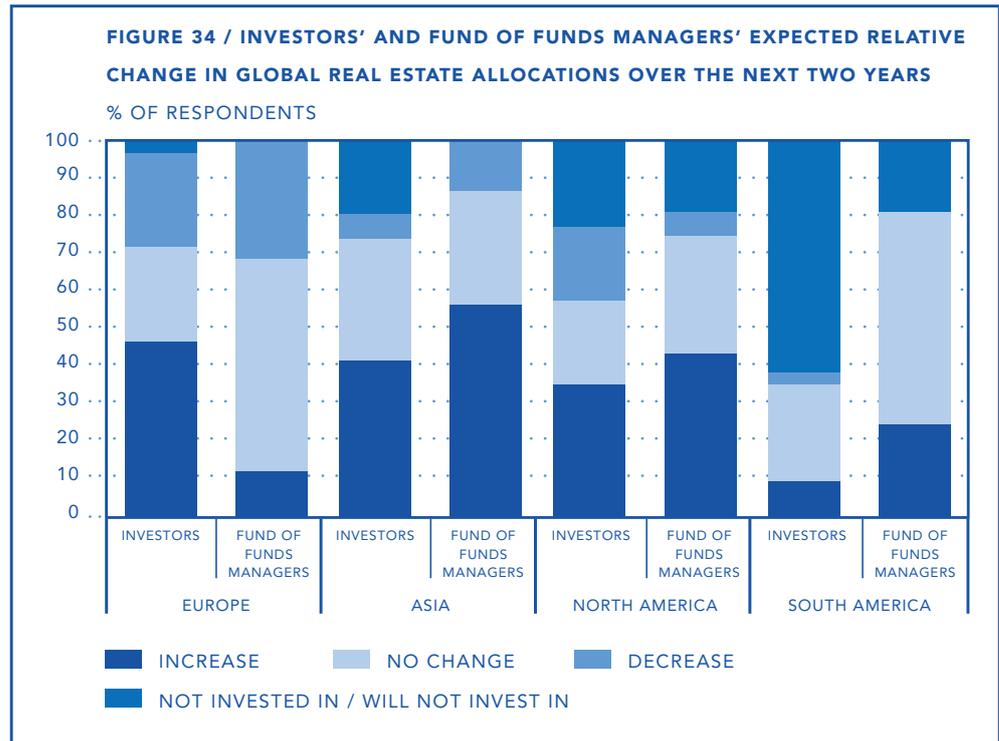
Investors and fund of funds managers were first asked what impact the current Euro crisis is having on their current and future allocations to non-listed real estate funds. The general consensus is that this "new" crisis has slowed investors down from making further investments in Europe.

Respondents indicate that the full impact on the current allocations remains to be seen but for now the focus for investors is on seeking low risk and high income opportunities that use low levels of leverage in core countries. This has resulted in a move away from investments in Southern Europe. Some also indicated that in the mid-to-longer term, the Euro crisis will yield some interesting opportunities. In contrast, a few indicated that the Euro crisis has not yet had an impact on their current and future investments.

When looking at the allocations to global real estate, Figure 34 shows that 47% of investors still intend to increase their allocations to Europe while 25% intend to lower them. This still leads to investors being a net allocator to Europe at 22%. However, the opposite is true for fund of funds managers. Only 13% want to increase their allocations to Europe where 31% expect to decrease their allocations. This leads to a net decrease of 18% to European allocations.

The most popular region at present is Asia with 42% of investors expecting to increase their allocations to this region. At 56%, this figure is even higher for fund of funds managers. As only 7% of investors and 13% of the fund of funds managers expect to decrease their allocations, this leads to large net increases of 35% and 43% respectively.

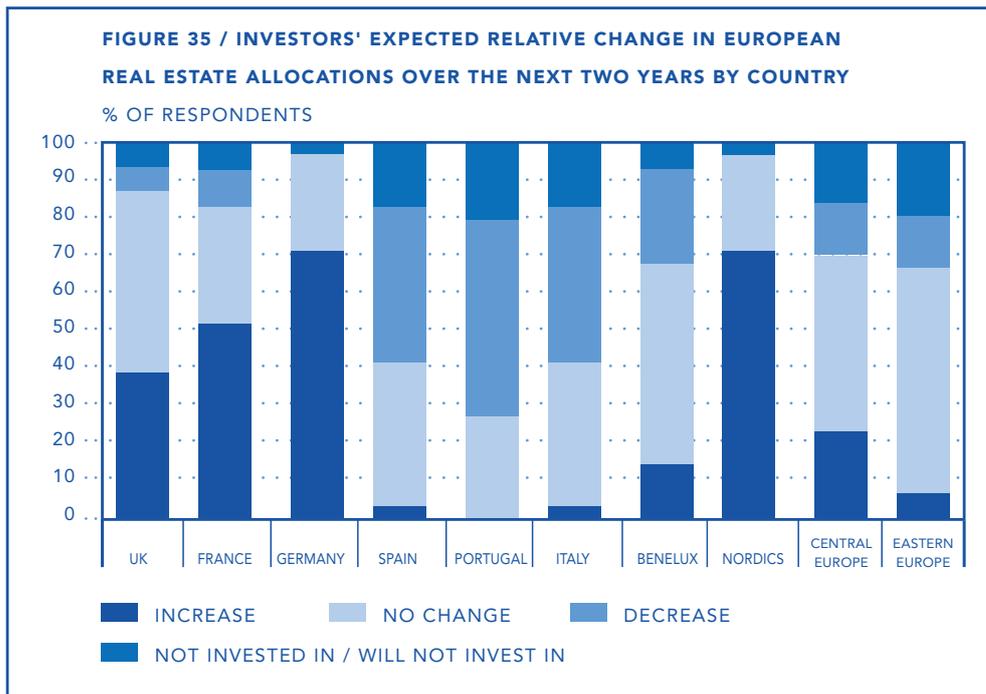
There is also a net increase for investments in North America at 16% for investors and 38% for fund of funds managers. For South America, at 61%, a large majority of investors has not invested in this region and does not expect to do so in the next two years. Fund of funds managers seem to be more active in this region and 25% is expecting to increase their allocations.



