Investment Intentions Survey
2023

Research

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 vehicles 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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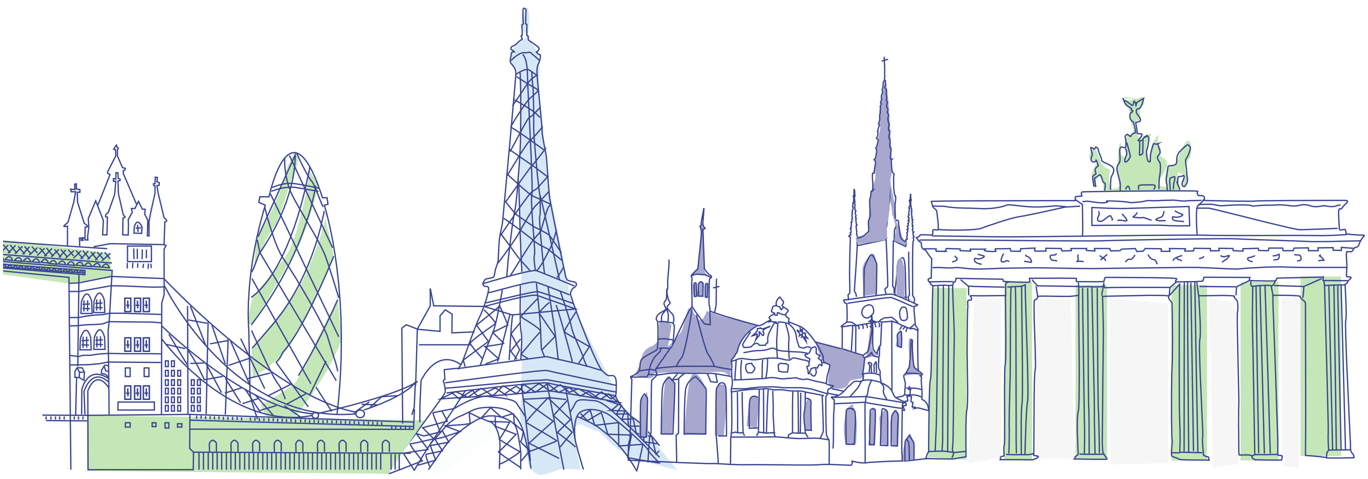

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Asian Pacific investors in Europe boost opportunistic strategies

A significant rise in the importance ascribed to inflation hedging

> **Fast real estate market correction should help to erode the denominator effect**
The current average allocation to real estate globally is 10.2%, slightly below the average target allocation of 10.4%. The equivalent gaps narrowed significantly for European and North American investors, which is related to the dominator effect as values in other asset classes have fallen further than real estate during 2022. The gap is notably less pronounced for Asian Pacific investors. European investors are the only ones that are above target on average.

> **European investors most cautious**
A cautious real estate allocation outlook is observed across the globe, with only structurally under-allocated Asian Pacific investors taking a more positive view. European investors are most cautious, with 37% planning to decrease allocations globally versus 16% which are planning to increase them over the 2023-2024 period. On an equally weighted basis, European investors are the only investor domicile with a net negative near-term allocation position.

> **Shift to lower risk investment opportunities**
The shift towards core strategies is clear in all three regions, with European investors being the most risk-averse. At 57%, the majority of European investors said core was their preferred investment style when investing in the region. Seeking to increase European real estate allocations at a discount, Asian Pacific players reported a notable increase in preference for opportunistic strategies.

Investors are looking to deploy capital in the most liquid markets or those where they have local expertise. With 54% of investors, France and Germany share the top spot, closely followed by a third-place UK. The Netherlands moved up into fourth position, displacing Spain into fifth.

> **Asian Pacific investors' preferences push offices into a top spot**
Office, residential and industrial/logistics remain the preferred sectors in Europe. With almost 70% of investors, offices occupy the top spot. This can be partially explained by the fact that Asian Pacific investors in particular identify it as the sector of choice when accessing Europe.

The preference towards industrial/logistics – last's years favourite – slid from 71% last year to 46% in 2023 as interest from non-European investors dropped dramatically. In contrast, European investors continue to prefer the industrial/logistics and residential sectors, which are tied in first place with 67% each.

> **ESG factors on the radar of European investors the most**
Investors are in consensus that inflation, interest rate policy and geopolitical risk are impacting investment decisions the most. European investors are in the lead when looking at ESG-related factors, with three quarters incorporating climate change into their real estate investment decisions. Equally, over 90% of European investors consider funds' net zero carbon commitment before investing.

> **Non-listed real estate debt features as the preferred access route**
On an equally weighted basis, non-listed real estate debt and joint ventures feature as the top two access routes, with 62% and 39% net increase positions, respectively. When weighted by investors' real estate AUM, the net increase in allocations to non-listed real estate debt are even higher, while non-listed real estate funds and joint ventures move into net negative territory with -16% and -6%, respectively.

Chapter 1

Big picture: global real estate allocations and expectations to invest

Overarching uncertainty and denominator effect narrowing the target to current allocation gap

The watchword for investors in 2022 was uncertainty. With inflation reaching levels not seen in decades, interest rates rising in many countries, and the effects of Covid-19 still being felt in sectors such as office, this uncertainty and the denominator effect has had a direct effect on allocations to real estate globally.

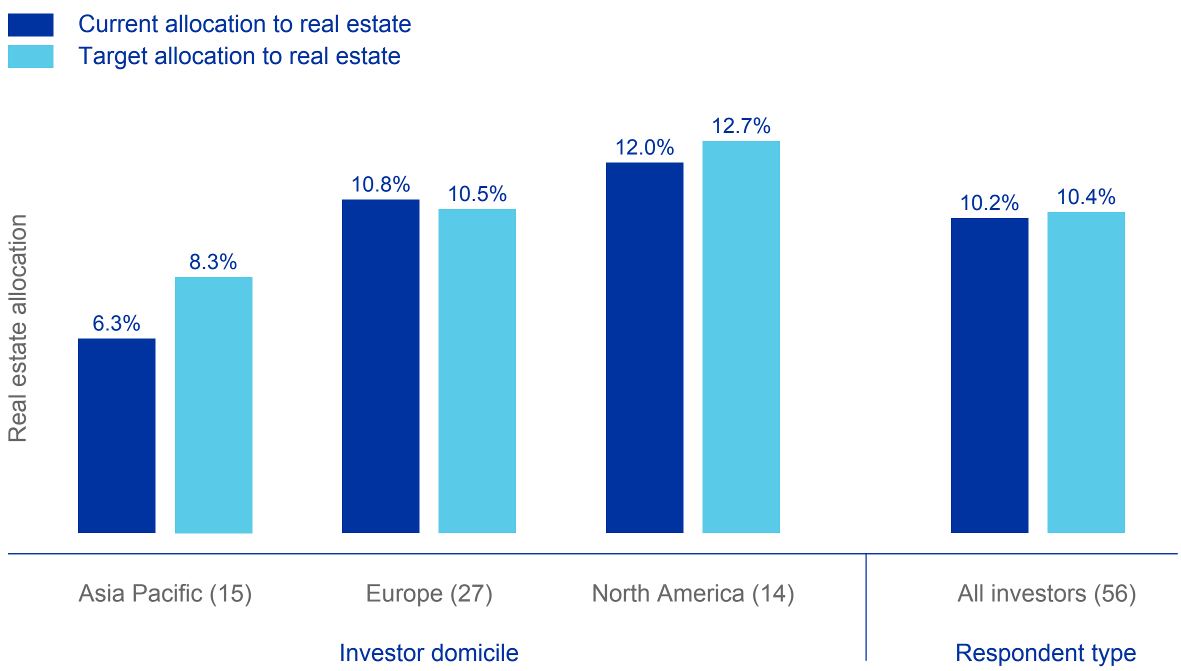
The results of the 2023 Investment Intentions Survey, conducted jointly by ANREV, INREV, and PREA, shows that for investors globally, the average allocation to real estate (weighted by AUM) is 10.2%, slightly below the average target allocation of 10.4%. Investors from North America report the highest current and target average allocations and Asian Pacific investors report the lowest.

However, it is important to highlight that the gap between the target and current allocations has narrowed significantly across all investor domiciles (see Figure 1). This means that the denominator effect has increased current allocations and for some investors from mature global economies, they could be technically over-allocated to real estate. Furthermore, the latest allocations are as at the end of 2021, with the denominator effect subsequently having resulted in notable overexposure.

Accepting the variation in investors surveyed from year to year (see Appendix 1. Survey composition, methodology and use), the large survey sample is certainly representative of direction of travel.

