

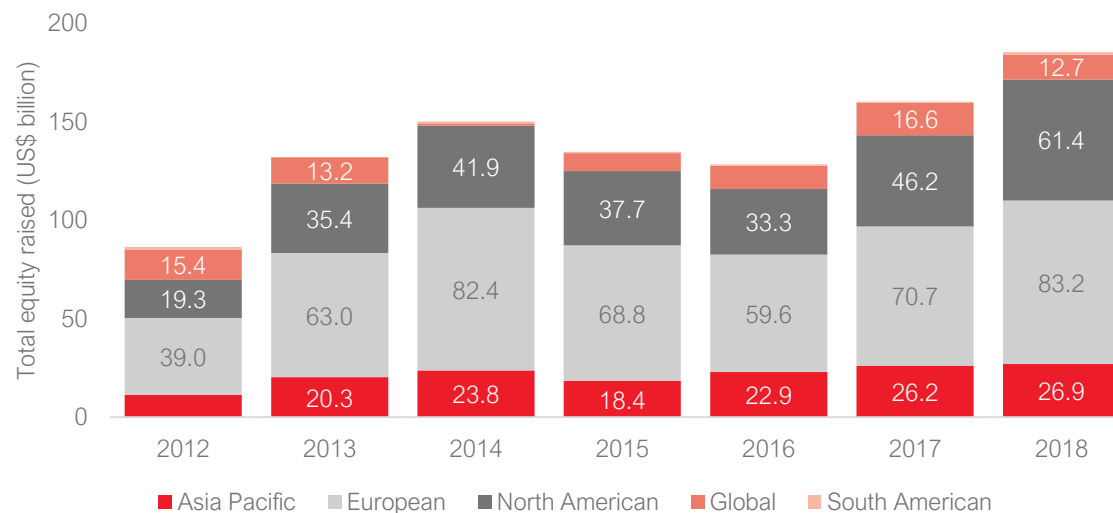
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- A total of US\$185.4 billion was raised for non-listed real estate vehicles in 2018
- Pension funds and insurance companies continue to provide the lion's share of new capital
- Non-listed real estate funds attracted 45.3% of all capital raised

Capital raising for the non-listed real estate industry globally reached record levels in 2018. A total of US\$193.7 billion was raised by 203 managers, the majority, US\$185.4 billion was raised for non-listed real estate vehicles, an increase of 15.7% compared to previous year.

All strategies apart from global saw an increase in capital raised in 2018. For the fourth year running, Europe topped the list as the investment destination of choice with US\$83.2 billion of capital raised for investment in this region. North American strategies saw the largest increase in capital raised in 2018, US\$61.4 billion, a nearly 33% increase in volume compared to 2017. Capital raised for Asia Pacific strategies at US\$26.9 billion shows a slight increase compared to 2017. A lesser amount, US\$12.7 billion is intended for global strategy vehicles.

Figure 1 – Equity raised from 2012-2018 by regional strategy



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Pension funds and insurance companies continue to be the main sources of capital for the non-listed real estate industry globally, they represent respectively 39.1% and 27.4% of all capital raised in 2018.

Pension funds continue to be the main source of capital for most vehicles types in 2018. Capital raised for non-listed real estate debt products was the exception. The majority, 71.7%, of new equity for these vehicles was from insurance companies.

Non-listed funds were the vehicle of choice for capital raising in 2018. 45.3% of new equity raised was destined for funds. This proportion was larger, 51.0%, when looking at capital raised for funds with an Asia Pacific strategy.

In Asia Pacific, non-listed real estate funds raised the lion's share of the total equity raised (US\$13.7 billion or 51%). Most of the capital raised from Asia Pacific investors was allocated to core strategies (63.1%), whereas European investors committed only 36.7% to core, while 38.5% was allocated to value added strategies. Meanwhile, 57.2% of the equity raised from North American investors was committed to opportunistic strategies.

Figure 2 – Equity raised by investor type and by vehicle type by value

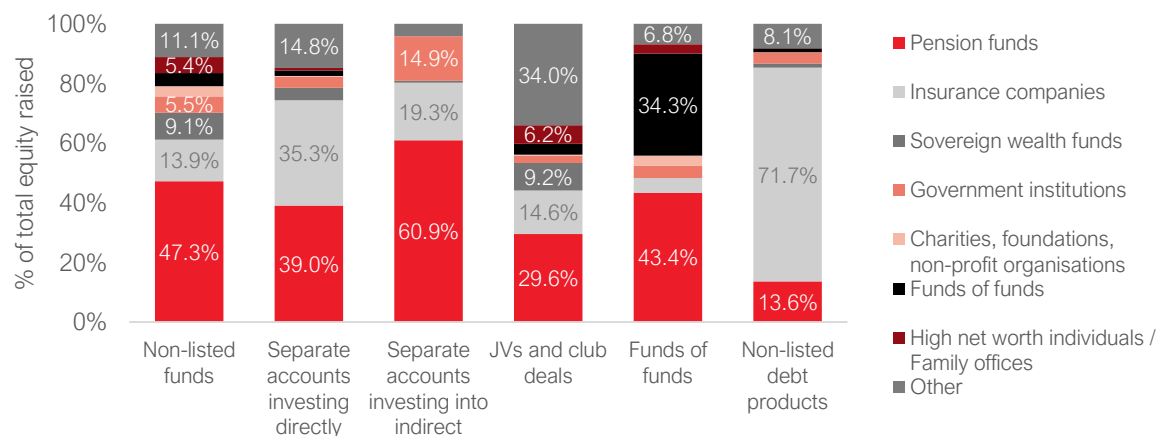


Figure 3 – Equity raised for Asia Pacific non-listed real estate funds by investment style and investor domicile