There is substantial difference between Southern and Northern Europe for expected allocations over the next two years (Figure 35, page 41). Investors expect to increase their allocations to the UK, France, Germany and Nordics. Most popular are the German and Nordic markets with 71% of the investors expecting to increase their allocations to these markets with no expected decreases in allocations. These results seem to be in line with the overall desire of investors to invest in what they perceive as low risk and strong countries within Europe.

A decrease in allocations is expected for Spain, Portugal and Italy. Portugal seems to be most out of favour with investors with more than half expecting to decrease their allocations to this region. This is slightly lower for Italy and Spain but 41% still expect to lower their allocations to both countries. These results clearly show the effect of the Euro crisis on real estate investments within Europe.

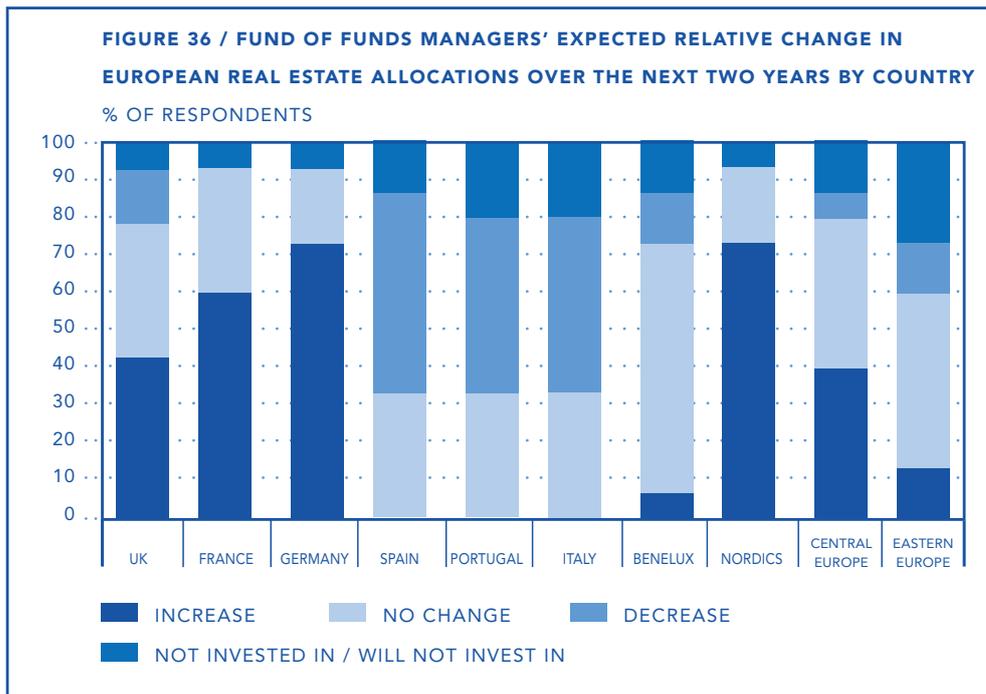
It is interesting to see that only 14% of the investors expect to increase their allocations to Benelux whereas 25% indicated their allocations would decrease. This leads to a net decrease of 11% for the Benelux market. For Central and Eastern Europe the differences between the expected increase and decrease are small resulting in a net increase of 10% for Central Europe and a net decrease of 6% for Eastern Europe.



Whereas expected allocations to regions on a global level differ substantially between investors and fund of funds managers (page 40), this is different for their real estate allocations within Europe. In line with investors' preferences, fund of funds managers' top countries within Europe are Germany and the Nordics with 73% expecting to increase their allocations to these regions. Again, none expect to lower their allocations. France appears to be more attractive for fund of funds managers compared with investors with a net increase of 60% and 41% respectively.

Fund of funds managers also appear to feel the same as investors about the Southern Europe markets. Spain is the least attractive to fund of funds manager with 53% expecting to decrease their allocations. This is closely followed by Portugal and Italy at 47% for both countries.

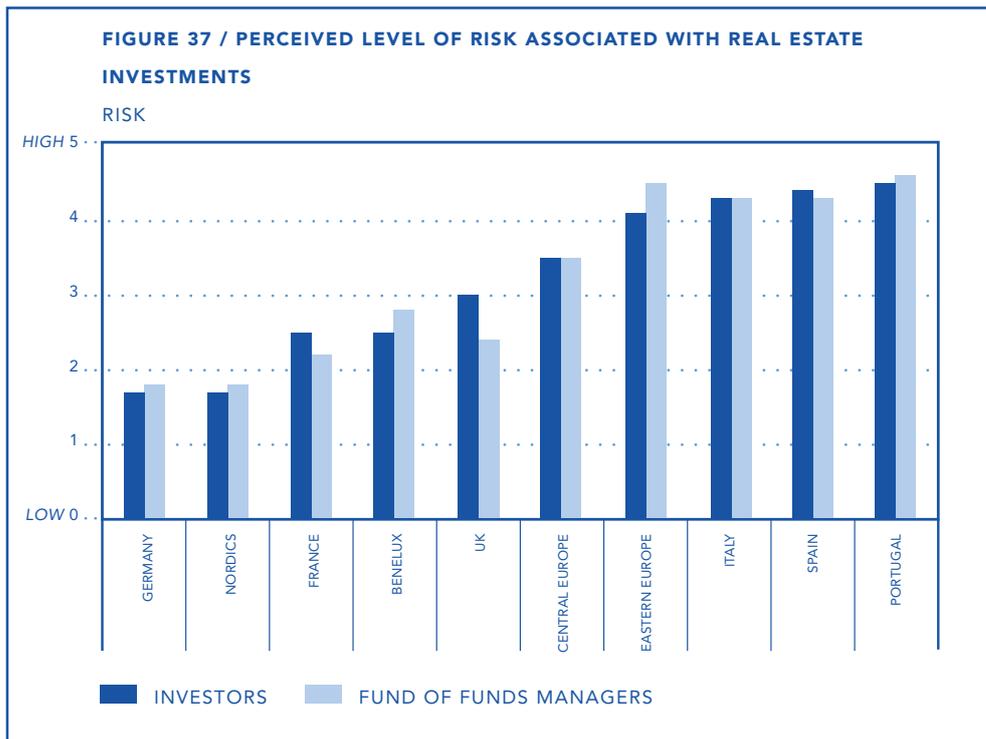
The greatest difference between fund of funds managers and investors is within Central Europe. While there is a net increase of 10% for this region by investors, this number is substantially higher for fund of funds managers at 33%. This seems to confirm that in general fund of funds managers are more active in the higher risk spectrum of real estate investments.