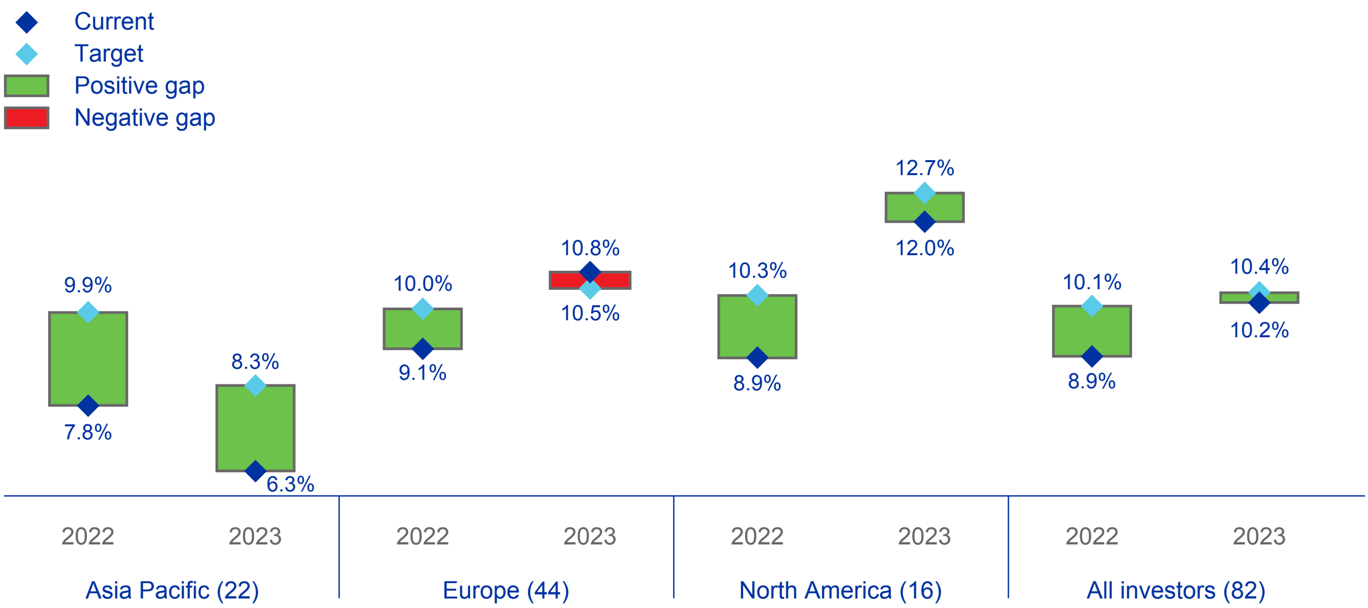
In the 2022 survey, the gaps between the target and current allocations were between 90 and 220 basis points (bps), with European investors reporting

Figure 1: Average current and target allocations to real estate globally (weighted by total AUM)*



** Number of respondents in parentheses.*

Figure 2: Gap between average target and current allocations to global real estate by investor domicile in 2023 (weighted by total AUM)*



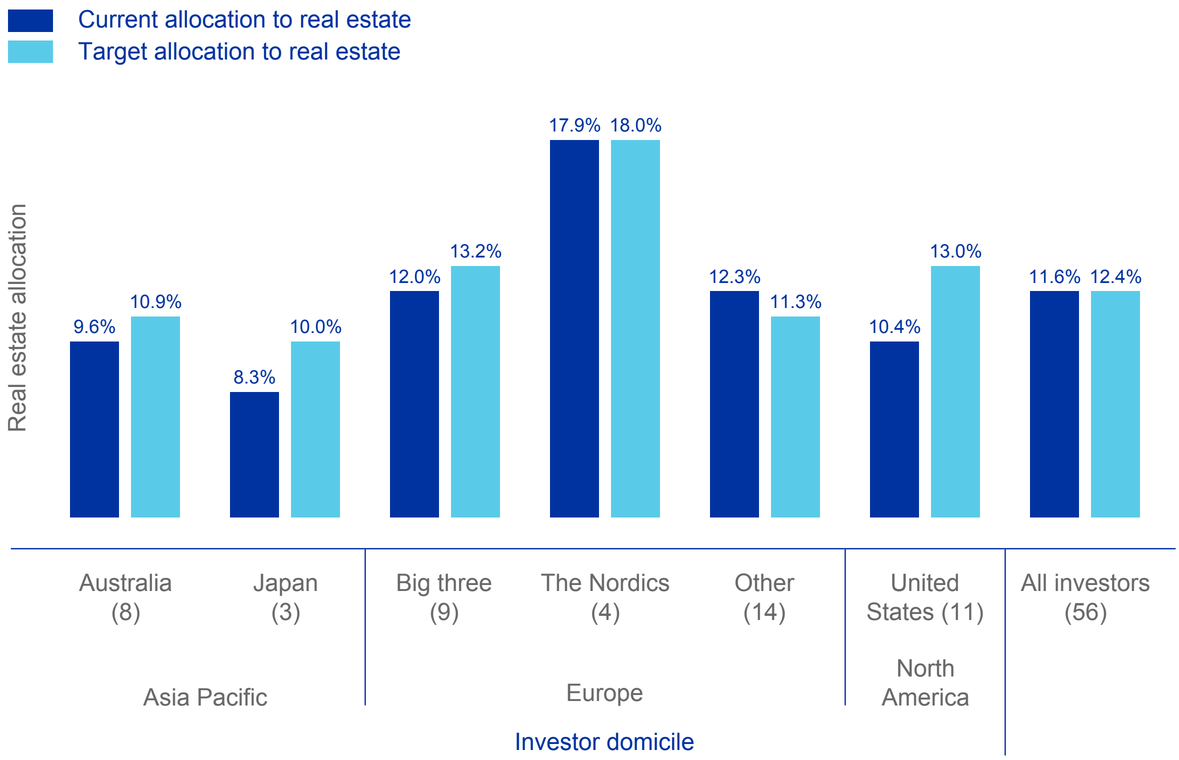
** Number of respondents in parentheses.*

the lowest gap. In the 2023 study, the equivalent gaps narrowed significantly for European and North American investors (125 bps and 80 bps, respectively) which is related to the dominator effect as values in other asset classes have fallen further than real estate during 2022 (see further analysis later in this section).

The shift was notably less pronounced for Asian Pacific investors, with the 2023 target to current allocation gap of 200 bps vs 220 bps in 2022. Structural real estate under-allocation, a more optimistic economic outlook in some parts of the region as well as looser monetary policy in some markets, notably China and Japan, serve as some explanation here.

That said, even within regions, there is variability in real estate allocations (see Figure 3).

Figure 3: Average current and target allocations by investor domicile in 2023 (weighted by total AUM)*

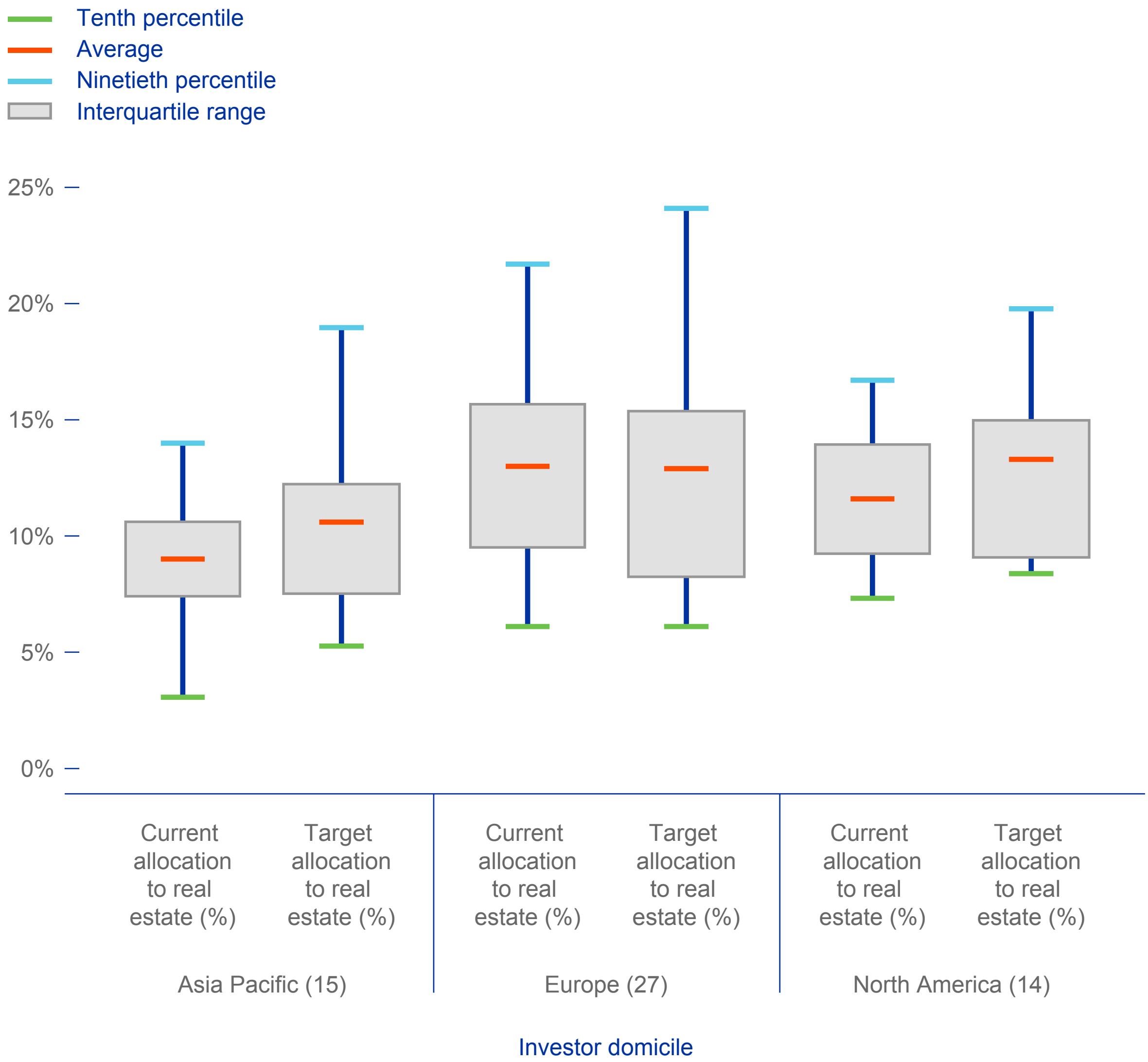


** Number of respondents in parentheses.*

While the near-term allocation outlook is muted, it is also reflective of non-listed real estate being a private market, which lags behind the main asset classes in terms of speed and the degree of repricing. When looking specifically at Europe, [the latest Q3 2022 performance results] are the weakest since the global financial crisis (GFC), confirming the beginning of a sharp correction and with the expectation of an even deeper value decline in Q4. This should help offset the denominator effect that we see in the latest allocation plans and is expected to bring non-listed real estate back on an equal footing with the main asset classes.

