

## Capital raising activities slow amidst uncertainty

- > North American strategies remain the primary destination for capital
- > European investors regain the leading position as primary source of capital
- > The proportion of capital invested over total capital raised dropped to 16%, the lowest in history.

A minimum of €117 billion was raised globally for non-listed real estate in 2023, representing the lowest recorded since the study began in 2015. The unavailability of viable products being the primary reason for managers not raising capital from investors.

Moreover, 84% of the capital raised hasn't been deployed yet in 2023. This is a consequence of the low level of transactions in the market.

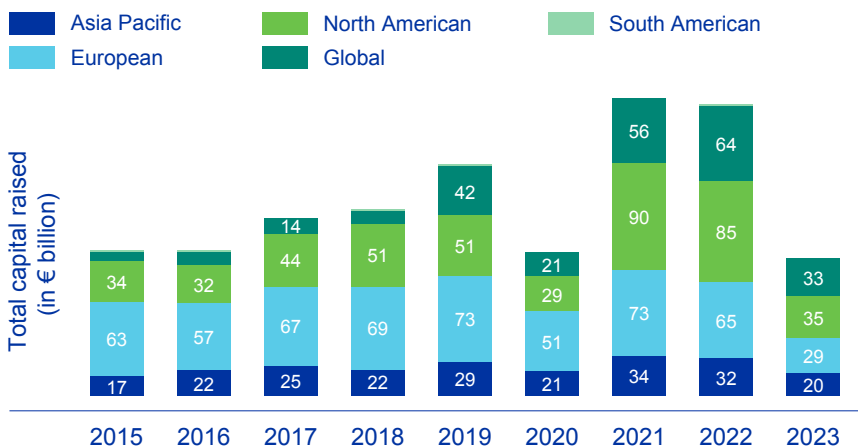
The capital raised by regional strategies dropped for all regions. North American strategies remain the most popular among investors for the third year in a row, raising over €35 billion. However, they saw the strongest correction, 58% below the figure registered last year.

Global and European strategies follow, experiencing similar declines in capital raised.

European investors provided 38% of the total capital raised in 2023, making them the leading source of capital again. This displaced Asia Pacific investors from the top position, although they still provided more capital than North America with 34% of the total capital raised respectively.

Focusing on Europe, for the first time since the inception of the survey, the combined contributions of pension funds and insurance companies have fallen below the 50% mark as a source of capital for European strategies. This indicates that, amidst sparse capital raising activities, managers are diversifying their investor base and seeking capital from alternative sources.

**Figure 1: Capital raised for the non-listed real estate industry by regional strategy**



**Figure 2: European strategy: capital raised by investor type**

