

BUSINESS PLAN 2014 – 2016

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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 industry.

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The Business Plan
is an important tool to
guide INREV's actions
in 2014

INTRODUCTION

We are proud to present the INREV Business Plan for 2014 – 2016.

Our annual Business Plan is an important tool to guide and channel INREV's actions throughout the year, both within the INREV office as well as for committees and working groups. It is the result of steps taken over the past few months to capture input from key contributors and members. This includes:

- INREV Management Board Strategy Meeting, November 2013.
- Senior INREV Staff Strategy Meeting, December 2013.
- Member feedback gained via the annual Member Survey, at events and in over 100 individual meetings conducted in 2013 by the INREV Management Team.

Market trends and member input form an integral part of the Business Plan, as both aspects influence INREV's focus and strategy. Therefore, we have also included an analysis of market trends relevant to non-listed real estate and its investors. Our recently published Investment Intentions Survey 2014, which gauges members' views on trends in the non-listed property industry for the following year, was a good source for this.

Therefore, this Business Plan uses key market trends and member input to help set clear objectives for the next three years as well as detailed targets for INREV's work in 2014.

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INREV's mission statement is the starting point for our goals and priorities

PRIORITIES FOR 2014 AND STRATEGIC GOALS 2014 – 2016

Each year INREV sets priorities to drive our activities for the coming year. This year's priorities are set out below:

INREV'S PRIORITIES 2014

1. To maintain INREV's leading position in the non-listed real estate investment industry in Europe and to ensure INREV attracts and retains key participants that reflects the diversity of the industry.
2. To further expand INREV's interregional research programme to serve the needs of all members and lead the development of globally consistent market practices.
3. To improve market participants' understanding of, and to reduce barriers to investing in, the expanded range of non-listed products such as joint ventures, separate accounts, club deals and debt funds.
4. To promote non-listed real estate as a mature industry and a transparent way for investors to gain exposure to real estate.

We have developed strategic goals to be achieved over the period 2014 – 2016. These take into account market developments and the changing demands of our members.

The strategic goals and main priorities are derived from INREV's vision and mission statement.

INREV's vision is:

To champion the European non-listed real estate industry globally by being committed to building it as a competitive and sustainable asset class for institutional investors.

The fundamentals of the mission statement are:

- To further transparency and accessibility.
- To promote professionalism and best practices.
- To share and spread knowledge.

The strategic goals for 2014 – 2016 are:

STRATEGIC GOAL 1

TO BE THE VOICE OF THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE

- To actively engage with European regulators, policy makers and supervisors to promote the interests of the industry through participating in activities such as public consultations, submitting position papers and building and maintaining personal contacts.
- To increase awareness and knowledge of non-listed real estate in the wider investment market together with maintaining a high media profile and providing sound judgement on all matters impacting the industry.
- To work together with relevant industry associations active in the field of real assets, private equity, hedge funds and infrastructure in order to determine common positions.

STRATEGIC GOAL 2

TO STRENGTHEN OUR POSITION AS THE LEADING INFORMATION AND RESEARCH SOURCE ON THE EUROPEAN NON-LISTED REAL ESTATE INVESTMENT INDUSTRY GLOBALLY

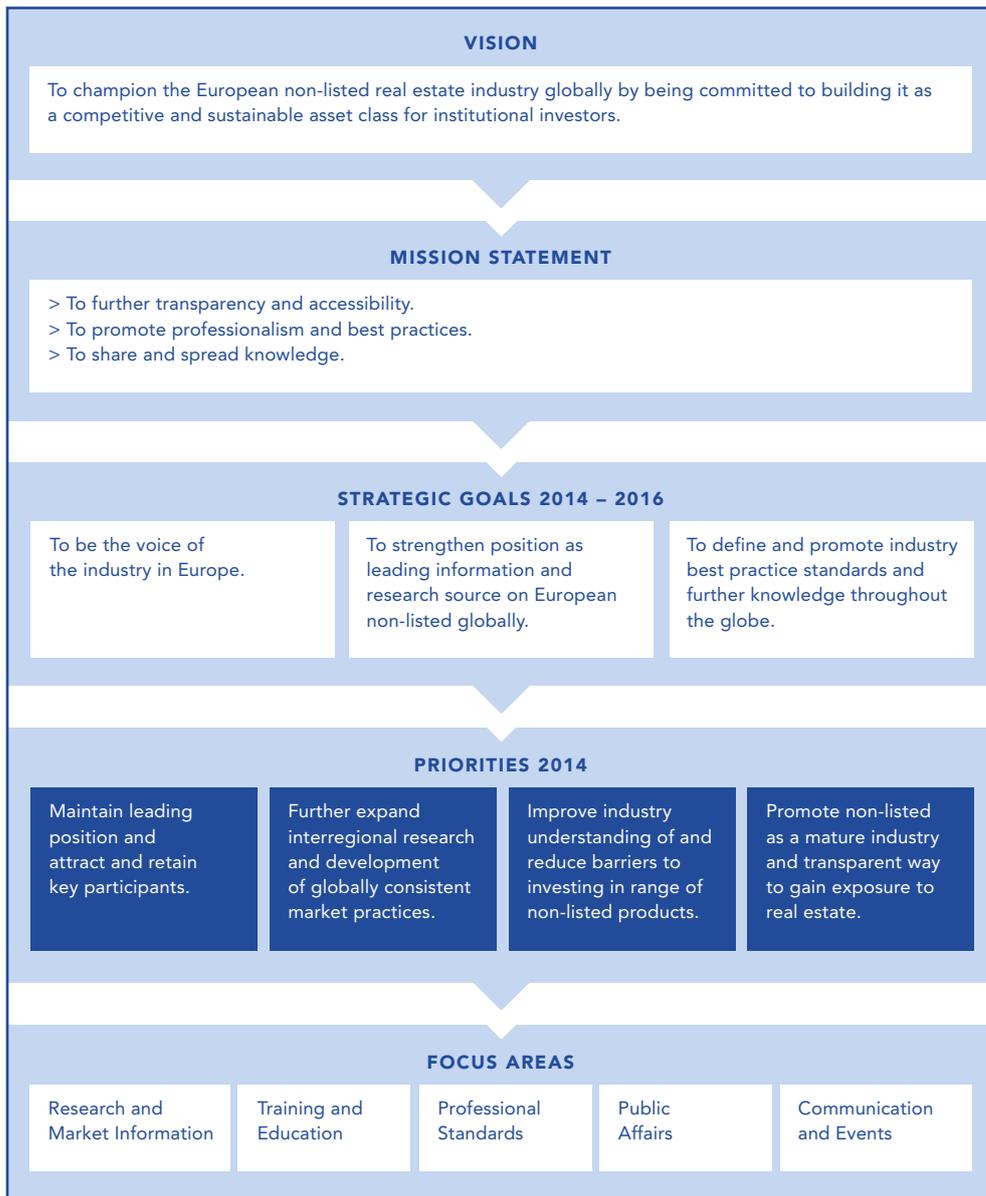
- To support investors' flow of capital to European non-listed investment globally by demonstrating the benefits of adding non-listed real estate to the portfolios of institutional investors.
- To provide members with accessible, high quality, relevant, timely, consistent data and leading, value added research.
- To increase the knowledge on the industry within leading European academic education providers.
- To maintain an effective public relations programme within the industry and the wider investment community.

STRATEGIC GOAL 3

TO DEFINE AND PROMOTE INDUSTRY BEST PRACTICE STANDARDS AND FURTHER PROFESSIONAL KNOWLEDGE THROUGHOUT THE GLOBE

- To promote and expand the revised INREV Guidelines.
- To provide members with guidance on the development and cost efficient implementation of relevant regulatory frameworks.
- To organise high quality events for the general INREV membership, defined membership groups and stakeholders in English as well as in other languages, if and when appropriate.
- To increase the understanding of the non-listed real estate market through a high quality training and education as well as an investor outreach programme.

In order to realise the mission statement, INREV has adopted three strategic goals, which are further developed into more specific priorities that are then implemented in each of our major focus areas. The figure on page 07 shows the connection between Vision, Mission Statement, Strategic Goals 2014 – 2016 and the Priorities for 2014.



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Action points ensure
delivery from our five
focus areas

ACTION POINTS

This section sets out action points in the short term for 2014 and looks forward to 2014 – 2016 for each of INREV's five focus areas.

RESEARCH AND MARKET INFORMATION

GOALS

TO IMPLEMENT A RESEARCH AND MARKET INFORMATION PROGRAMME THAT:

- Strengthens the position of INREV as the leading research and information source on the non-listed real estate industry in Europe.
- Provides members with accessible, high quality, reliable and consistent research and market information on non-listed real estate in its broadest sense.
- Supports INREV's other focus areas such as professional standards, training, events and public affairs.