Respondents were also asked to rank the individual European markets from lowest (1) to highest (5) based on their perceived level of risk. Results in Figure 37 (page 43) show that investors and fund of funds managers have the same risk perceptions for almost all markets. It comes as no surprise that Southern Europe is now seen as a very risky market with the majority of the respondents ranking these countries with a 4 or 5. It is interesting to see that investors classify these countries as even more risky than Eastern European markets.

Germany and the Nordics are perceived as the countries with lowest risk. The majority of the investors rank these markets between a 1 and 2. This low risk profile is one of the major drivers of the expected increase in allocations to these markets in coming two years. As discussed earlier, the majority of investors are focusing on core products within low risk countries.

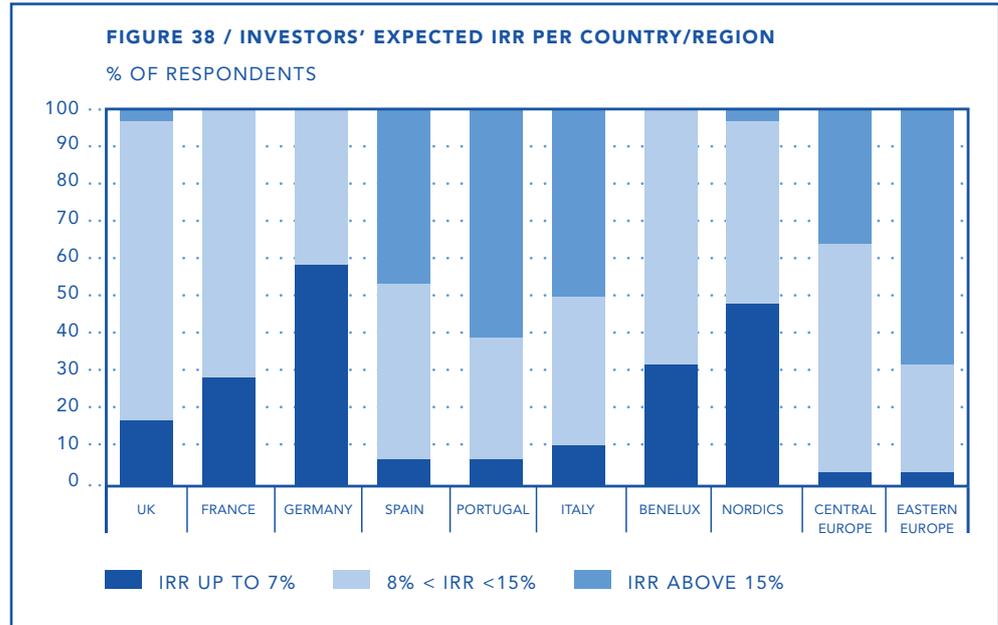
For almost all markets investors and fund of funds managers think alike except for the UK. Here, the results show that investors perceive that UK has higher risk compared with fund of funds managers.



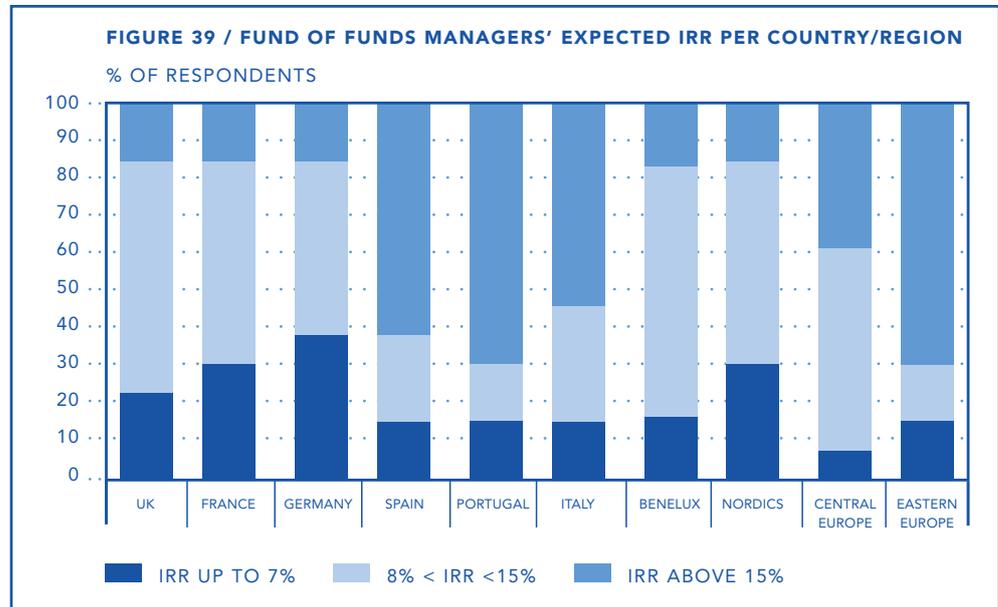
As there are substantial differences between the risk associated with real estate investments within Europe, this also has an impact on the expected internal rate of return (IRR) on investments. Respondents were asked to select the appropriate net IRR (net of fees, taxes and gearing) for the markets on a total sector level taking into account their perceptions of risk for these real estate markets.

Results in Figure 38 show that close to 50% of the investors expect an IRR of above 15% for real estate investments in Spain and Italy. This figure is even higher for Portugal at 60%. Despite the fact that Eastern Europe is now being classified as equally risky as Southern Europe more investors (68%) expect an IRR of 15% for this market.

The opposite is true for Germany where 59% of the investors expect an IRR up to 7%. For the UK, French and Benelux markets, the majority of investors expect an IRR between 8% and 15%.