Average allocations – as shown on Figures 2 and 3 – mask differences across investors and it is, therefore, important to draw attention to the great variation in allocations from one investor to another in general, as well as by investor domicile (see Figure 4). For North American investors, the ninetieth to tenth percentile range stands at 9.5 percentage points for current allocations, with those at the high end being 16.5% and at the low end 7.1%. At 15.7 percentage points, the equivalent range is even higher for European investors, demonstrating a notably wider variation in allocations. For Asian Pacific investors, an equivalent range stands at 11 percentage points, with the lowest ninetieth and tenth percentiles across all investor domiciles of 13.8% and 2.8%, respectively. The ranges are slightly higher for the target allocations across all investor domiciles.

Figure 4: Distribution of current and target allocations by investor domicile in 2023*



** Number of respondents in parentheses.*

European investors most cautious

With so much uncertainty surrounding investment decisions around the globe and across all asset classes, real estate is no exception. Almost one quarter of all investors surveyed plan to decrease their allocations to real estate globally in the 2023-2024 period.

The outlook is equally muted for intentions to increase allocations, with only 27% of investors planning to do so in the next two years, a sharp reduction compared to what historically has been 50% or above.

Although the cautious allocation outlook is observed across the globe, there are notable differences by investor domicile. Asian Pacific investors take a more positive view than their European and North American peers. This is not surprising given that in many cases they are structurally significantly under-allocated (see pages 5-7).

European investors are most cautious, with 37% planning to decrease allocations in the 2023-2024 period, which is notably above the 20% and 5% equivalent for their North American and Asian Pacific peers. The share of European investors planning to increase real estate allocations is also the lowest, at 16%. This means that on an equally weighted basis, European investors are the only domicile with a net negative allocation position.

The current drop in the investment sentiment is sharper than during the Covid-19 crisis for all investor domiciles, but for European and North American investors in particular. The share of Asian Pacific investors that are planning to reduce their allocations is noticeably lower than for those investors coming from the other regions. But it is still a deterioration, given that no Asian Pacific investors were planning to decrease allocations in 2021 and 2022.

Figure 5: Expected changes in global real estate allocations over the next two years by investor domicile (equally weighted)

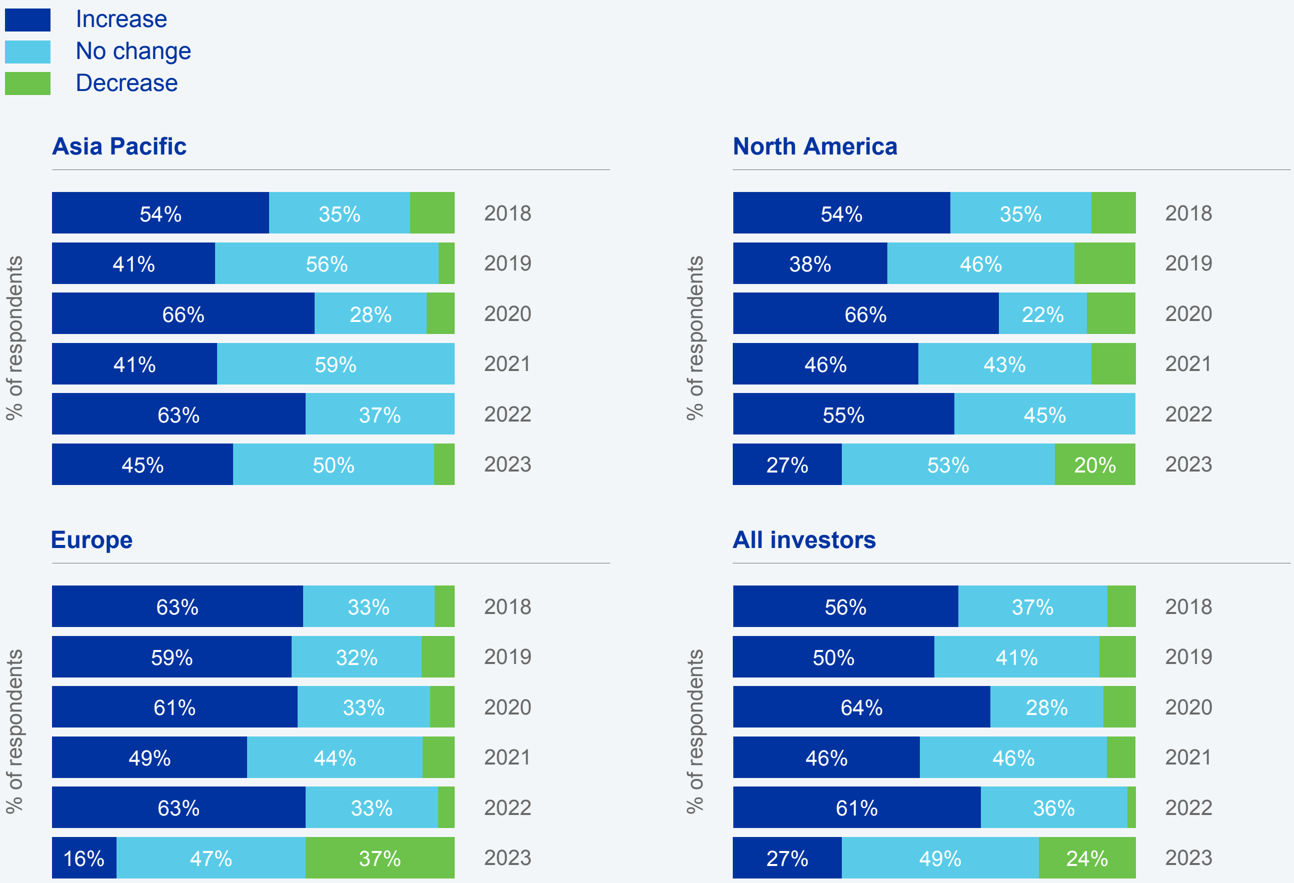


Figure 6: Expectations to make investments in global real estate by investor domicile (equally weighted)

A fast market correction for the non-listed real estate should help to erode the denominator effect to ensure the return to normality. In fact, confidence in the non-listed real estate as an asset class is evident in the fact that investors were less negative when asked about their intentions to make new investments in 2023.

Overall, around 90% of investors and all funds of funds surveyed are planning to make real estate investments in 2023. This means they will continue investing even if they plan to maintain or decrease their real estate allocations. This sentiment is shared by investors across all regions, including those from Europe.

Complex mix of issues affects investor decision-making in 2023. Climate change on the radar of European investors

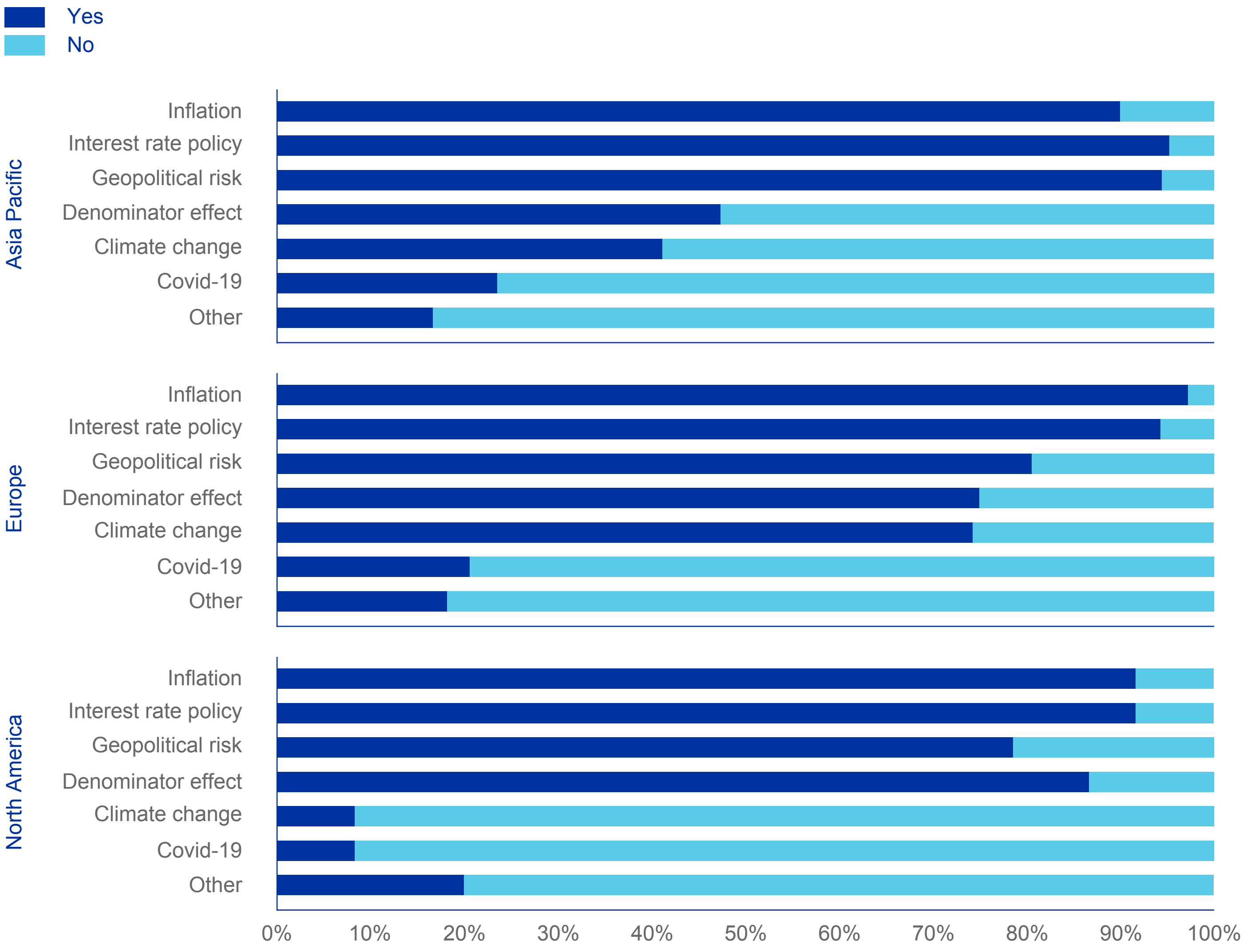
The mix of issues that impact investor decision-making in 2023 is truly complex. It reflects the extent to which the on-going energy crisis, triggered by Russia's war in Ukraine and the resulting high inflation, has brought rapid interest rate rises across the markets. The near-term economic outlook also remains bleak, or weakened as the base case in some parts of Asia Pacific, while short-term forecasts for most of the major global economies are recessionary.