IMPLEMENTATION

TO MAINTAIN INREV'S LEADING POSITION IN THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE AND TO ENSURE INREV ATTRACTS AND RETAINS KEY PARTICIPANTS THAT REFLECTS THE DIVERSITY OF THE INDUSTRY

2014

- Continue to produce topical research reports of the highest quality.
- Provide insight into the non-listed real estate funds investor universe by publishing a report on the size of the market and information on the role of small investors in these vehicles.
- Launch initiative where INREV financially supports first class academic research on non-listed real estate investing.
- To investigate academics' interest in having an INREV research award that recognises outstanding academic work about the non-listed real estate industry.

TO FURTHER EXPAND INREV'S INTERREGIONAL RESEARCH PROGRAMME TO SERVE THE NEEDS OF ALL MEMBERS AND LEAD THE DEVELOPMENT OF GLOBALLY CONSISTENT MARKET PRACTICES

2014

- Deliver a global Investment Intentions Survey with individual reports covering the European (INREV), US (PREA) and Asian (ANREV) markets.
- Further develop the coverage of the Global Real Estate Fund Index and move it to a quarterly publication.
- Support the development of a module on performance measurement in the revised INREV Guidelines where comparisons are made with Global Investment Performance Standards (GIPS).
- Further expand the online tools by developing a funds of funds tool covering global vehicles.
- Prepare a report which compares core fund markets in Europe, Asia and the US.

TO IMPROVE MARKET PARTICIPANTS' UNDERSTANDING OF, AND TO REDUCE BARRIERS TO INVESTING IN, THE EXPANDED RANGE OF NON-LISTED PRODUCTS SUCH AS JOINT VENTURES, SEPARATE ACCOUNTS, CLUB DEALS AND DEBT FUNDS

2014

- Provide more insight in the cost of non-listed real estate funds by collecting total expense ratio (TER) data for all non-listed funds, according to the revised INREV Guidelines.
- Deliver a report on the European funds of funds industry, covering performance and fee data.
- Improve coverage of performance data on opportunity funds and launch an Internal rate of return (IRR) fund index with closed end funds as constituents.
- Update the report on the European debt funds industry.

TO PROMOTE NON-LISTED REAL ESTATE AS A MATURE INDUSTRY AND A TRANSPARENT WAY FOR INVESTORS TO GAIN EXPOSURE TO REAL ESTATE

2014

- Publish an in-depth report on the benefits and drawbacks of institutional investors gaining exposure to real estate as an asset class via non-listed real estate funds.
- Support and publish academic work linking the sustainability performance measures of the Global Real Estate Sustainability Benchmark (GRESB) database and INREV fund performance data to analyse whether sustainability impacts fund performance.
- Publish a report on the liquidity requirements of investors compared with current market practice in the non-listed real estate industry.

IN LINE WITH OUR STRATEGIC GOALS WE AIM TO TAKE THE FOLLOWING ACTIONS IN THE MID TERM FROM

2014 – 2016

- Further expand the research programme to analyse the key characteristics of the non-listed real estate industry.
- Move all INREV data related products to one online platform, such as the debt funds database as well as a management fees and terms analysis tool.
- Further increase the sample size of the Global Real Estate Fund Index by capturing information on a growing number of value added and opportunity funds.
- Freeze the INREV Quarterly as well as the Global Real Estate Fund Index.

PROFESSIONAL STANDARDS

GOALS

TO IMPLEMENT A PROFESSIONAL STANDARDS PROGRAMME THAT:

- Advances knowledge and professionalism in the industry.
- Ensures the relevance of the INREV Guidelines by reflecting industry best practice.
- Stimulates and facilitates the implementation and adoption of the INREV Guidelines and other INREV standards by the industry globally.

IMPLEMENTATION

TO MAINTAIN INREV'S LEADING POSITION IN THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE AND TO ENSURE INREV ATTRACTS AND RETAINS KEY PARTICIPANTS THAT REFLECTS THE DIVERSITY OF THE INDUSTRY

2014

- Further promote the INREV Guidelines globally in cooperation with regional industry organisations to improve market participants' knowledge of the Guidelines.
- Define and further develop INREV's position on the importance of sustainability; establish a Sustainability Committee as a centre of expertise to advance industry participants understanding of the relevance of sustainability.
- Support specific member interest by offering topical round tables such as the Advanced Tax round table sessions.

TO FURTHER EXPAND INREV'S INTERREGIONAL RESEARCH PROGRAMME TO SERVE THE NEEDS OF ALL MEMBERS AND LEAD THE DEVELOPMENT OF GLOBALLY CONSISTENT MARKET PRACTICES

2014

- Improve understanding of the similarities and differences between the INREV Guidelines and REIS Standards (US) with the aim of developing guidance which allows market participants to seamlessly move from one set of guidelines to the other.
- Re-launch the annual Review of Reporting Best Practice study following the revised reporting guidelines and compare implementation in the European and Asian market in cooperation with ANREV.
- Set up global focus groups for reporting standards on INREV SDDS, INREV NAV and Fee Metrics.

TO IMPROVE MARKET PARTICIPANTS' UNDERSTANDING OF, AND TO REDUCE BARRIERS TO INVESTING IN, THE EXPANDED RANGE OF NON-LISTED PRODUCTS SUCH AS JOINT VENTURES, SEPARATE ACCOUNTS, CLUB DEALS AND DEBT FUNDS

2014

- Set up product focus groups for debt funds and joint ventures to facilitate the integration of product-specific perspectives in the INREV Guidelines.
- Explore and develop product specific guidelines and standards for debt funds, club deals and joint ventures including a heads of terms template.
- Develop further guidance on fund termination vs roll-over. In case of fund exit, for example how to deal with conflicts between LPs, existing investors vs remaining or how to deal with co-investments.
- Actively engage with leading industry participants and associations to assess the potential establishment of a new infrastructure association, and subsequently promote INREV as a possible partner.

TO PROMOTE NON-LISTED REAL ESTATE AS A MATURE INDUSTRY AND A TRANSPARENT WAY FOR INVESTORS TO GAIN EXPOSURE TO REAL ESTATE

2014

- Develop tools, examples and templates to allow efficient implementation of the INREV Guidelines – specifically for smaller market players –and increase awareness of these tools.
- Develop a series of online self-study tutorials on the individual modules of the revised INREV Guidelines to increase understanding and acceptance by market participants.
- Publish articles on different aspects of Professional Standards and develop snapshots on current topics.

IN LINE WITH OUR STRATEGIC GOALS WE AIM TO TAKE THE FOLLOWING ACTIONS IN THE MID TERM FROM

2014 – 2016

- Promote the revised INREV Guidelines globally within the industry and the wider investment community.
- Further develop and formalise relationships with leading industry associations across the alternative investment industry to develop uniform standards across the different alternative investment sectors.
- Develop product specific guidelines, tools and examples in an extension of the revised INREV Guidelines.
- Explore the integration of asset level information in a set of INREV Guideline modules and tools.
- Share and promote the INREV Standard Data Delivery Sheet (SDDS) in Asia and the US, continue to cooperate with local organisations to develop global standards, as well as hosting a series of European SDDS workshops.
- Foster and formalise global coordination with relevant regional/national real estate related associations to further develop the aim of moving to one set of interregional guidelines and standards.

TRAINING AND EDUCATION

GOALS

TO IMPLEMENT A TRAINING AND EDUCATION PROGRAMME THAT:

- Enhances and improves professionalism and the level of knowledge within the non-listed real estate industry by covering both topics of long-term relevance as well as those that reflect current developments, and which are to be delivered in a variety of educational formats.
- Reflects the importance of existing and upcoming regulations to enable members to understand and adapt to the new regulatory landscape.
- Maintains INREV as a leading and preferred provider for education programmes in the non-listed property industry across all levels of seniority.
- Remains accessible to the majority of INREV members irrespective of their domicile.

IMPLEMENTATION

TO MAINTAIN INREV'S LEADING POSITION IN THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE AND TO ENSURE INREV ATTRACTS AND RETAINS KEY PARTICIPANTS THAT REFLECTS THE DIVERSITY OF THE INDUSTRY

2014

- Offer twelve one-day training courses and one two-day course covering a range of relevant topics in accessible locations.
- Offer four Link and Learn seminars for Young Professionals.
- Offer webinars (live and recorded) on key topics in English as well as in local languages.
- Expand the remit of topics by developing and delivering two new courses on the topic of Benchmarking and Advanced Fund Valuation.
- Evolve and update the content of all courses to ensure they stay in line with the latest trends and developments.