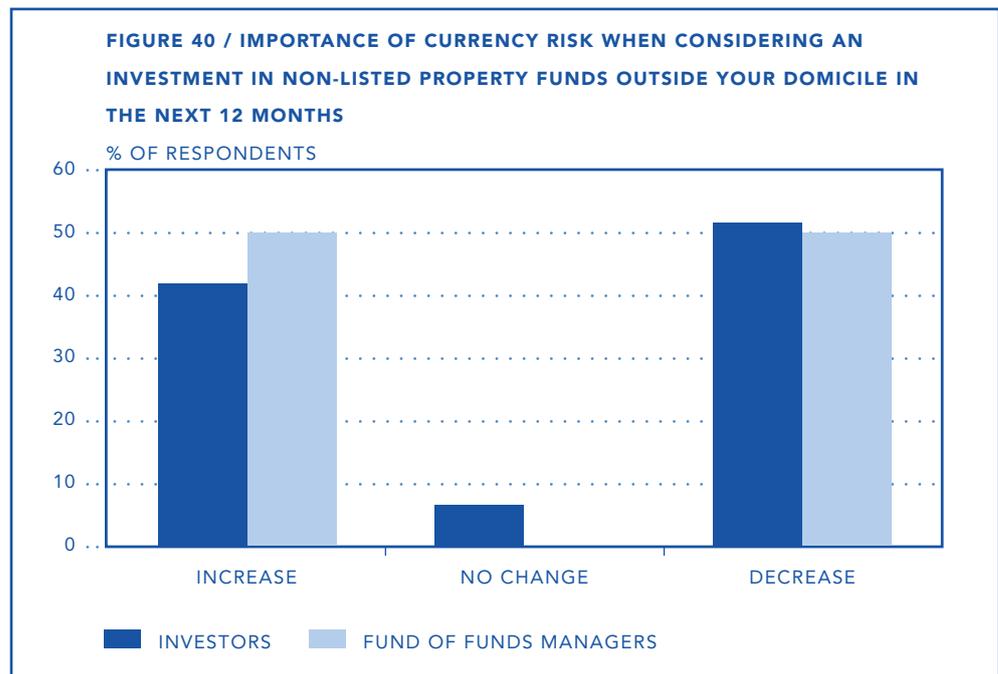


When looking at the fund of funds managers' expected IRRs, the general trend is that for most markets they are targeting higher IRRs compared with investors. Again, this could be the result of them being more active at the higher end of the risk spectrum of the real estate markets. For most markets fund of funds managers expect an IRR of between 8% and 15% with an exception of Southern and Eastern European markets where an IRR of above 15% is expected.