There is a broad consensus across all investor domiciles that inflation, interest rate policy and geopolitical risk (and these vary from region to region) are impacting their decisions the most. Also, they all agree that the worst part of the Covid-19 pandemic is over, and most do not take it into consideration when investing.

For other immediate issues, the differences are notable and, in some cases, rather stark. For example, investors from Asia Pacific are less concerned about the denominator effect than their North American or European peers. This also explains why they are more inclined to increase their near-term allocations as discussed earlier (see Figure 5).

The most extreme differences among investors are their views on climate change. European investors stand out, with almost 74% taking climate change into consideration when making real estate investment decisions. The European regulatory environment is at the forefront with the EU Taxonomy and EU SFDR regulations driving the change, which reflects European investors' leading position on this. However, it is concerning to see so few North American investors consider climate change in their investment process. Asian Pacific investors are somewhere in the middle, with 41% of investors surveyed considering climate change in their decision making.

Figure 7: Issues impacting investments in global real estate in 2023 by investor domicile



Chapter 2

Focus on Europe: flight to safety

Core investments preferred for 2023

Investment style preferences reflect the cautious sentiment with investors shifting away from risk. While the 2023 preferred investment style pattern is broadly similar to recent years, the shift towards core also resembles the change between the 2008 and 2009 preferences - albeit not as sharp.

In 2022, investment styles moved from being balanced to value add strategies becoming more favoured as investors searched for yield. Now for 2023, as is typical in periods of uncertainty, investors are becoming more risk averse, similar to the consequences of the GFC in 2009.

This shift towards core strategies in 2023 is clear in all three regions, with European investors being the most risk-averse. At 57%, the majority of European investors said core was their preferred investment style when investing in the region. European investors also have the lowest preference for opportunistic strategies, at only 8%. It is not surprising, with demand for opportunistic strategies diminishing overall since the GFC, and in Europe in particular.

Interestingly, Asian Pacific players investing in Europe reported a substantial increase in preference for opportunistic strategies (see Figure 9). The fact that they are now more inclined towards higher-risk strategies could be interpreted as an opportunity to increase European real estate allocations at a discount. This is particularly timely, given the anticipated swift correction of European real estate. As was discussed earlier, in general, Asian Pacific investors are structurally under-allocated and diversification away from their home markets and away from the US dollar serves as an additional push factor.

North American investors, which typically have the greatest appetite for risk, are also clearly moving to a safer approach in terms of risk-return profile. That said, their current allocations are skewed towards higher-risk strategies compared to investors from other regions.

The proportion of respondents preferring opportunistic investments in Europe is the lowest since 2019 while the share of those favoring core strategies is the highest since 2018.