TO FURTHER EXPAND INREV'S INTERREGIONAL RESEARCH PROGRAMME TO SERVE THE NEEDS OF ALL MEMBERS AND LEAD THE DEVELOPMENT OF GLOBALLY CONSISTENT MARKET PRACTICES

2014

- Promote the Global Real Estate Fund Index through a webinar and other suitable formats.
- Disseminate the key findings of the Investment Intentions Survey through webinar and traditional courses.
- Educate the industry on the contents of the revised INREV Guidelines through the Fund Valuation, Foundation, and Liquidity courses as well as through the development of self-study tutorials.
- Further strengthen our presence in the North American region through a one-day course in the US and webinars.

TO IMPROVE MARKET PARTICIPANTS' UNDERSTANDING OF, AND TO REDUCE BARRIERS TO INVESTING IN, THE EXPANDED RANGE OF NON-LISTED PRODUCTS SUCH AS JOINT VENTURES, SEPARATE ACCOUNTS, CLUB DEALS AND DEBT FUNDS

2014

- Offer a webinar on the benefits of investing in non-listed products to promote the industry.
- Significantly revise the courses on Debt Management, Fund Structuring, Fund Valuation and Reporting.
- Work with leading universities to support the inclusion of non-listed property topics in their real estate curriculum to improve the level of knowledge of senior real estate students on non-listed real estate and to stimulate research initiatives.

TO PROMOTE NON-LISTED REAL ESTATE AS A MATURE INDUSTRY AND A TRANSPARENT WAY FOR INVESTORS TO GAIN EXPOSURE TO REAL ESTATE

2014

- Offer webinars and tailored web-based presentations in local languages.
- Attract non-members to attend the INREV education programme offerings with a focus on the North American region.
- Cooperate with other industry associations to increase attendance of non members to our educational events.
- Inform and educate members on regulatory issues and developments through a one-day course on current regulatory affairs and regular updates through webinars.

IN LINE WITH OUR STRATEGIC GOALS WE AIM TO TAKE THE FOLLOWING ACTIONS IN THE MID TERM FROM

2014 – 2016

- Develop and launch a certificate to be awarded after attending a defined sequence of training courses and/or passing a final assessment.
- Establish long-term relationships with leading European universities relevant in the field of real estate education.
- Ensure a sustainable balance between seasoned INREV tutors and new tutors in order to guarantee continuity but also diversification.

PUBLIC AFFAIRS

GOALS

TO IMPLEMENT A PUBLIC AFFAIRS PROGRAMME THAT:

- Ensures European regulators, policy makers and supervisors are aware of the contribution and importance of the non-listed real estate industry to economic activity, investment and job creation in Europe.
- Makes certain these stakeholders know INREV and the professional standards, research and market information INREV produces, and that they value the sound, evidence-based arguments INREV uses in its participation in regulatory policy making.
- By coordinating with other industry associations, INREV actively engages with these stakeholders to effectively promote the interests of the industry through participating in public consultations, drafting position papers and developing personal contacts with key policy makers, leveraging on a local presence in Brussels.
- Provides members with accessible high quality, relevant, timely and consistent information related to regulatory initiatives and their impacts.

IMPLEMENTATION

TO MAINTAIN INREV'S LEADING POSITION IN THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE AND TO ENSURE INREV ATTRACTS AND RETAINS KEY PARTICIPANTS THAT REFLECTS THE DIVERSITY OF THE INDUSTRY

2014

- Lead an industry-wide event in the European Parliament to educate policy makers about the role of real estate as a long-term investment and its importance to the European economy, growth, job creation and stability.
- Following the spring 2014 parliamentary elections, meet with new members of the European Parliament in key committee roles to ensure they are aware of the contribution and importance of the non-listed real estate industry to economic activity, investment and job creation in Europe.
- Further policy makers' awareness of INREV and the non-listed real estate industry and represent members' interests in formal and informal interactions related to Solvency II, the Alternative Investments Fund Managers Directive (AIFMD), the European Market Infrastructure Regulation (EMIR), sustainability-related measures and other relevant regulatory initiatives by participating in public discussions, submitting position papers and engaging with key policy makers.
- Provide members with comprehensive and authoritative information related to regulatory initiatives affecting non-listed real estate and their impact through training courses, webinars, articles, snapshots, roundtables, conferences, presentations and personal interaction.
- Further develop industry-wide cooperation to increase the profile and advance the interests of the non-listed real estate industry through a leadership role in the European Real Estate Forum.

TO FURTHER EXPAND INREV'S INTERREGIONAL RESEARCH PROGRAMME TO SERVE THE NEEDS OF ALL MEMBERS AND LEAD THE DEVELOPMENT OF GLOBALLY CONSISTENT MARKET PRACTICES

2014

- Update the Real Estate in Real Economy research report using year-end 2013 data, for use in meetings with policy makers and in INREV public affairs publications, articles and consultation submissions.
- Analyse the impact of Solvency II and inform members of its expected effects on investment and strategic asset allocations.
- Pursue the development of a matrix of information to support calculation of property risk for Solvency II and the development of internal models.

TO IMPROVE MARKET PARTICIPANTS' UNDERSTANDING OF, AND TO REDUCE BARRIERS TO INVESTING IN, THE EXPANDED RANGE OF NON-LISTED PRODUCTS SUCH AS JOINT VENTURES, SEPARATE ACCOUNTS, CLUB DEALS AND DEBT FUNDS

2014

- Hold a roundtable on EMIR to educate members and share best practices regarding the use of interest rate as well as currency derivatives by non-listed real estate investment managers.
- Inform policy makers about EU regulatory initiatives' potential impacts on debt funds, joint ventures, separate accounts and club deals.
- Provide members with information related to regulatory initiatives that could impact these products.

TO PROMOTE NON-LISTED REAL ESTATE AS A MATURE INDUSTRY AND A TRANSPARENT WAY FOR INVESTORS TO GAIN EXPOSURE TO REAL ESTATE

2014

- Work to achieve fair and equitable treatment of non-listed real estate in European regulatory initiatives to maintain its attractiveness as an asset class for institutional investors around the globe by ensuring regulators, policy makers and supervisors understand the importance of real estate investment to economic stability, growth and job creation in Europe and the vital social role played by real estate investors such as pension funds and insurance providers.

IN LINE WITH OUR STRATEGIC GOALS WE AIM TO TAKE THE FOLLOWING ACTIONS IN THE MID TERM FROM

2014 – 2016

- Work together with the research team to provide members with high quality research related to regulatory initiatives.
- Expand and improve the quality of communication concerning public affairs and continue to participate in industry events highlighting public affairs issues.
- Develop closer ties and increased communication with EU member state regulators in coordination with national industry bodies.

COMMUNICATION AND EVENTS

GOALS

TO IMPLEMENT A COMMUNICATION AND EVENTS PROGRAMME THAT:

- Effectively communicates INREV output to members to meet the needs and demands of all members, to expand the representative membership base and to support communication between investors, fund managers and other market participants.
- Maintains and further develops an effective public relations programme aimed to become the key information source on non-listed real estate in Europe and to improve understanding of the full range of non-listed products.

- Further develops the membership base to continue to properly represent the European non-listed real estate sector.
- Maintains an extensive events programme offering high quality, content driven events in order to keep our members informed and to offer members the possibility to network and engage with existing and new members.

IMPLEMENTATION

TO MAINTAIN INREV'S LEADING POSITION IN THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE AND TO ENSURE INREV ATTRACTS AND RETAINS KEY PARTICIPANTS THAT REFLECTS THE DIVERSITY OF THE INDUSTRY

2014

- Increase investor membership by 10% through continuance of an investor outreach programme which includes one-to one meetings and invites to key INREV events.
- To survey the investment strategies of smaller investors and their requirements alongside the INREV offer to subsequently develop strategies to secure an increased participation of smaller investors in INREV such as through developing differing types of membership packages.
- Increase investor attendance at events through active promotion to existing as well as prospective investor members.
- Further increase coverage of INREV and the non-listed real estate industry in the wider financial press.
- Maintain and build relationships with key journalists at a national level, specifically in France, Germany, the Netherlands and the UK.
- Increase the accessibility of information by visually improving communication while maintaining a strong and consistent brand identity.
- Further increase distribution and awareness of the IQ and INREV News.
- Improve contact and further develop relations with members through regular meetings with INREV Directors and an annual membership survey.
- Identify and start implementation of a suitable Membership Relationship Management Tool that will support maintenance and development of existing and new members.
- Manage and maintain social media accounts such as LinkedIn, and Twitter to engage with members and the industry.
- Further develop INREV's mobile and online accessibility, and investigate the use of tablets to communicate information at INREV events.
- Continue to offer a wide range of accessible, high quality events to members and prospect members. This will comprise 15 events including the Annual Conference, CFO Conference, Young Professionals' Seminar, Investor and Fund Manager seminars and various national events. In addition, there will be two events on Public Affairs.
- Create short videos to promote the benefits of membership for individual groups such as young professionals.