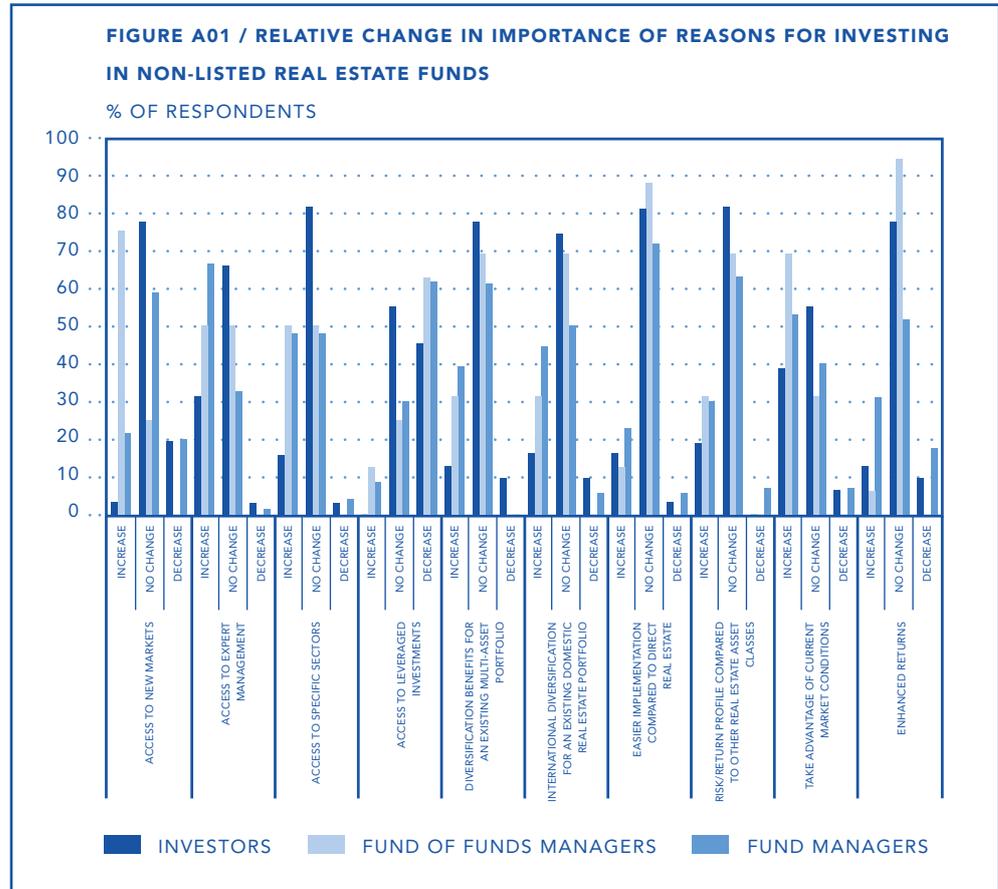


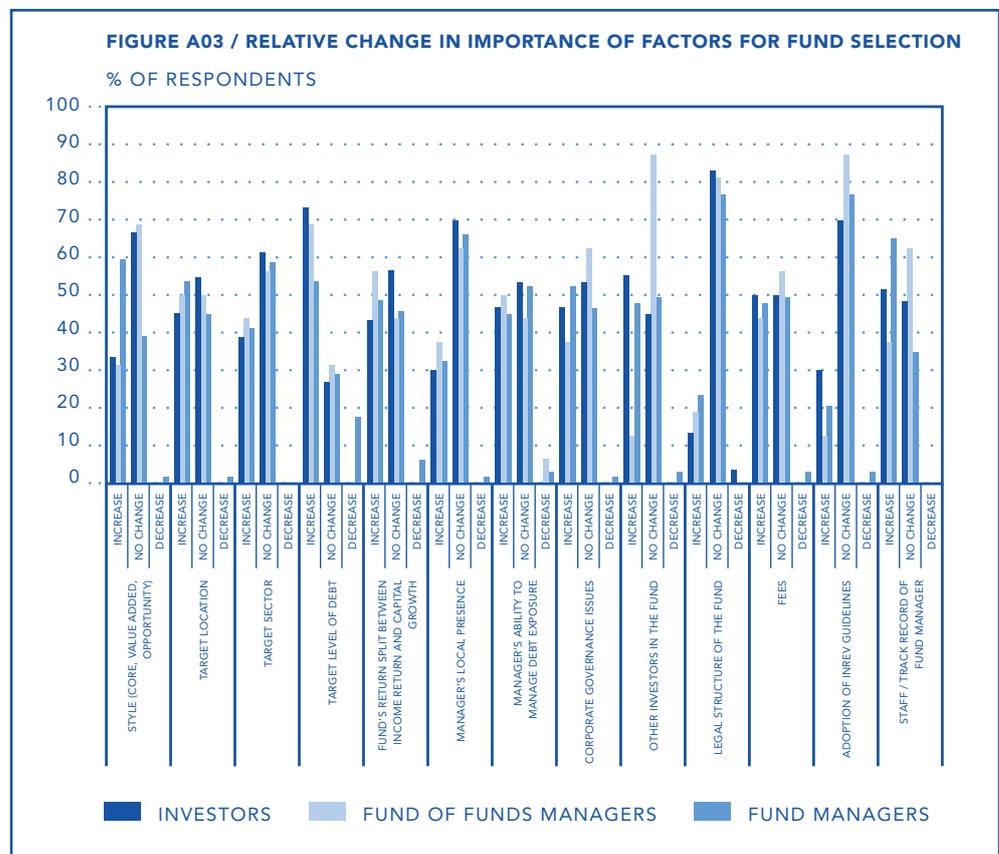
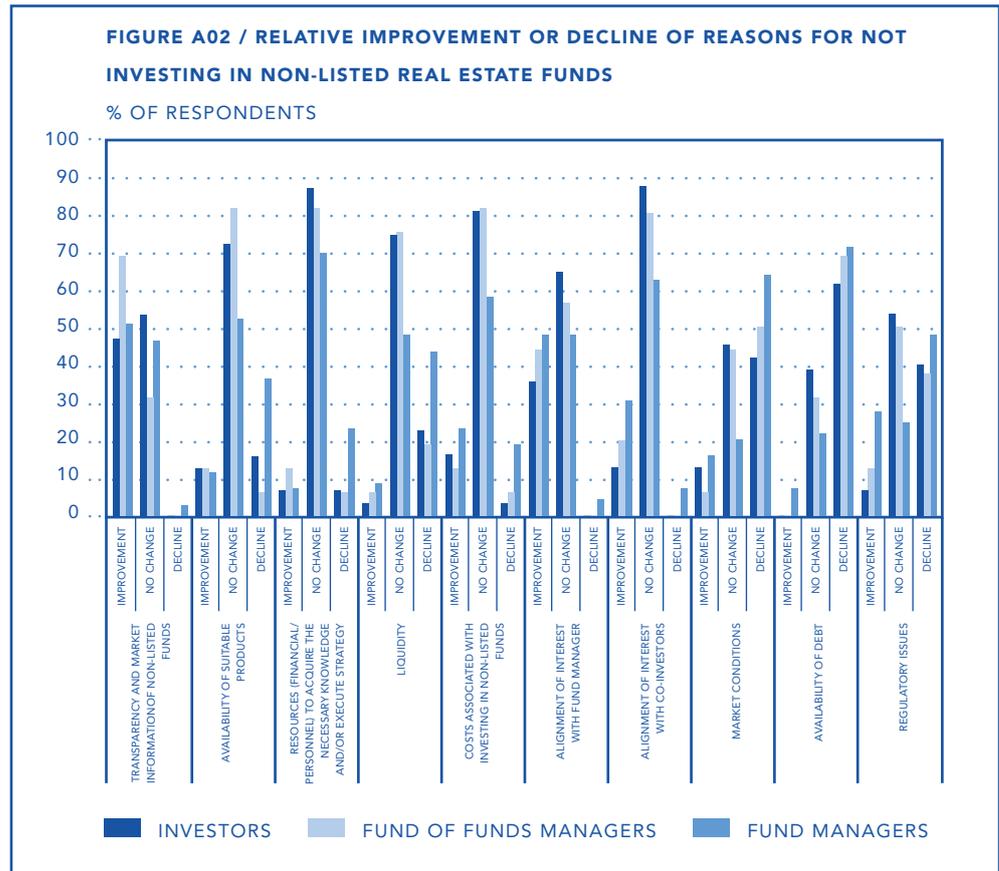
Finally respondents were asked whether the importance of currency risk will change when considering investments in non-listed property funds outside their domicile in the next 12 months. Over 40% of investors expect currency risk to increase in the next 12 months whereas over 50% expect it to decrease.