Figure 8: Investment style preferences when investing in European real estate

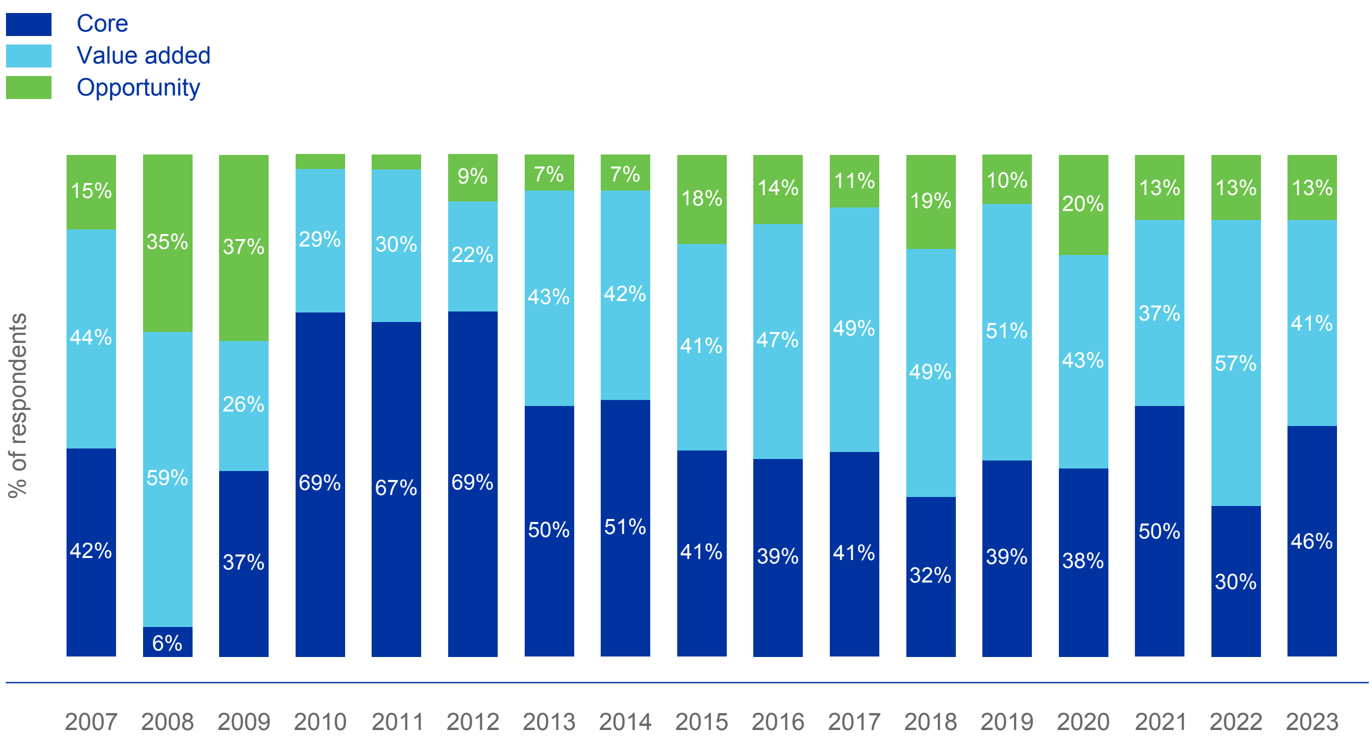


Figure 9: Investment style preferences when investing in European real estate

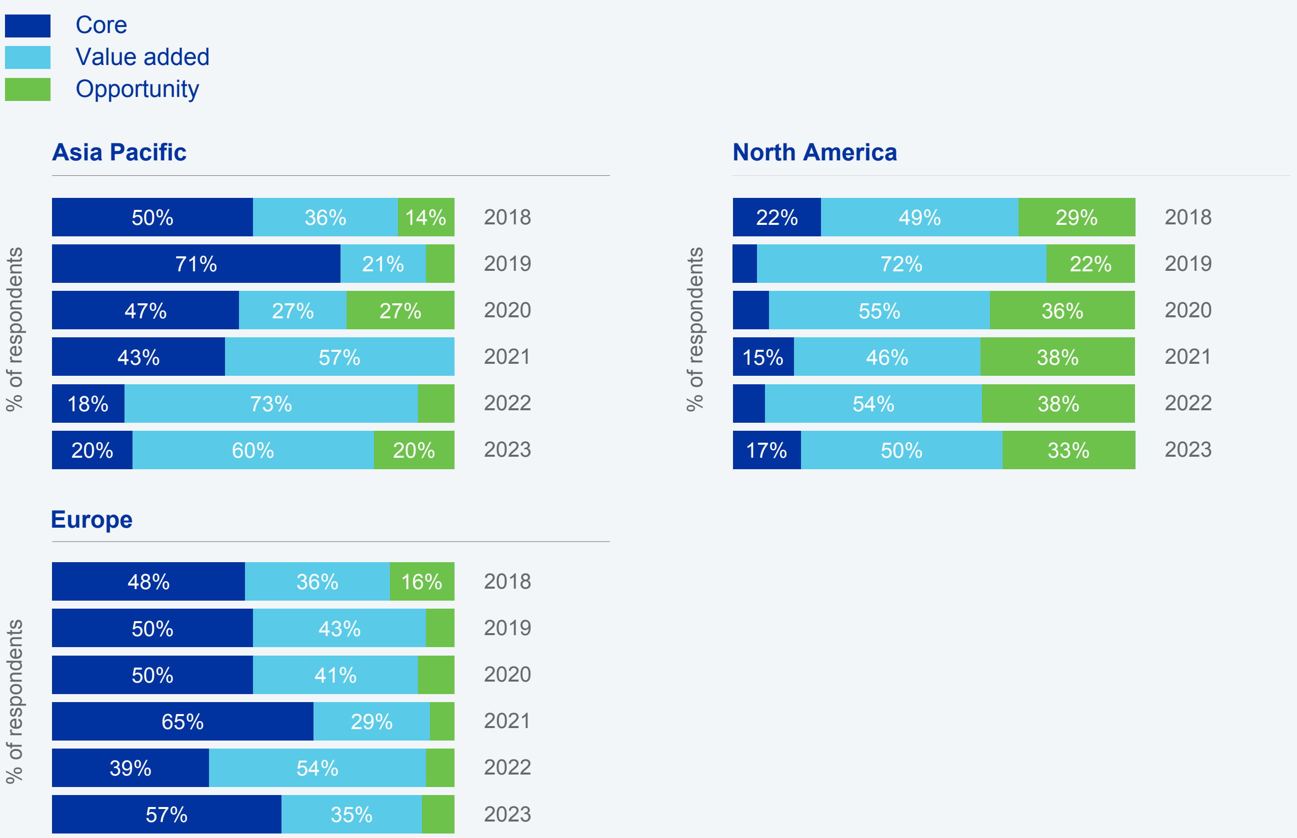
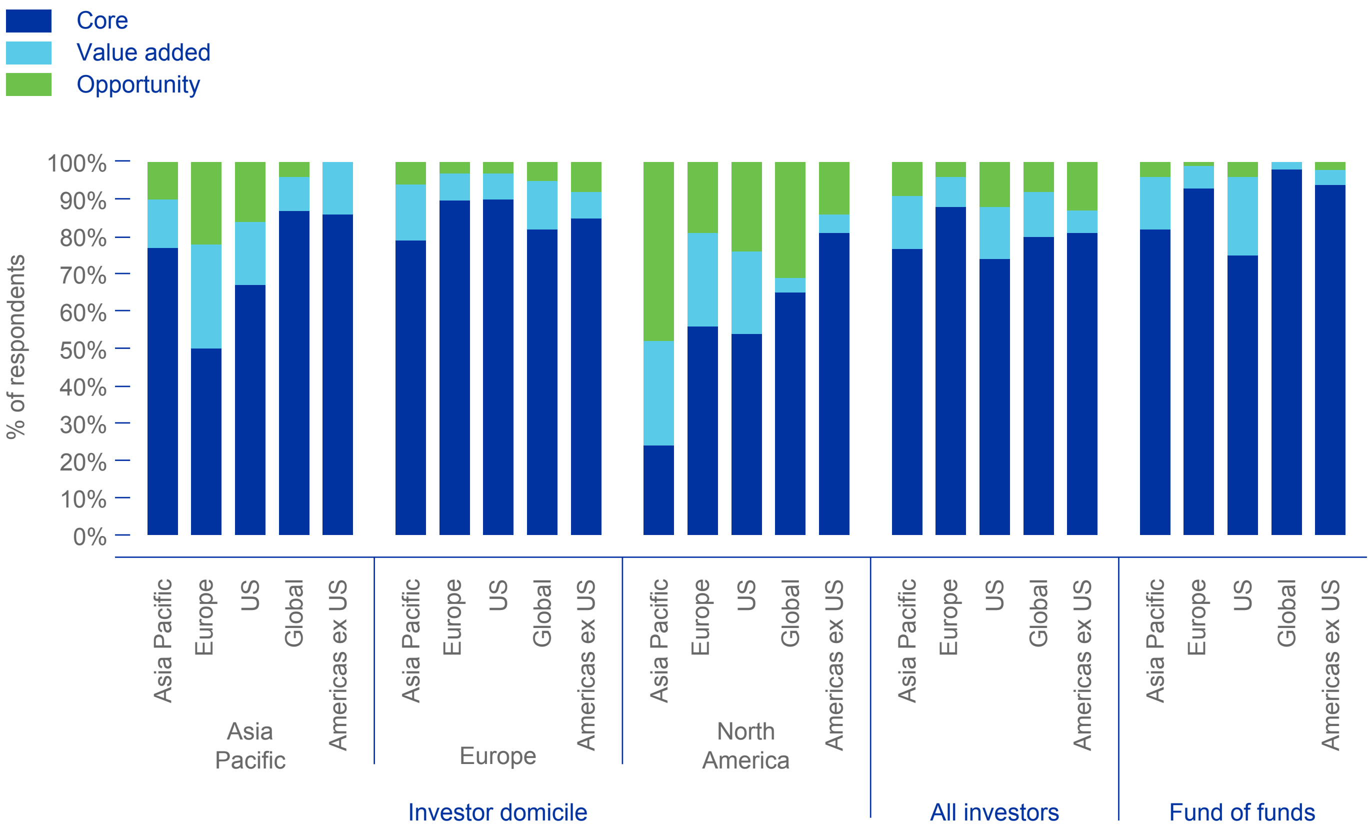


Figure 10: Regional allocations by investment style (weighted by real estate AUM)



Shifting focus to global real estate and combining the regional and strategy allocations, one sees that many investors have a tendency to use different strategies in different regions (see Figure 10). Asian Pacific investors' portfolios are dominated by core for their holdings in Asia Pacific and the US. However, 50% of their investment in Europe are in higher-risk strategies. Similarly, North American investors have portfolios that are mostly core in the US, but the majority of their Asian Pacific holdings are in value add and opportunistic strategies. It is not unusual for investors going outside their home region to expect higher-risk premia to compensate for a perceived higher risk of investing overseas, so these patterns are not entirely surprising. That being said, European investors have holdings that are dominated by core in all regions.

Chapter 2.1

Shift to more defensive strategies across a wider selection of markets

France, Germany and the UK continue to occupy the top positions

The search for lower-risk investment opportunities is also reflected in the destination of investors' preferences by geography and sector.

By country, most destinations posted lower results than their seven-year average. This is likely because investors are looking to deploy capital in markets where they have local expertise, rather than because these investment destinations are less attractive.

France, Germany and the UK continue to occupy the top positions. With 54% of investors, France and Germany share the top spot, closely followed by a third-place UK with 50%.

The Netherlands which takes fourth place ahead of Spain is a more mature and liquid market while the opposite is true for Spain. With its relatively small local institutional investor base, Spain is a higher risk and more volatile destination, which at times of uncertainty tends to lose interest from international investors.

Figure 11: Europe's preferred destinations

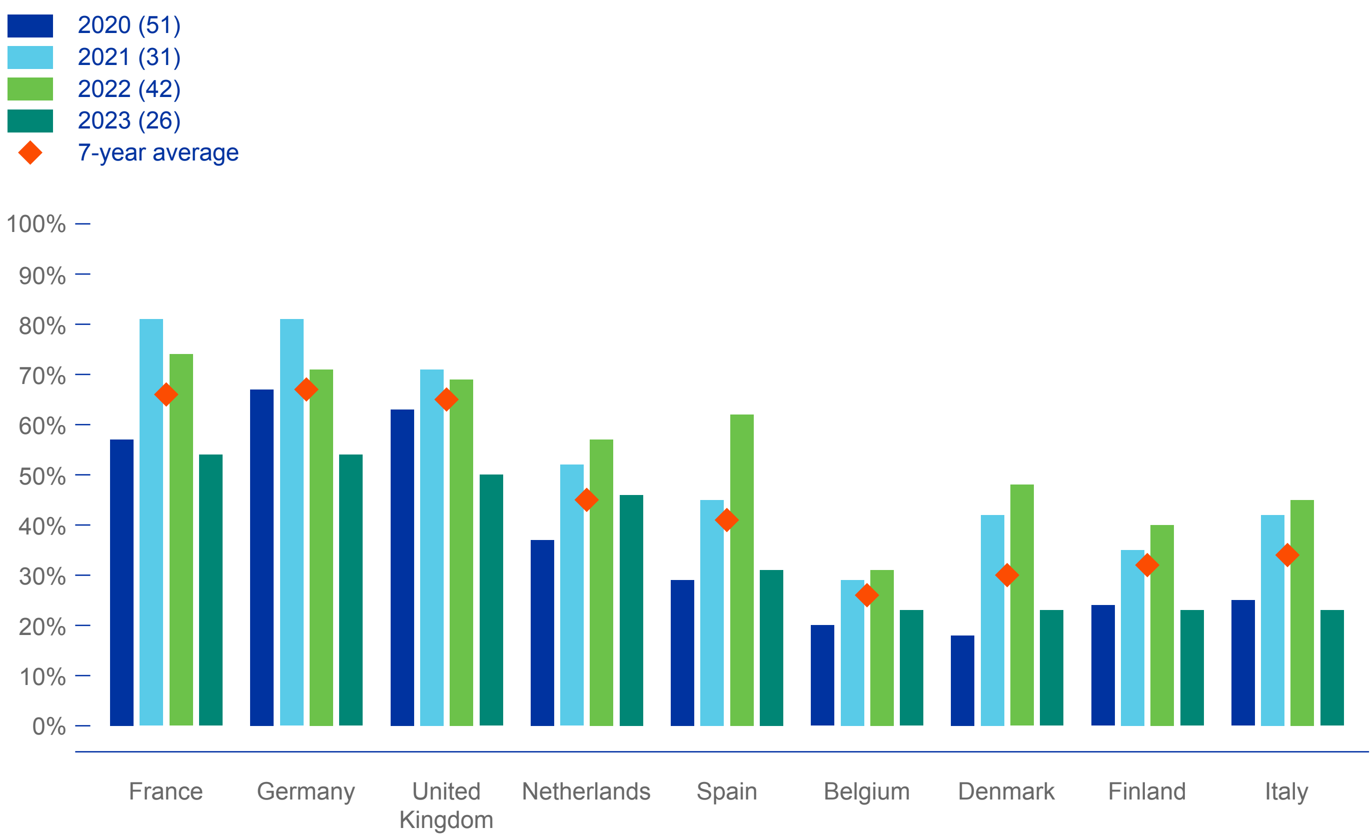
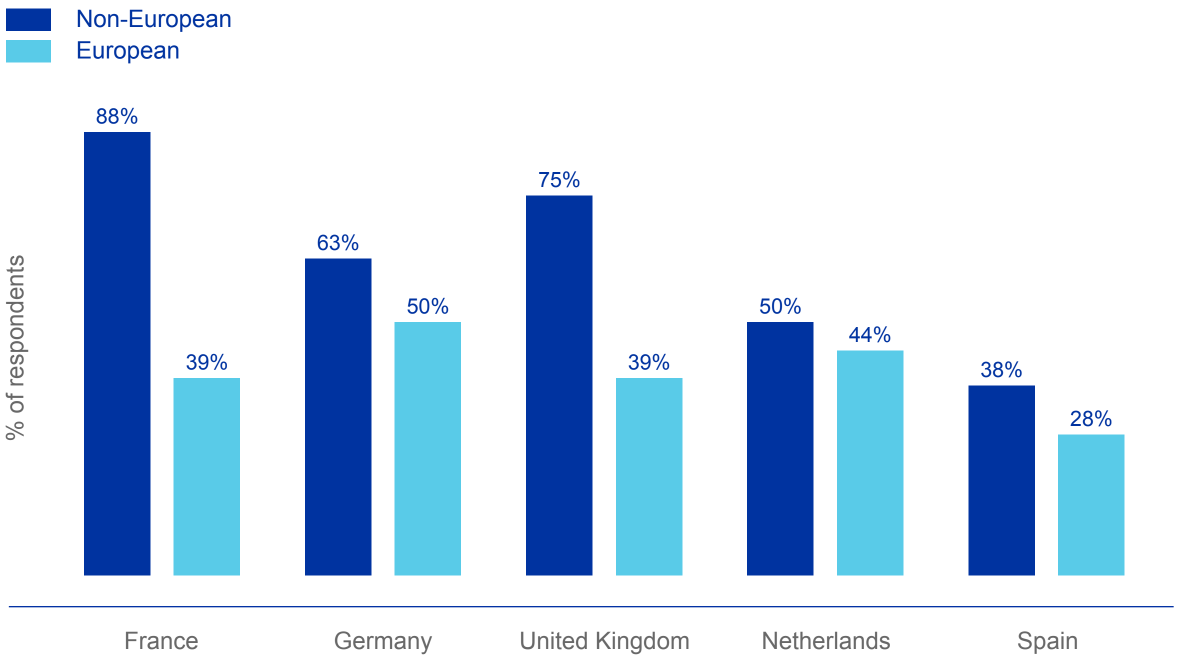