TO FURTHER EXPAND INREV'S INTERREGIONAL RESEARCH PROGRAMME TO SERVE THE NEEDS OF ALL MEMBERS AND LEAD THE DEVELOPMENT OF GLOBALLY CONSISTENT MARKET PRACTICES

2014

- Develop relationships with key non-European trade media in the US and Asia
- Continue to use events to actively promote INREV research output, public affairs updates and INREV Guidelines and standards.

- Further strengthen our presence in North America by continuing to offer seminars in New York for INREV members and non-members.
- Offer local breakfast meetings in local languages to discuss global topics targeting smaller investors.
- Effectively communicate the Global Real Estate Fund Index, revised INREV Guidelines and global comparisons in the IQ and key media.
- Include the topic sustainability on the Investor and Fund Manager programme in October.

TO IMPROVE MARKET PARTICIPANTS' UNDERSTANDING OF, AND TO REDUCE BARRIERS TO INVESTING IN, THE EXPANDED RANGE OF NON-LISTED PRODUCTS SUCH AS JOINT VENTURES, SEPARATE ACCOUNTS, CLUB DEALS AND DEBT FUNDS

2014

- Develop and submit thought leadership articles to key media.
- Set up a website poll to track member and non-member sentiment.
- Further develop a social media plan to create engaging content that will improve the understanding of the full range of non-listed products.
- Continue to cover all non-listed investment strategies in event programmes.

TO PROMOTE NON-LISTED REAL ESTATE AS A MATURE INDUSTRY AND A TRANSPARENT WAY FOR INVESTORS TO GAIN EXPOSURE TO REAL ESTATE

2014

- Increase the visibility of the industry through representation at key investor events globally.
- Initiate and develop relationships with key non-European trade media.
- Develop video news releases to promote the industry and make information accessible to a wider audience and on a global scale.
- Further develop a social media plan to map online influencers and create content that will promote the industry.
- Create communications for prospective members such as a quarterly newsletter and a dedicated area on the INREV website.
- Promote the European non-listed real estate industry in the North American programme.
- Promote local events to non-members, specifically targeting investors.

IN LINE WITH OUR STRATEGIC GOALS WE AIM TO TAKE THE FOLLOWING ACTIONS IN THE MID TERM FROM

2014 – 2016

- Continue to develop and build relations with wider financial publications on a global basis.
- Further improve accessibility and visibility of information on INREV and the industry.
- Continue to move from a one-size-fits-all communication approach towards targeting key groups by providing relevant information tailored to their needs.
- Investigate the possibility to revamp the annual Investor Platform and Committee meeting.
- Redesign the CFO Conference format and content in order to improve outreach to target attendees.

4

A changing landscape
with growing
investor confidence

MARKET TRENDS

Market conditions

Optimism was undoubtedly higher at the end of 2013 than at the start. Many of Europe's leading economies showed both resilience and determination which, in several cases, translated into consecutive quarters of growth and a general sense of progress. Economists and politicians praised the efforts of countries such as Germany and the UK, and there was even a consensus of positive reporting on the improvements made by the "Club Med" region.

At the end of 2013 Europe was in a very strong position and one which appears to continue into 2014. Data from Real Capital Analytics show that total annual transaction volume was up 17% from 2012 at €177.8 billion, recording the highest total since 2007. Quarter four, 2013 surged 52% compared to quarter three, 2013 and recorded a quarterly total of €60.1 billion, the highest quarterly total since quarter four, 2007.

Investors across all asset classes opened their pockets, with many recovering their taste for real estate. But it was not real estate at any price. What seemed like a surplus of cash poured into very specific areas, all of a similar flavour: prime assets, core funds, and liquid markets. In general, this was a good sign for the industry but there will have to be some adjustment in 2014.

Investors will need to adopt a more differentiated outlook. Indeed, signs of this approach emerged to some degree with a subtle shift toward alternative fund types and new interest in emerging asset classes such as infrastructure and other so-called real assets outside of property.

Large institutional investors, in particular, elected in reasonable numbers to allocate to joint ventures, club deals and direct investments, choosing the benefits of greater control with like-minded and similar sized investment partners over the traditional co-mingled model. It is a pattern that looks set to continue, raising questions about the future shape and potential consolidation of the non-listed real estate industry: questions that some fund managers will need to consider carefully if they are to survive. An interesting consideration for the future is whether the industry can evolve an alternative model for real estate fund investment structures that operates as efficiently for smaller investors, as it does for the larger players. One interesting evolution of this has been fund of funds, which traditionally attracts smaller investors. They have been investing in funds as usual but also behaving like larger investors by using their aggregated power to participate in joint ventures and club deals.

Despite the early uncertainty in the market, the INREV Capital Raising Survey covering 2012 brought some positive news. Total capital raised across the market was €29.5 billion, the majority of which – €11.5 billion – was raised by non-listed real estate funds and was the highest amount achieved since 2008. Despite this rebound of capital raising post the global financial crisis fund managers reported that raising capital was still challenging. However, the survey results echoed growing investor confidence in a market that is showing definite signs of improvement.

This confidence is further demonstrated in the results of the Investment Intentions Survey 2014 where the net balance for increased non-listed real estate fund investment has risen over the year, underpinned by a marked decrease in investors seeking to lower their allocations compared to the previous year. This growth in fund investment is mainly by small investors, which reverses the trend of the last three years.

Regulation

The industry readied itself for the tide of regulation emanating from Brussels. July 2013 saw the implementation of AIFMD. And while there was little to be shocked about, the real impacts of the new measures remain to be seen and felt. Respective national regulators are bedding in the new rules with varying degrees of advancement. Investors are also adjusting to a new environment of regulated fund managers. Fund managers, on their part, remained concerned about AIFMD implementation. Chief among the challenges they face are the cost implications – notably, how the absorption of these additional financial commitments will be balanced between themselves and investors. They are also concerned about the new rules on remuneration and requirements for depositaries – a new phenomenon in certain key markets such as the UK, the Netherlands and Sweden.

A final decision on Solvency II was late in coming but eventually landed in November 2013. The fact that the proposal will now come into effect brought some welcome certainty for most. Agreement on the volatility dampener was seen as a significant achievement for the industry, despite the fact that the solvency capital charge is being maintained at 25%. For insurers with the scale to put in place internal models there is probably little concern. Other insurers will need the support of the industry to see themselves through once Solvency II is eventually implemented. At least now there is an element of the known.

Along with AIFMD implementation, the main regulatory challenge in 2014 will come in the shape of EMIR. There is little doubt that this will bring increased costs – especially those associated with central clearing of derivative positions. According to INREV research into the impacts of regulation on the industry, over 50% of fund managers are set to examine the restructuring of their loans and interest rate hedging strategies to avoid central clearance, which would be required through EMIR.

Debt versus Equity

The story of debt continued to play itself out in 2013. A steady stream of trade press headlines heralded the launch of a slew of new debt funds. More than 40 such funds (equivalent to around €26 billion) were raising capital, investing or already invested. With core real estate investment products becoming increasingly expensive, there was little mystery surrounding investors' growing interest in debt, starting a broad reflection about whether it was preferable to allocate to debt or equity investments.

European investors developed a deeper understanding of the debt fund investment model during the course of the year, following the example of their US counterparts where non-bank lending has long been a relatively strong component of the debt market. A key difference between the two regions is that, in Europe, the market lacks any real track record.

While the last two or three years have witnessed the rise of a number of successful senior and subordinated debt fund managers, others are still working hard to get off the ground. The issue is as much about finding attractive deals to finance as raising capital in the first place. In addition, with confidence coming back to the market, there is also the question of whether traditional banks will resume their roles to such an extent that non-traditional lending will take a back seat before it gets properly started.

Partly, this has been the result of investors' reluctance to move up the risk curve. Target returns offered by junior and mezzanine debt funds have declined as margins have fallen. They are expected to fall further still. This is especially true in relation to the financing of prime assets where banks are once again feeling inclined to offer a helping hand.

However, in the long term the indications are that non-traditional lending is likely to grow its share of the market in the future and debt funds will eventually be part of that offering. It will not be easy for fund managers entering the market. The first generation of debt funds was always going to carry the burden of proving the viability of the sector while banks and other lenders, such as insurance companies, have the luxury of time. Unlike debt funds, they are not being driven by a schedule to invest.