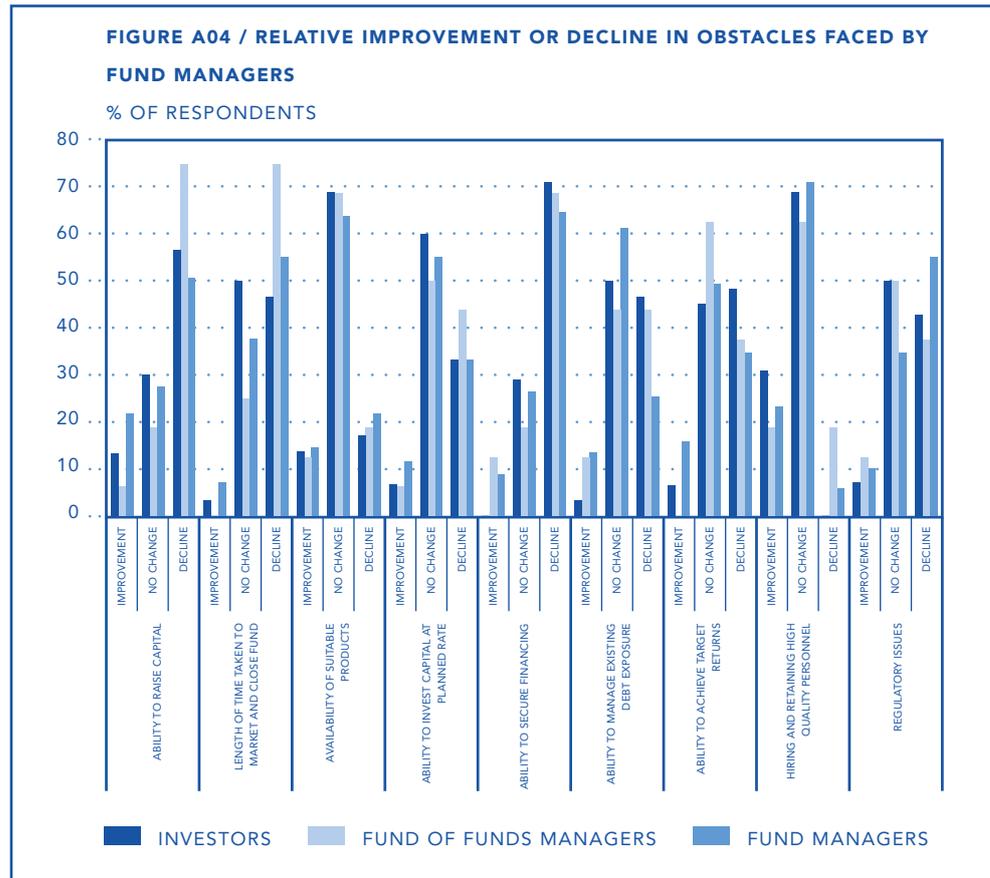
These results could be driven by several factors. First, some investors hedge their currency level on a group company level which means that currency risk is not taken into account when investing in funds. Second, it depends on the base currency of the investor. The risk of an US investor could be substantially different from an European-based investor. Finally, it also depends on the type of investments expected to be made in the future. For example, if a Euro based investor decides to only invest in Euro-based countries in the future the currency risk could be lower for next year despite the current uncertainties in the currency markets.