Figure 12: Europe's top five preferred destinations in 2023, by investor domicile



Asian Pacific and North American investors are even more prone to invest in the largest and most liquid markets than European investors. At 88%, France is a clear first choice for investors from outside Europe, followed by the UK and Germany.

The top three destinations are different for European investors. Germany is in top position with 50%, the Netherlands is a close second with 44%, while France and the UK are tied for third place at 39%. The combination of the retreat to home markets and having a large institutional investor base pushed the Netherlands up into a second position. While European investors mostly prefer the largest and most liquid markets, they are also inclined to invest more in their local markets, especially at times of uncertainty.

Asian Pacific investors' preferences push offices into a top spot

Structural shift to residential continues, while industrial/ logistics receives mixed views

Office, residential and industrial/logistics remain the preferred sectors in Europe, albeit all below their seven-year averages.

At the first glance, offices taking the top spot is counterintuitive but can be partially explained by the fact that non-European – and Asian Pacific investors in particular – identify it as the sector of choice when accessing Europe. However, they still follow the current trend for offices from all investors, which is to focus on the most liquid markets and best-in-class assets. European investors remain keen on the sector as well.

This also reflects the current allocations by sector, with offices having the largest allocation for investors from both Asia Pacific – 40% of the real estate portfolio on average – and Europe with 33%.

Figure 13: Europe's preferred sectors

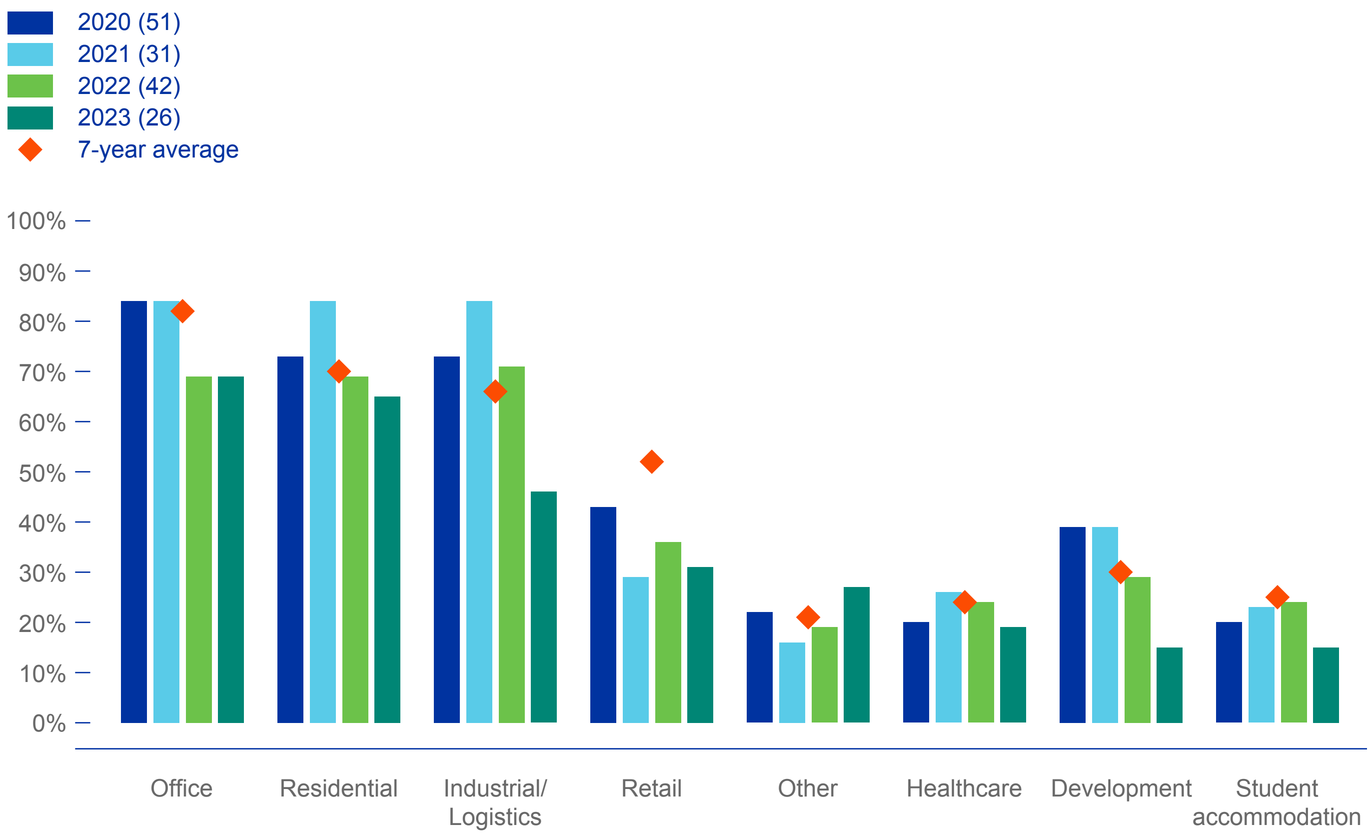
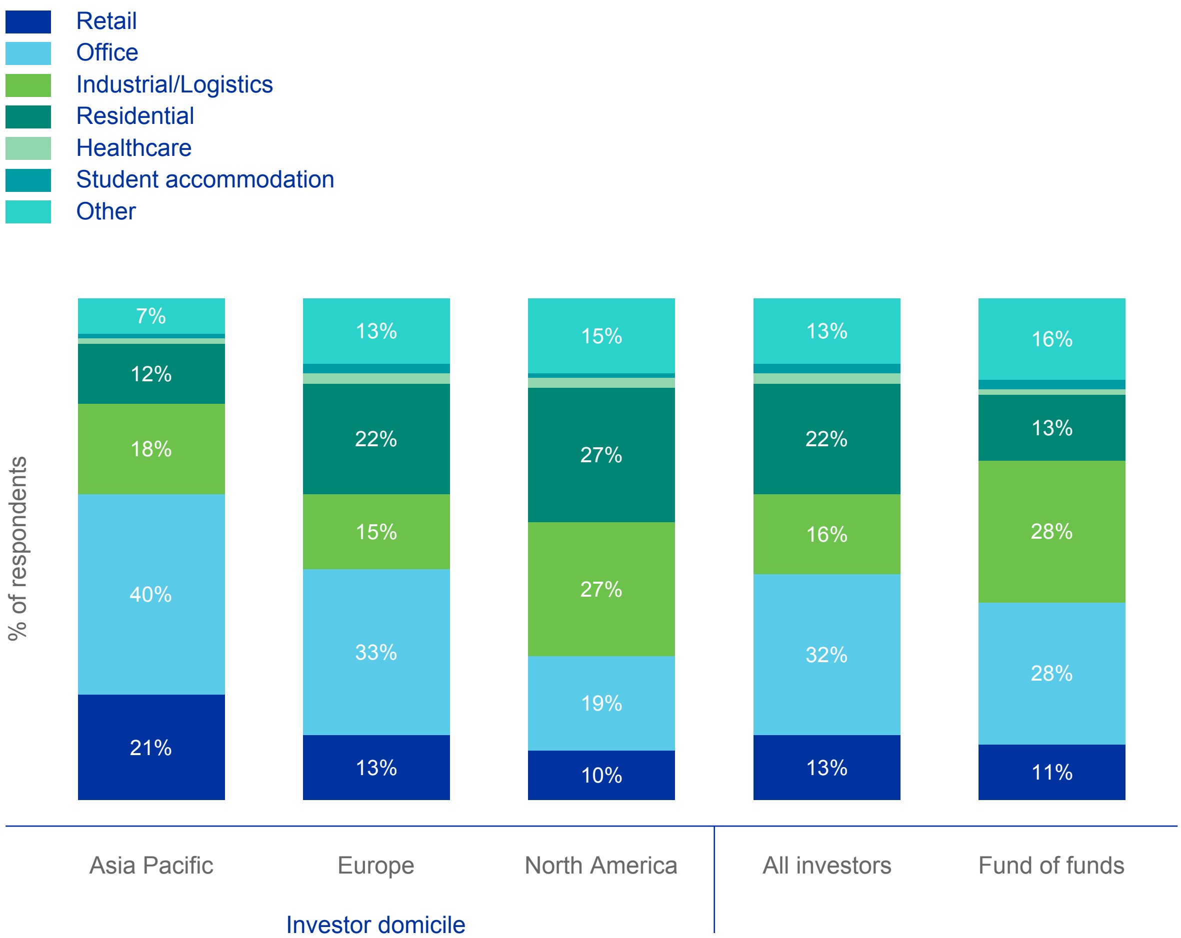