Fund Terminations

An interesting question began to emerge in 2013 about the future of the closed end real estate fund model. This was raised when the INREV Fund Terminations Study 2013, which surveyed 179 closed end funds between 2007 and 2015, indicated that investors elected not to extend but to liquidate poorly performing funds. Furthermore, where funds were being extended, 60% of these had undergone some form of change for example to their structure, fee arrangements, leverage or overall strategy.

The shift in attitude is being driven by the need for greater certainty about performance, plus the need for increased investor control and improved alignment. According to the views of investors and fund managers in the Fund Terminations Study, there was a general consensus that closed end structures agreed during the peak of the market were no longer fit-for-purpose. This was especially pertinent in relation to appropriate exit strategies, and particularly where different investors sought different outcomes. It is a challenge that will require consideration and review by investors and fund managers alike, particularly in light of the need to satisfy both short- and long-term investment horizon objectives.

The debate about the merits of the traditional closed end fund versus the semi-open fund will no doubt intensify as investors and fund managers race toward looming termination dates for a still sizeable number of funds.

The challenges for both fund managers and investors remain, but the landscape is changing. Both recognise, and are beginning to adopt, best practice precepts that address key issues. For instance: the need and fiduciary duty for fund managers to give due regard to the objectives of all investors the requirement for fund managers to engage with investors on strategies and options relating to fund terminations; and acceptance that fund extensions or renewals may be accompanied by the modernisation of fund terms.

The discussion is interesting. It will also irrevocably alter the way funds are structured in the future.

5

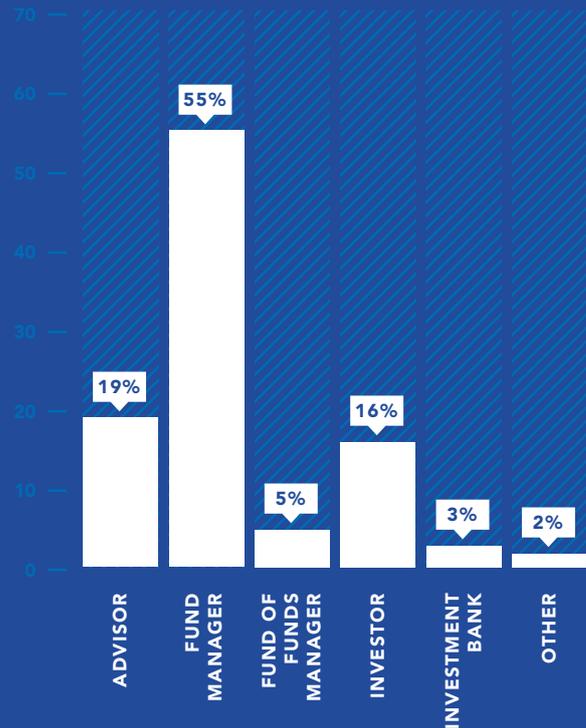
Our members views help us understand their needs and feed into 2014 priorities

INREV canvassed the views of its members with its annual member survey in December 2013. This survey gives INREV information about members' views on the success of our activities and helps us understand their needs going forward. The results of the survey are key to formulating this Business Plan.

The survey covered general satisfaction and all areas of INREV activities: Research and Market Information, Professional Standards, Public Affairs, Training and Education and Communication and Events.

Respondents

The sample represented the opinions of more than a third of our corporate members.



Overall satisfaction

WOULD YOU RECOMMEND INREV TO A COLLEAGUE?

81%
OF MEMBERS
WOULD

86%
OF INVESTORS
WOULD



"the costs are too high for a small business", was the most frequent reason not to recommend

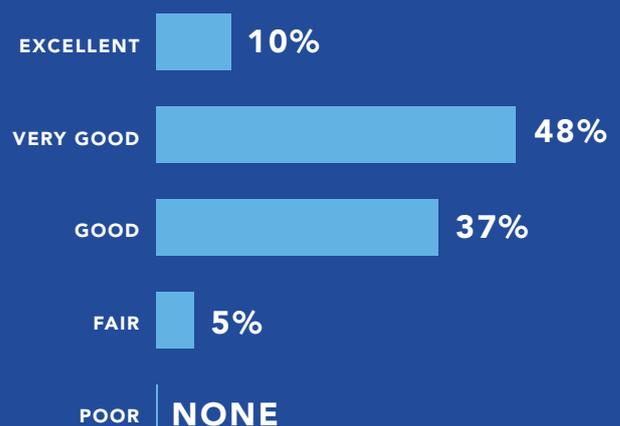
RATED AS "EXTREMELY" OR "VERY" RELEVANT

80%
INREV GUIDELINES

71%
INDUSTRY DATA

70%
RESEARCH

RATING OVERALL QUALITY OF INREV SERVICES



Research and Market Information

HEADLINES

The research programme is rated as good or better by

92%

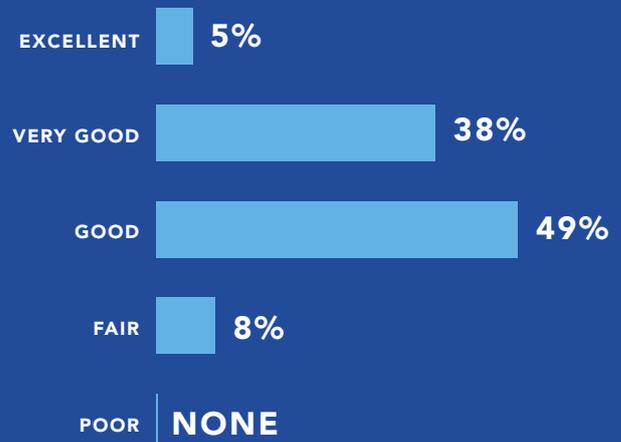
Topics for 2014 include debt, liquidity, fund terminations and AIFMD



The online analysis tool is well rated by those who use it but 29% had not heard of it



RATING OVERALL QUALITY OF RESEARCH AND MARKET INFORMATION



Professional Standards

HEADLINES

The INREV Guidelines have been used for implementation or reference by

82%

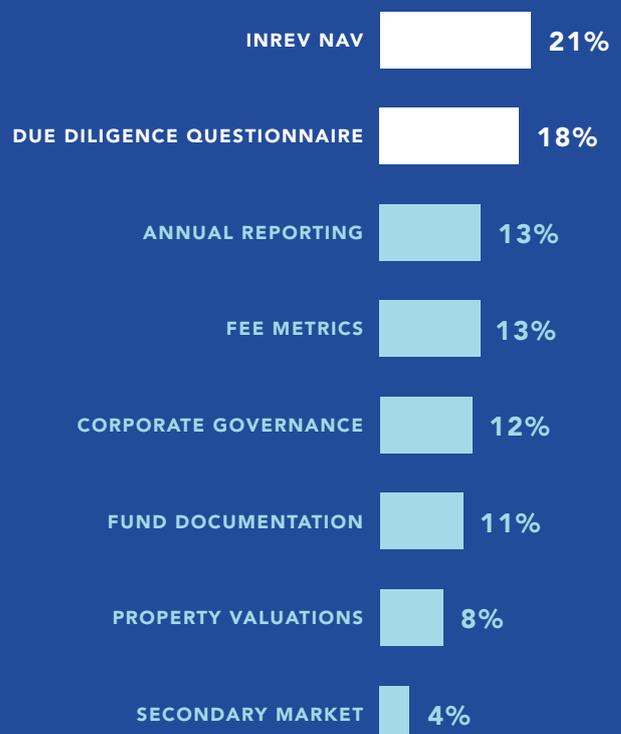
INREV NAV and Due Diligence are considered the most relevant parts of the INREV Guidelines

#1

Going forward, 60% felt the Guidelines should include global standards



PARTS OF THE GUIDELINES CONSIDERED MOST RELEVANT



Public Affairs

HEADLINES

AIFMD is considered the most important regulatory initiative in 2014

#1

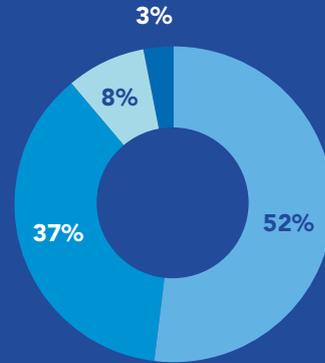
INREV News, the weekly newsletter is the most popular source of INREV information on regulatory initiatives, used by

73%

Need to improve the awareness of the Public Affairs forum call



IMPORTANCE OF AIFMD



- VERY IMPORTANT
- IMPORTANT
- MODERATELY IMPORTANT
- LITTLE IMPORTANT
- UNIMPORTANT

Training and Education

HEADLINES

Percentage of members that would recommend an INREV training course

77%

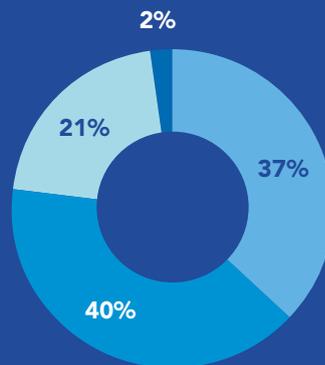
High awareness of webinars and young professional get together

73%

Design a course on performance measurement



WOULD YOU RECOMMEND AN INREV TRAINING COURSE?