APPENDIX 1: ADDITIONAL GRAPHS

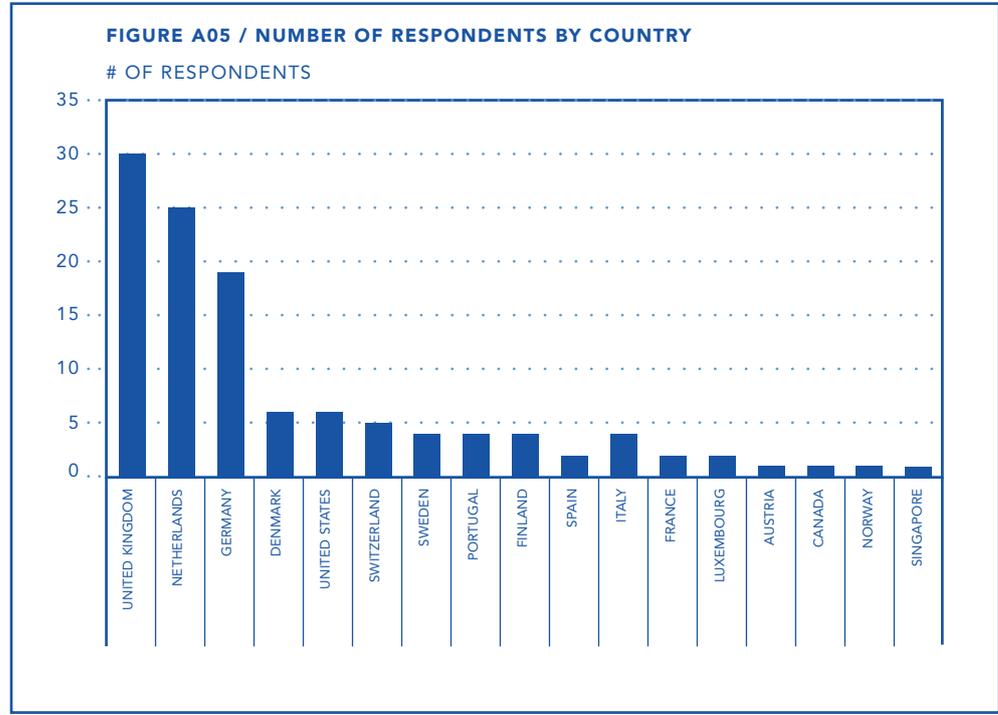






APPENDIX 2: RESPONDENTS

All respondents



Investors

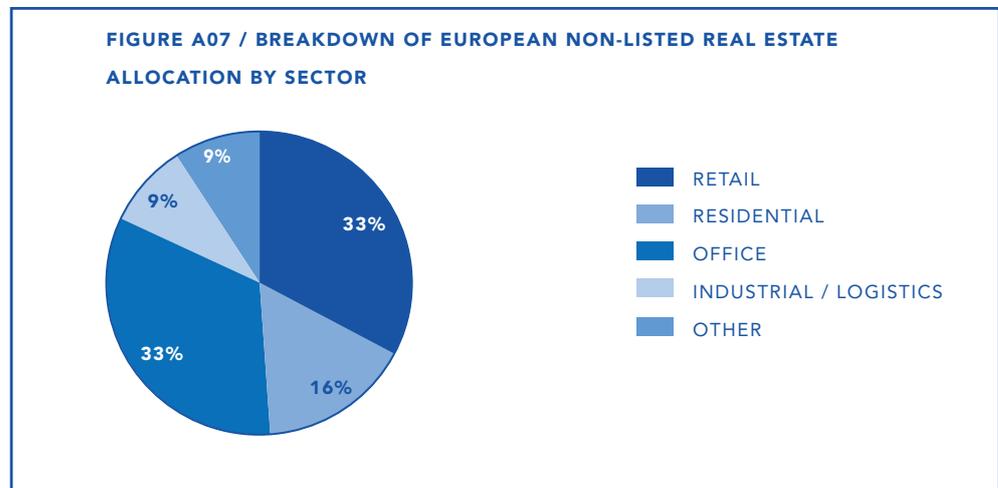
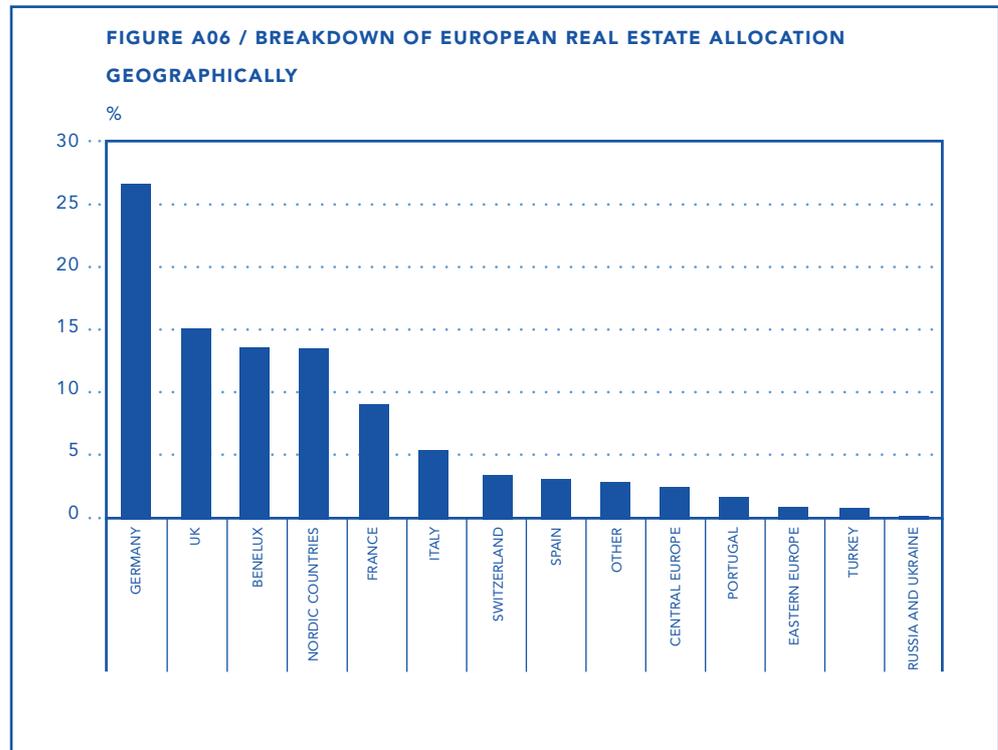


FIGURE A08 / BREAKDOWN OF EUROPEAN NON-LISTED REAL ESTATE ALLOCATION BY STYLE

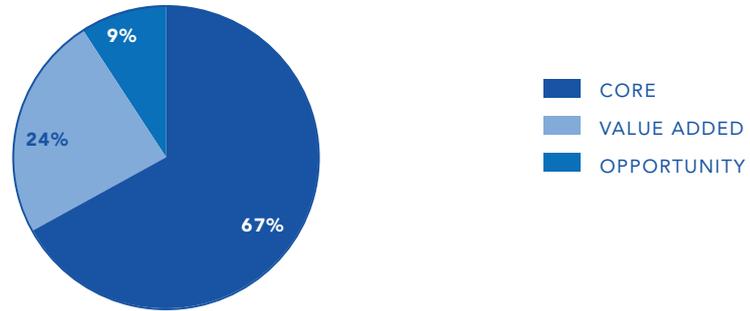
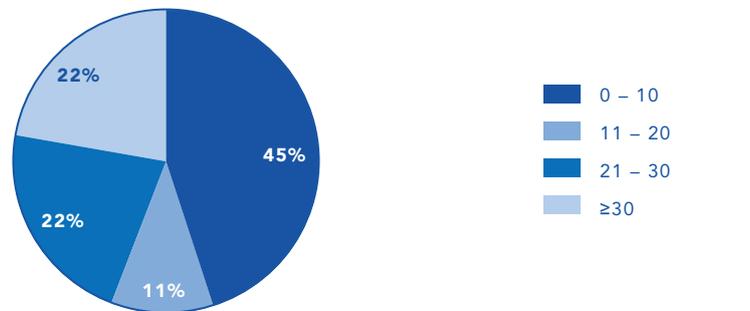
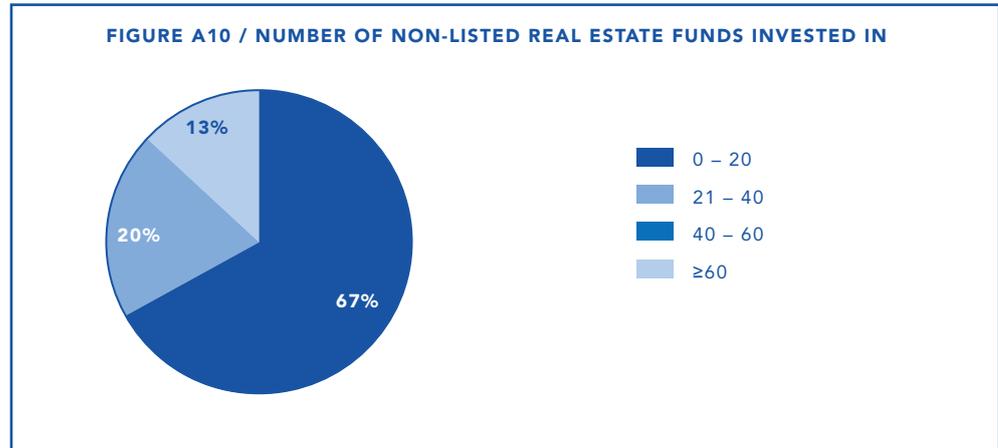