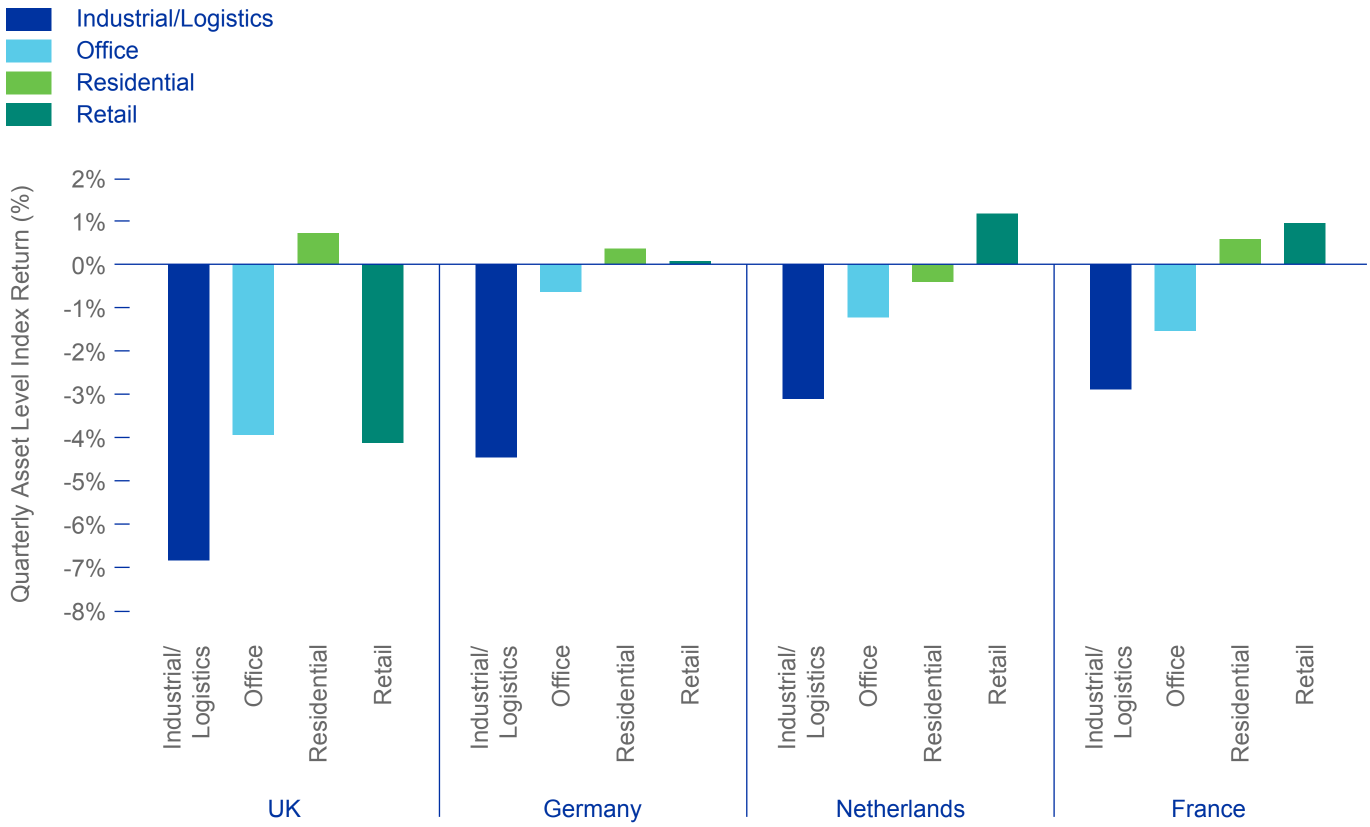
Figure 14: Current sector allocations globally by sector (weighted by real estate AUM)



Residential maintains its second position, confirming the structural shift to this important and growing institutional market. Its high and stable income return component means it serves well as a countercyclical strategy. This is already reflected in the latest European non-listed real estate results, with residential moving up to be the best performing sector in Q3 2022, albeit still notably down quarter-on-quarter (see Figure 15).

The decline in preferences towards industrial/logistics – last's years favourite – aligns with it becoming the weakest performing sector in Q3 2022 (see Figure 14) as it undergoes the steepest value correction across most European markets. This is no surprise as the sector sees the reversal of many years of consistent outperformance, sharp yield compression and relatively high rental growth expectations in most geographies. Given that the sector is underpinned by e-commerce as a megatrend, this may well be a short-term blip, and is likely a matter of sharp short-lived correction to what is deemed to be reasonable yield levels.

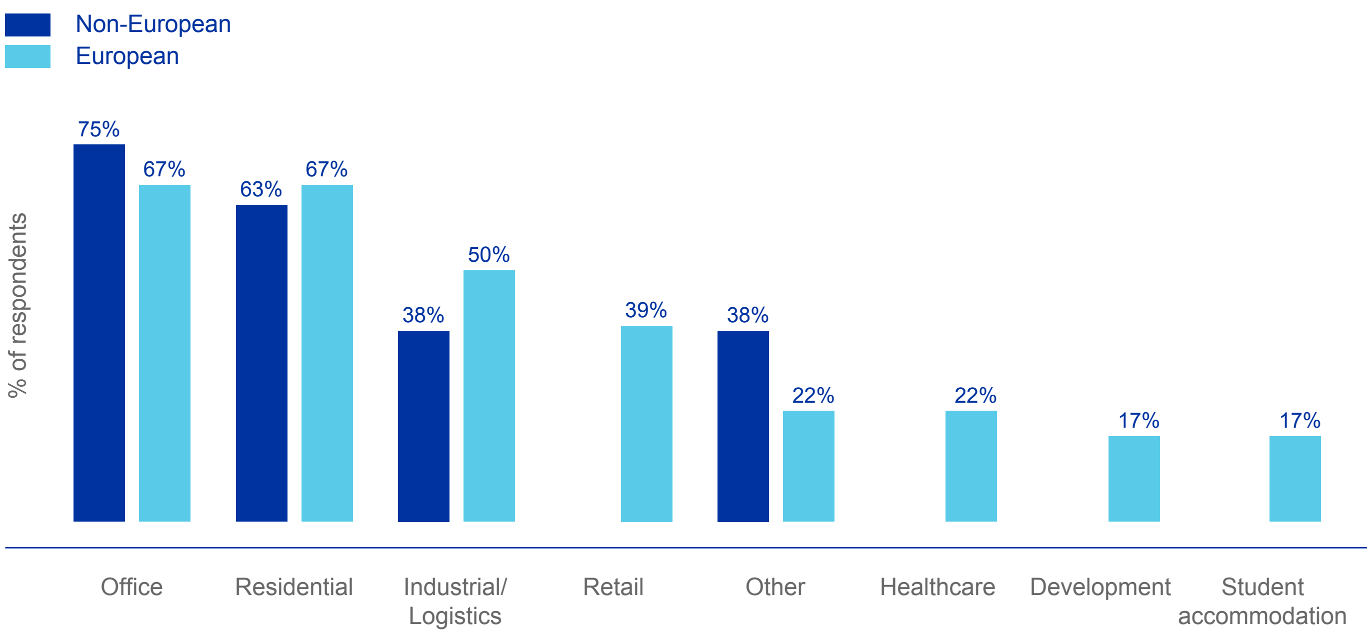
Figure 15: Performance of European real estate assets by country and sector in Q3 2022



Source: INREV Pan-European Quarterly Asset Level Index, Q3 2022

The differences in sector preferences between European and non-European investors are even more pronounced than when looking at preferred destinations (see Figure 16). Investors from outside of Europe prefer to focus on the traditional sectors, namely office, industrial / logistics and residential. This is in line with the shift towards more defensive strategies targeting most liquid assets or high-income producing sectors.