- DEFINITELY
- PROBABLY WOULD
- MIGHT
- PROBABLY NOT
- DEFINITELY NOT

Events

HEADLINES

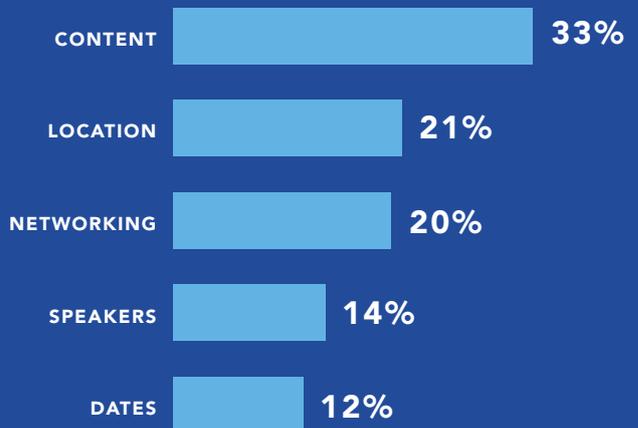
Content is the most important factor when deciding to attend an INREV event

#1

Location is the second most popular reason

#2

Suggestions of locations for events in 2014 included the Nordics, Paris, Italy and Luxembourg



Communication

HEADLINES

INREV News is the most popular source of information, used by

83%

INREV IQ Magazine is read in print and online by

75%

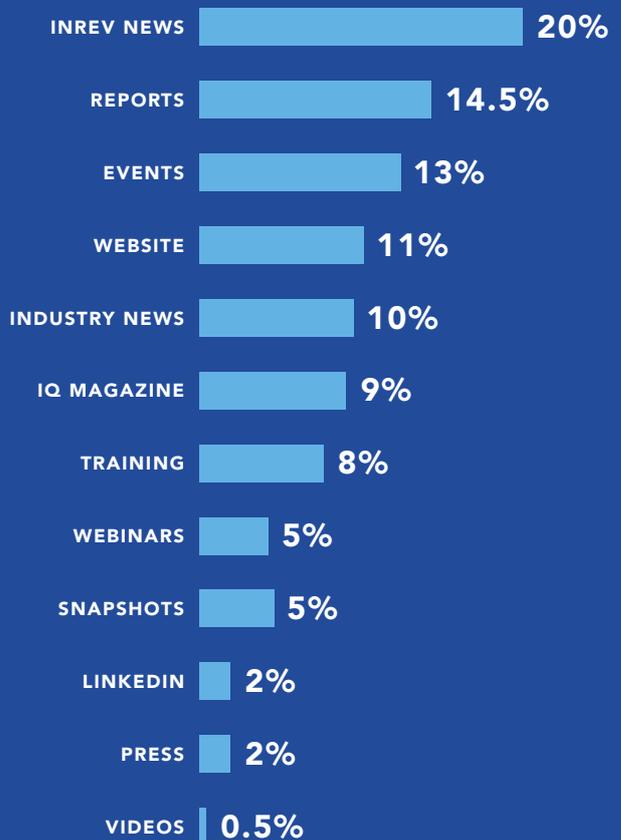
The website is rated "good" by the majority of members

60%

Suggested improvements include to make it mobile friendly – which we have done



MOST POPULAR SOURCE OF INFORMATION



6

The review of 2013 targets

REVIEW OF PROGRESS 2013

This section reviews the targets set in the INREV Business Plan 2013 – 2015 for each focus area and whether these targets have been met.

RESEARCH AND MARKET INFORMATION

TARGET: TO MAINTAIN INREV'S LEADING POSITION IN THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE AND TO ENSURE INREV ATTRACTS AND RETAINS KEY PARTICIPANTS

IMPLEMENTATION 2013	STATUS
Continue to produce topical research reports of the highest quality.	This year two topical research projects were published on the implementation level of GIPS by European Fund Managers and Fund Termination trends within the European non-listed real estate funds sector.
Launch new online tools giving members user-friendly access to the INREV Index and Vehicles Universe database.	The new online input and analysis tool was launched for the INREV Vehicles Universe and INREV Index. These are more user friendly and allow the quarterly index to also be analysed.
Improve awareness and take up of the INREV Index by publishing a handbook that describes input criteria and methodology.	Input criteria and methodology are included in the new INREV Index publication. A full handbook with detailed information about the INREV Index will be published in April 2014.
Investigate a common approach for decomposing returns of non-listed real estate funds down to an aggregate asset level in order to support a better understanding of the drivers of fund performance.	A project was started to incorporate performance measurement in the revised INREV Guidelines. This performance measurement module will be added in 2014 and will include a common approach for decomposing returns of non-listed real estate funds down to an aggregate asset level.

TARGET: TO FURTHER EXPAND AN INTERREGIONAL RESEARCH PROGRAMME AND PROMOTE GLOBAL STANDARDISATION AND BEST PRACTICE

IMPLEMENTATION 2013	STATUS
Launch the initial results of the Global Fund Index including the development of a business plan to ensure long-term success.	The consultation release of the Global Real Estate Fund Index was launched in October 2013 at the ANREV Conference. The Business Plan is in development.
Deliver selected research projects on an interregional level such as the Fund Manager Survey, the Investment Intentions Survey and the Management Fees and Terms Study.	The Fund manager survey was conducted in cooperation with ANREV. The Investment Intentions Survey was conducted in cooperation with PREA and ANREV and results were published in January 2014. The Management Fees and Terms Study has been postponed in order to align it with calendar year reporting.
Support the Asian non-listed real estate industry by calculating the ANREV Index and documenting the input criteria and methodology.	INREV calculated the ANREV Index and comparable index results documents were published for Asia and Europe.

TARGET: TO BROADEN INREV'S REMIT TO COVER AN EXPANDED RANGE OF NON-LISTED PRODUCTS FOR INVESTING IN REAL ESTATE WITH A SPECIAL FOCUS ON DEBT FUNDS, JOINT VENTURES, SEPARATE ACCOUNTS AND CLUB DEALS

IMPLEMENTATION 2013	STATUS
Collect information and subsequently launch a database for non-listed real estate debt funds.	A new Real Estate Debt Funds database was launched on the INREV website in September 2013.
Collect information on club deals, joint ventures and separate accounts and include these in the INREV Vehicles Universe database.	The new online input tool allows fund managers to add their joint ventures, club deals and separate accounts to the Vehicle Universe. A limited number of these vehicles have been added in 2013. Progress will be reviewed in 2014.
Launch an INREV opportunity fund index as well as an internal rate of return (IRR) vintage year fund index for closed end funds.	The project has been postponed to 2014. As a first step, an IRR index for closed end funds will be developed, and subsequently data for opportunity funds will be collected.

TARGET: TO PROMOTE NON-LISTED REAL ESTATE AS A MATURE AND TRANSPARENT WAY FOR INVESTORS TO GAIN EXPOSURE TO REAL ESTATE

IMPLEMENTATION 2013	STATUS
Publish an in-depth report on the benefits and drawbacks of non-listed real estate funds and publish a research report on the drivers of fund performance.	Property Funds Research has been assigned to conduct a study on the benefits of non-listed funds. The results will be published at the INREV Annual Conference 2014. The drivers of non-listed funds project was conducted by the University of Cambridge and results were published in November 2013.
To compare the cost of investing in non-listed real estate with other routes and include the new INREV Total Expense Ratio (TER) in the Management Fees and Terms Study	As the Management Fees and Terms Study has been postponed to April 2014 this project had to be postponed as well. The revised INREV TER will be implemented in the study.