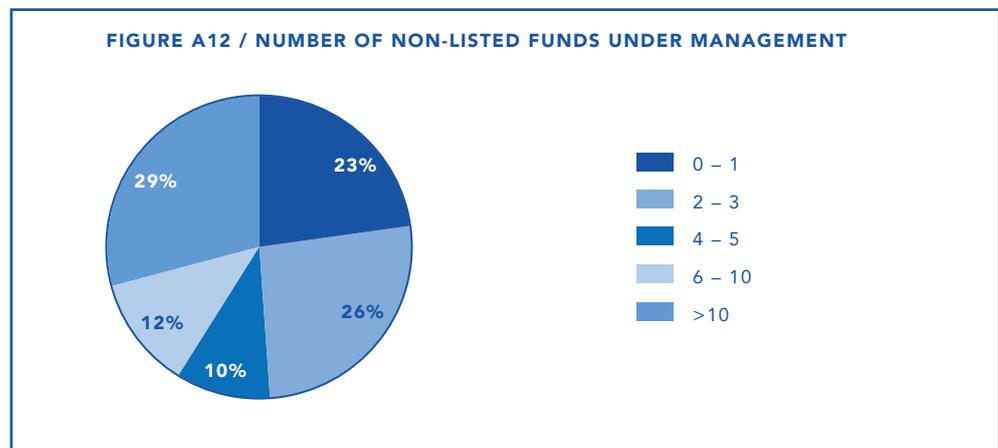
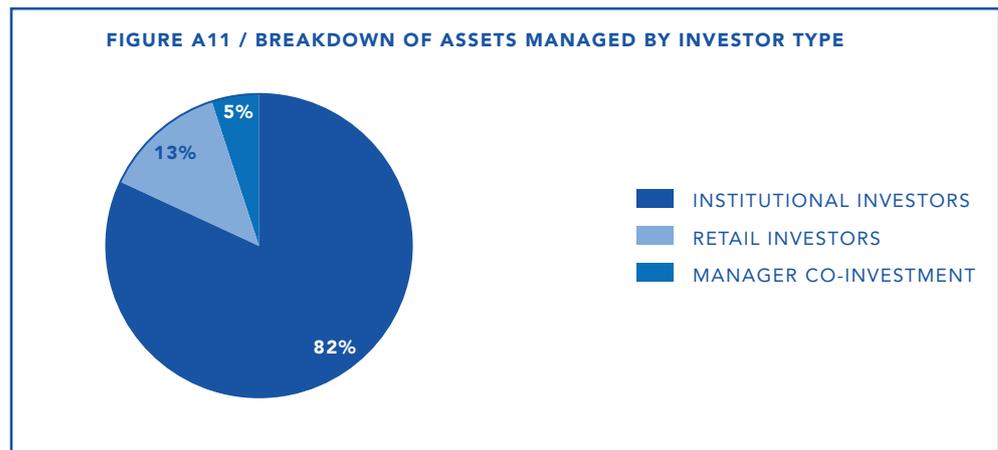
FIGURE A09 / NUMBER OF NON-LISTED REAL ESTATE FUNDS INVESTED IN



Fund of Funds Managers



Fund Managers



APPENDIX 3: LIST OF RESPONDENTS

Below is a list of investors, fund of funds managers and fund managers who took part in the survey and gave permission for their company names to be published.

4IP Management AG	Hines
Aberdeen Asset Management	Hunter Property Fund Management
Aberdeen Property Investors Indirect Investment Management	IBUS Asset Management BV
Adimmo AG	iii-investments
AEW Europe	Ilmarinen Mutual Pension Insurance Company
AltaFund	Imorendimento
Altan Capital, S.G.I.I.C., S.A.U.	ING Insurance Benelux
Altera Vastgoed NV	Internos Real Estate Investors LLP
AMB Property Europe BV	IVG Immobilien
Amvest	Jamestown US – Immobilien GmbH
Andersson Real Estate Investment Management	KGAL GmbH & Co. KG
APG Investments	Kommunernes Pensionsforsikring
Archstone Management Germany S.Ä r.l.	Kristensen Properties A/S
AREA Property Partners	LaSalle Investment Management
Art-Invest Real Estate Management GmbH & Co KG	Legal & General Property
ASR	Lothbury Investment Management Ltd
ATP Real Estate	MEAG Munich ERGO Asset Management
AXA Real Estate	MGPA
BlackRock	Mn Services Vermogensbeheer
Blue Sky Group (KLM)	Morgan Stanley
Bluehouse Capital	Niam
BNP Paribas Investment Partners	Northam Realty Advisors Limited
BNP Paribas Real Estate Investment Management Italy S.G.R. p.A.	PGGM N.V.
Bouwfonds Real Estate Investment Management	Pradera
BPF Bouwinvest	Prelios SGR SpA
BPT Asset Management	Rockefeller Group Investment Management
Caixagest – Grupo Caixa Geral de Depósitos	Rockspring Property Investment Managers
Capital Dynamics	Schroders
CapMan Plc	Shell Asset Management
CBRE Global Investors	Sonae sierra
CBRE Global Investors Global Multi Manager	Sparinvest Property Investors A/S
Clerestory Capital Partners	SPF Beheer B.V.
Cordea Savills LLP	Stichting Pensioenfonds Unilever Nederland “Progress”
Corestate Capital AG	Stichting Philips Pensioenfonds
Cornerstone Real Estate Advisers	Syntrus Achmea Vastgoed
Credit Suisse	The Church Commissioners for England
Europa Capital LLP	The Crown Estate
F&C REIT Asset Management	The Local Government Pensions Institution
FHP	The State Pension Fund
FIMIT Sgr S.p.A.	Tishman Speyer
Franklin Templeton Real Estate Advisors	UBS Global Asset Management
Frogmore Real Estate Partners Investment Managers	Valad Property Group
Gothaer Asset Management AG	VersAM Versicherungs Asset Management
Grontmij Capital Consultants B.V.	Versicherungskammer Bayern
Grosvenor Fund Management	Vesteda Groep
HAHN Fonds Management GmbH	Vital Eiendom AS
Heitman	Warburg – Henderson Kapitalanlagegesellschaft für Immobilien mbH
Hermes Real Estate Investment Management	Westplan Investors

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