PROFESSIONAL STANDARDS

TARGET: TO MAINTAIN INREV'S LEADING POSITION IN THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE AND TO ENSURE INREV ATTRACTS AND RETAINS KEY PARTICIPANTS

IMPLEMENTATION 2013	STATUS
Promote the INREV Guidelines and Standards at industry events, not limited to the non-listed sector, and ensure they form an integral part of INREV's communication strategy.	The focus in 2013 was on promoting the standards to INREV members through local events/seminars for the SDDS, workshops for the Guidelines review and at training courses including the first North America training course. Several articles and interviews have been included in each issue of the IQ in 2013.
Increase knowledge of sustainability through research on reporting and best practice for non-listed property funds in cooperation with the Global Real Estate Sustainability Benchmark (GRESB).	Actively stimulating the participation of INREV Members in the GRESB survey resulted in an increase in respondents in the European non-listed sector of 16% compared with 2012. The results were further highlighted in an INREV-GRESB report which was published in November 2013.
Support specific member interests, such as those of tax specialists, by facilitating expert roundtable discussions.	The first Advanced Tax Round table event was held in May of 2013, and was well attended. The average rating for this event was 4.0.
Publish snapshot reports on current topics from the different Professional Standards committees.	The first two tax briefings have been published which highlight current issues.

TARGET: TO FURTHER EXPAND AN INTERREGIONAL RESEARCH PROGRAMME, AND PROMOTE GLOBAL STANDARDISATION AND BEST PRACTICE

IMPLEMENTATION 2013	STATUS
Promote the INREV Standard Data Delivery Sheet (SDDS) within Europe and continue the dialogue with fellow industry associations NCREIF, REIS/PREA and ANREV to broaden the implementation in the Americas and Asia.	Local events have been organised in London, Frankfurt, Amsterdam and Copenhagen with 124 participants representing 75 member companies to introduce, explain and discuss the SDDS. In addition, articles were published in the IQ and industry magazines on the SDDS. There is ongoing dialogue with REIS to evaluate possible alignment of the INREV SDDS with their similar initiatives for data exchange.
Increase user-friendliness of the different Professional Standards online tools such as the Tax and Regulatory, Corporate Governance Self-assessment and Guidelines tools and promote awareness.	The Tax and Regulatory tool has been redesigned together with improved integration in the new INREV website and will be launched in Q2 2014.
Revisit the annual INREV Review of Reporting Best Practice to reflect the increasing use of quarterly and semi-annually reporting.	The basic review of the annual reports and other investor reports has taken place. Further analysis is needed to give more input for the revised Guidelines. Therefore publication of the report has been cancelled. Feedback to participating fund managers will take place in early 2014.
Revise and update the INREV Guidelines by reviewing main areas such as INREV fee metrics, valuation, INREV Net Asset Value (NAV) and performance measurement.	The revised INREV Guidelines White Paper was launched in October 2013. Member consultation took place until the end of 2013.
Foster worldwide industry co-ordination to increase global standardisation and compatible guidelines for non-listed products.	ANREV took part in the Guidelines Review Steering Group from the beginning to participate in the project. In addition, its Professional Standards Committee provided input to sub-projects. The review of reporting modules, such as the INREV NAV and Fee metrics, have been carried out in close cooperation with REIS (PREA/NCREIF) in the US.

TARGET: TO BROADEN INREV’S REMIT TO COVER AN EXPANDED RANGE OF NON-LISTED PRODUCTS FOR INVESTING IN REAL ESTATE WITH A SPECIAL FOCUS ON DEBT FUNDS, JOINT VENTURES, SEPARATE ACCOUNTS AND CLUB DEALS

IMPLEMENTATION 2013	STATUS
Expand the INREV Guidelines to cover the growing range of non-listed products.	Where possible, the Guidelines are now applicable to non-listed vehicles in the wider sense so include funds, joint ventures, club deals and separate accounts. The Corporate Governance module includes guidance highlighting the difference in implementation for different products. Although ground work for product specific guidelines has been completed, the majority of modules still need further development to be fully product specific.
Complete the review of the INREV Due Diligence Questionnaire including widening its coverage from non-listed property funds to include debt funds, among others.	The INREV Due Diligence questionnaire has been up-dated to reflect current market practice and reviewed for a wide range of non-listed vehicles. Work has started on a questionnaire for debt funds and this is expected to be completed by mid 2014.

TARGET: TO PROMOTE NON-LISTED REAL ESTATE AS A MATURE AND TRANSPARENT WAY FOR INVESTORS TO GAIN EXPOSURE TO REAL ESTATE

IMPLEMENTATION 2013	STATUS
Promote the benefits of guidelines and standards for an efficient and transparent non-listed real estate industry.	Promotion has included an event on SDDS and six local workshops on the Guidelines, plus publishing articles and snapshots.
Publish topical articles on different aspects of Professional Standards to demonstrate a maturing non-listed real estate industry.	Several articles explaining the development of the Guidelines to meet today’s market requirements were published in industry journals, with more detailed articles in the INREV IQ for members.

TARGET: TO MAINTAIN INREV'S LEADING POSITION IN THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE AND TO ENSURE INREV ATTRACTS AND RETAINS KEY PARTICIPANTS

IMPLEMENTATION 2013	STATUS
Offer 11 one-day training courses and two two-day courses in accessible locations to enable time and cost-efficient attendance.	Delivered 11 courses in Europe and one in North America attended by 269 persons from 110 companies. The Advanced Fund Valuation course was postponed to 2014.
Offer four Link and Learn events across Europe to Young Professional members.	Delivered four Link and Learn events attended by 95 persons from 59 companies in Amsterdam, Stockholm, London and Frankfurt.
Offer at least eight webinars within an interactive environment.	Delivered seven webinars on various topics such as the Global Fund Index, regulatory affairs, and debt funds.
Update the content and coverage of the courses to ensure they address the latest industry developments, with a special focus on Risk Management and Investor Relations.	A brand new course on Investor Relations was developed and all course content was updated.
Actively engage with the human resources departments of INREV members to ensure that the programme meets the educational and professional development needs of their staff.	There is ongoing focus on engaging with main representatives as well as HR departments including 10 one-to-one meetings.

TARGET: TO FURTHER EXPAND AN INTERREGIONAL RESEARCH PROGRAMME, AND PROMOTE GLOBAL STANDARDISATION AND BEST PRACTICE

IMPLEMENTATION 2013	STATUS
Offer updates on the Global Fund Index through a webinar.	Delivered in November 2013.
Compare INREV and North American standards and best practices in a training course to take place in the US.	Delivered a training course in New York in June 2013.

TARGET: TO BROADEN INREV'S REMIT TO COVER AN EXPANDED RANGE OF NON-LISTED PRODUCTS FOR INVESTING IN REAL ESTATE WITH A SPECIAL FOCUS ON DEBT FUNDS, JOINT VENTURES, SEPARATE ACCOUNTS AND CLUB DEALS

IMPLEMENTATION 2013	STATUS
Include joint ventures and club deals in the Fund Structuring course.	These products are now included in the Fund Structuring and Due Diligence courses.
Explore the need for a full one-day training course on debt funds.	Delivered a webinar in July 2013 that covered debt funds from a lending perspective.

TARGET: TO PROMOTE NON-LISTED REAL ESTATE AS A MATURE AND TRANSPARENT WAY FOR INVESTORS TO GAIN EXPOSURE TO REAL ESTATE

IMPLEMENTATION 2013	STATUS
Offer a one-day training course in North America on the fundamentals of non-listed real estate fund investment.	Delivered in June 2013.
Promote the INREV education programme to non-members through social media and the press, and cooperate with other industry associations.	This is ongoing. A promotional video on the training programme was completed and made available on the website and LinkedIn in September 2013.
Cover and highlight the benefits of non-listed property fund investment in the training programme through the Portfolio Construction and Foundation courses, and a webinar on the importance of real estate in the global economy.	This is ongoing. A webinar on the benefits of non-listed will be offered in 2014.

PUBLIC AFFAIRS

TARGET: TO MAINTAIN INREV'S LEADING POSITION IN THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE AND TO ENSURE INREV ATTRACTS AND RETAINS KEY PARTICIPANTS

IMPLEMENTATION 2013	STATUS
Leverage on our presence in Brussels by furthering policy makers' awareness of INREV and the non-listed real estate industry and representing members' interests in formal and informal interactions related to Solvency II, Institutions for Occupational Retirement Provision (IORP) Directive, Alternative Investments Fund Managers Directive (AIFMD), sustainability-related measures and other relevant regulatory initiatives by participating in public discussions, submitting position papers and engaging with key policy makers.	Met with European Parliament and Commission officials and ESMA staff on numerous occasions to represent members' interests in relevant regulatory initiatives and to increase their knowledge of the non-listed real estate funds industry.
Provide members with comprehensive and authoritative information related to regulatory initiatives affecting non-listed real estate and its impact through training courses, webinars, articles, snapshots, roundtables, conferences, presentations and personal interaction.	Members updated continuously on regulatory initiatives through training courses, articles, snapshots, webinars, live presentations and monthly dial-in updates.
Work together with the research team to provide members with high quality research related to regulatory initiatives and to develop a matrix of information to support calculation of property risk for Solvency II and IORP.	Developed and launched Real Estate as a Long-Term Investment report in April 2013 and the Impact of Regulatory Compliance on Non-Listed Real Estate report in September 2013, with a database matrix project to be resumed following passage of the Solvency II directive.
Foster industry-wide co-operation to increase the profile and advance the interests of the non-listed real estate industry.	The European Real Estate Forum was expanded to 25 participating associations, with two live meetings held in Brussels in 2013 and close coordination and information sharing on AIFMD, Solvency II, Long-term investment and benchmarking-related issues.

TARGET: TO BROADEN INREV'S REMIT TO COVER AN EXPANDED RANGE OF NON-LISTED PRODUCTS FOR INVESTING IN REAL ESTATE WITH A SPECIAL FOCUS ON DEBT FUNDS, JOINT VENTURES, SEPARATE ACCOUNTS AND CLUB DEALS

IMPLEMENTATION 2013	STATUS
Inform policy makers about EU regulatory initiatives' potential impacts on debt funds, joint ventures, separate accounts and club deals.	Formal and informal contact with policy makers on treatment of joint ventures and separate accounts under AIFMD, including ESMA consultation submission.
Provide members with information related to regulatory initiatives that could impact these products.	Articles, snapshots, training courses and speaking opportunities used to inform members of the definition of a joint venture under AIFMD and its implications, along with treatment of debt funds, separate accounts and club deals under the directive.

TARGET: TO PROMOTE NON-LISTED REAL ESTATE AS A MATURE AND TRANSPARENT WAY FOR INVESTORS TO GAIN EXPOSURE TO REAL ESTATE

IMPLEMENTATION 2013	STATUS
Work to achieve the equitable treatment of non-listed real estate in European regulatory initiatives in order to maintain their attractiveness as an asset class for institutional investors around the globe. This will be done by ensuring regulators, policy makers and supervisors understand the importance of real estate investment to economic stability, growth and job creation in Europe and the vital social role played by real estate investors such as pension funds and insurance providers.	Continuous interaction with policy makers following the release of Real Estate as a Long-Term Investment report used to communicate to policy makers the importance of real estate investment to the economy and its role in providing returns for pension funds and insurance companies. In addition, INREV underpinned the focus on the industry's role in numerous written regulatory consultation responses.

COMMUNICATION AND EVENTS

TARGET: TO MAINTAIN INREV'S LEADING POSITION IN THE NON-LISTED REAL ESTATE INVESTMENT INDUSTRY IN EUROPE AND TO ENSURE INREV ATTRACTS AND RETAINS KEY PARTICIPANTS

IMPLEMENTATION 2013	STATUS
Increase investor membership by 10% through an investor outreach programme which includes one-to-one meetings and invites to key INREV events.	Investor membership increased by 9.5% or from 53 to 58 members. Over 100 one-to-one meetings were held by INREV staff.
Further increase coverage of INREV and the non-listed real estate industry in the wider financial press.	<p>Briefings with Het Financieel Dagblad, Frankfurter Allgemeine Zeitung and WSJ Deutschland.</p> <p>Negotiated coverage in FTfm and Frankfurter Allgemeine Zeitung, Bloomberg, Il Sole 24 Ore and EL Pais.</p> <p>News coverage in Izvestia (Russia), Finanse eGospodarka (Poland), The Business Times (Singapore), FN News (South Korea), International Business Times (Australia), Die Welt, Handelsblatt, Wirtschaftswochen, Boursorama (France), Financial Times, Pensions & Investments (US), Novini BG (Bulgaria), Financial News (UK).</p>
Maintain and build relationships with key journalists at a national level, specifically in France, Germany, the Netherlands and the UK.	<p>In 2013 coverage in German national media grew by 39%.</p> <p>Coverage in UK media grew by 22%.</p> <p>French and Dutch coverage remains in line with activity in 2012.</p>
Develop a social media strategy and ensure our presence on relevant social media sites.	Developed an active presence on LinkedIn and the development of seven promotional videos which were made available on YouTube and Vimeo.
Increase the accessibility of information by producing snapshots and visually improving information in INREV publications.	Snapshots produced for all publications in 2013, which are read by 77% of members.*
Revamp the design of the IQ and make the individual articles available via the website.	The new look IQ and online version was successfully launched in March 2013 resulting in 21% of members reading the online version of IQ.*
Improve contact and further develop relations with members through regular meetings with INREV Directors, an annual membership survey and further develop the INREV Members Contacts Database into a Customer Relationship Management tool.	The Member Survey was completed representing one third of corporate members from over 18 countries. The Members Contact Database was further developed to support back office.
> Continued on the next page	*SOURCE: INREV Member Survey 2013

IMPLEMENTATION 2013	STATUS
Develop an online presentation to promote the benefits of INREV.	A series of videos was developed with support from the Management Board and promoted via the website, YouTube, Vimeo and at events.
Investigate the development of a mobile website and an INREV Application (App).	The mobile website was launched in September 2013.
Continue to offer a wide range of accessible, high quality events to members and prospective investor members. This will comprise 15 events in total including the Annual Conference, CFO Conference, Young Professionals' Seminar, national events and targeted events for investors and fund managers. In addition, this will include a seminar in New York for North American members and prospects.	INREV held 24 events throughout 2013 attracting 2116 participants from 293 member companies. In addition to the core seminars and conferences, there were multiple SDDS and Guidelines workshops and the inaugural North American Seminar.

TARGET: TO FURTHER EXPAND AN INTERREGIONAL RESEARCH PROGRAMME, AND PROMOTE GLOBAL STANDARDISATION AND BEST PRACTICE

IMPLEMENTATION 2013	STATUS
Develop relationships with key non-European trade media.	US relations were developed off the back of the North America Seminar in the summer and the release of the Global Real Estate Fund Index in October. There was contact with the Asian press around the launch of the Global Real Estate Fund Index.
Effectively communicate global comparison research results in the IQ and key media.	The results of the Investment Intentions Survey in Asia and Europe were compared while the Global Real Estate Fund Index results were broken down by region.
Promote the INREV SDDS and educate our members through local workshops.	SDDS workshops were held in Amsterdam, Frankfurt, London and Copenhagen.
Include the Global Real Estate Fund Index results in the Annual Conference programme.	Initial research results were presented at the Annual Conference.
Organise workshops to discuss the revised guidelines.	Guidelines Workshops were conducted in London, Stockholm, Amsterdam, Frankfurt and Munich during November to coincide with the consultation period. Over 250 members attended these events.

TARGET: TO BROADEN INREV'S REMIT TO COVER AN EXPANDED RANGE OF NON-LISTED PRODUCTS FOR INVESTING IN REAL ESTATE WITH A SPECIAL FOCUS ON DEBT FUNDS, JOINT VENTURES, SEPARATE ACCOUNTS AND CLUB DEALS

IMPLEMENTATION 2013	STATUS
Develop and submit thought leadership articles to key media.	Thought leadership pieces increased by 50% in 2013 compared to 2012, or from 8 to 12 articles.
Set up a website poll to track member and non-member sentiment.	To be completed in January 2014.
Continue to include debt funds, joint ventures, separate accounts and club deals into the event programmes.	Debt Funds was a focus of the North American seminar. INREV continues to incorporate these products in event panel discussions and presentations

TARGET: TO PROMOTE NON-LISTED REAL ESTATE AS A MATURE AND TRANSPARENT WAY FOR INVESTORS TO GAIN EXPOSURE TO REAL ESTATE

IMPLEMENTATION 2013	STATUS
Increase the visibility of the industry through representation at key investor events globally.	In 2013, INREV staff presented at 25 industry events globally.
Initiate and develop relationships with key non-European trade media.	Relations were developed in Asia and US (see above).
Develop press webinars to promote the industry and make information accessible to a wider audience and on a global scale.	The first press webinar/ news release on Fund terminations was launched in October 2013.
Develop an online presentation to promote the industry.	Promoted through the website, YouTube and Vimeo.
Promote local events to non-members, specifically targeting investors.	Non-member investors were invited to Annual Conference at reduced fee and a list of investors was identified and invited to a series of events in January 2014.
Promote the non-listed real estate industry in the North American Seminar programme.	The first North American Seminar was successfully launched and attracted 115 attendees.

'NREV