Figure 16: Europe's preferred sectors in 2023 by investor domicile

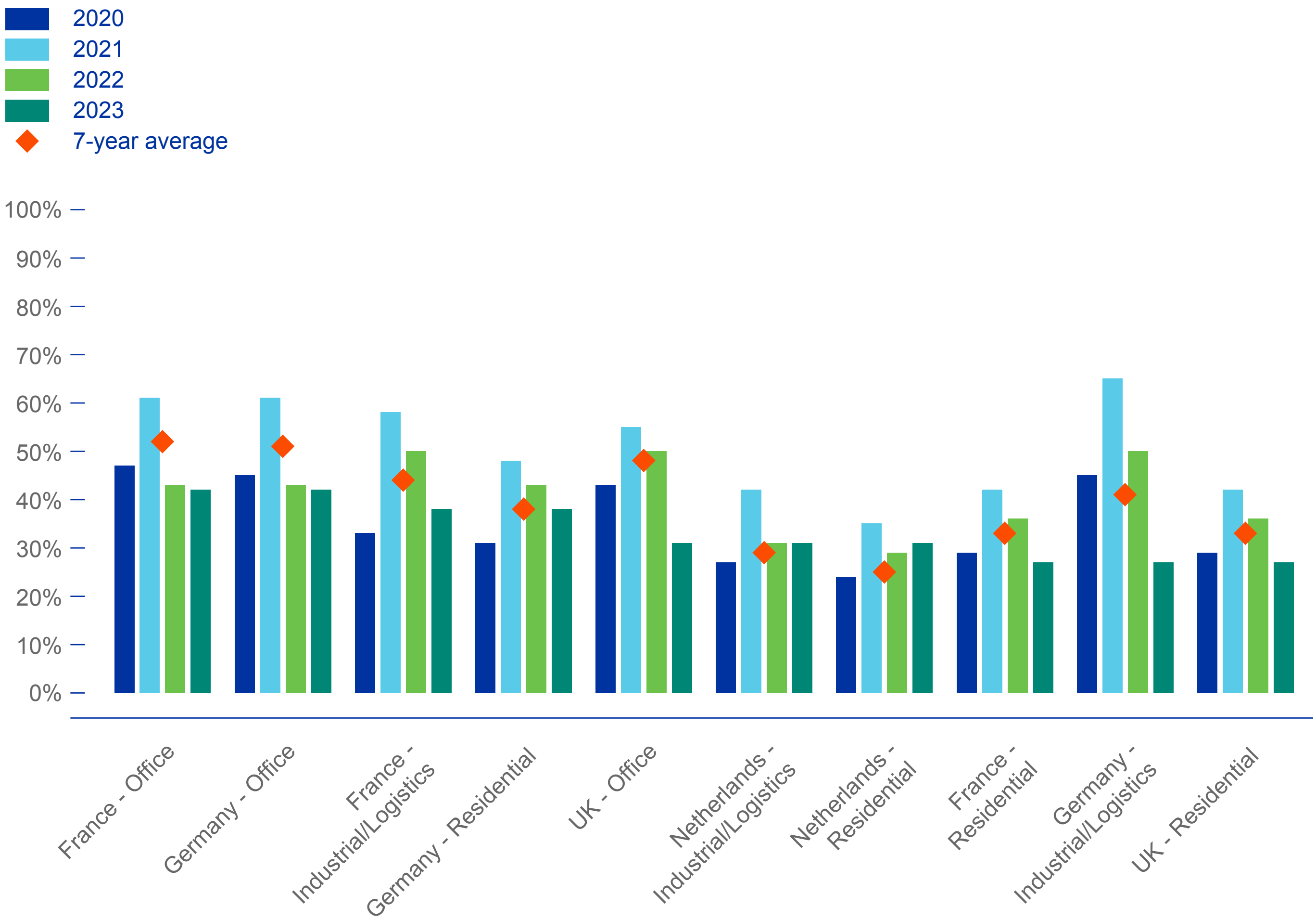


On the other hand, European investors continue to prefer the industrial/logistics and residential sectors, which tied in a first place with 67%. This confirms the long-term structural shift towards these two sectors continues, regardless of the current market circumstance. Offices follow in third place with 50%.

European investors' preferences for a wider selection of sectors, including development, healthcare, student accommodation and other more operationally intense sectors reflect their superior local market knowledge and operational expertise. This could also explain the lower levels of interest in these segments from non-European investors.

Echoing earlier findings, office markets in Europe's biggest economies dominate the top ten country/sector list. It is also not surprising, given the overarching risk aversion, that only the three most preferred sectors and the four largest institutional real estate markets feature in the top ten country/sector list in 2023 (see Figure 17).

Figure 17: Europe's top ten preferred country/sector combinations in 2023



By investor domicile, the results align with the earlier findings: non-European investors prefer to focus on the largest markets and office and residential sectors in France, Germany, and the UK, as well as French industrial/logistics.

European investors' preferences are more equally distributed across all three main markets – as well as the Netherlands – and a wider selection of sectors, including industrial/ logistics. Once again, this highlights that the structural shift towards the industrial/logistics sector continues, but is being predominantly pursued by intra-regional investors which have an added advantage of local market knowledge.

Historically, there is little movement in the top three positions in the country/sector rankings, with France and German offices featuring ten times out of the fourteen-year series that began in 2010. Recent years saw preference towards the UK decline, while Germany and France industrial/logistics gained importance, with the latter featuring in the top three for 2023.

Figure 18: European top ten preferred country/sector combinations in 2023 by investor domicile

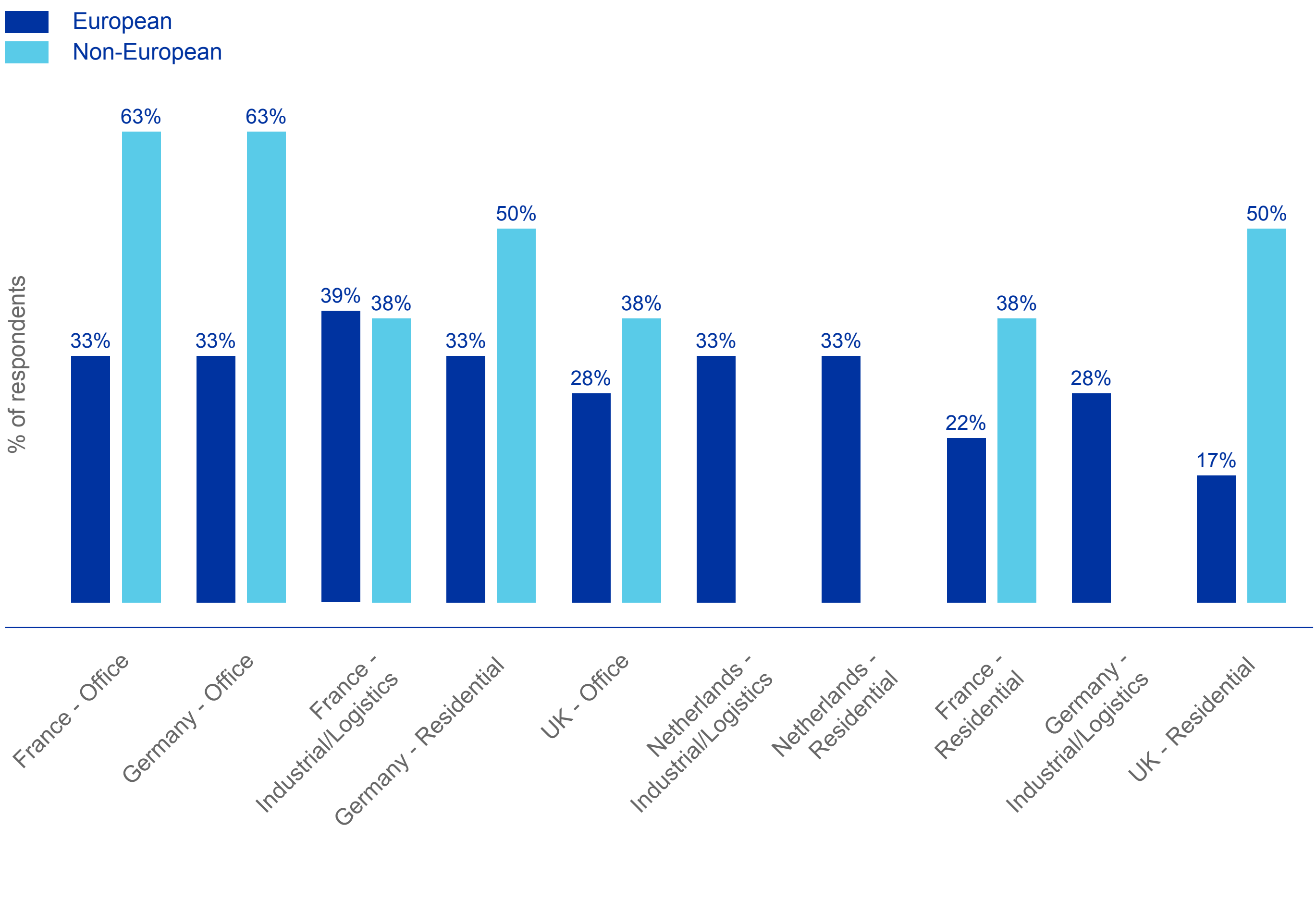


Table 1: Europe’s top three preferred country/sector combinations over time

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
France - Office	●	●			●		●	●	●	●	●	●		●
Germany - Office		●			●	●	●	●	●	●	●	●		●
UK - Office	●				●	●	●		●	●			●	
Nordic - Office			●											
Germany - Retail		●	●	●		●		●						
UK - Retail	●													
Nordic - Retail			●	●										
Germany - Industrial/Logistics											●	●	●	
Germany - Residential				●										
France - Industrial/Logistics													●	●

Chapter 3

Routes into Europe

Rise of non-listed debt and mixed views on non-listed funds

On an equally weighted basis, almost all access routes into European real estate are expected to see further increase in allocations, with the exception of listed real estate and derivatives. Non-listed real estate debt and joint ventures feature as the top two, with 62% and 39% net increase positions. Net positions for directly held real estate, separate accounts and non-listed real estate funds hover around 30% net increase.

The conclusions are different when preferences are weighted by investors' real estate AUM. The net increase in allocations to non-listed real estate debt are even higher, at 79%.

Higher preferences amongst larger investors brought the net negative positions of listed real estate and real estate derivatives to neutral on a real estate AUM-weighted basis. But what is striking is that non-listed real estate funds and joint ventures move into net negative territory with -16% and -6%, respectively.

The results highlight the differences in routes that investors of different sizes use when accessing European real estate. While smaller investors prefer vehicles, such as funds, to access specific knowledge of a manager, diversification and scale, larger investors prefer to have more control, as their in-house knowledge and sophistication allows.

However, there is one common trend for both small and large investors that stands out the most. Non-listed real estate debt features as the preferred vehicle for all investors. This again supports the conclusion that investors are looking for lower-risk strategies, with senior debt in particular well placed to serve that need.

Ever since the global financial crisis (GFC), alternative lenders' share of European real estate debt has risen relative to that of traditional lenders. The latest INREV Debt Vehicles Universe report not only reveals that these funds have reached their greatest extent yet – 98 vehicles with target equity totalling €60.3 billion – but also that this figure has doubled over the last seven years.

Figure 19: Expected changes to real estate allocations in Europe over the next two years (equally weighted)

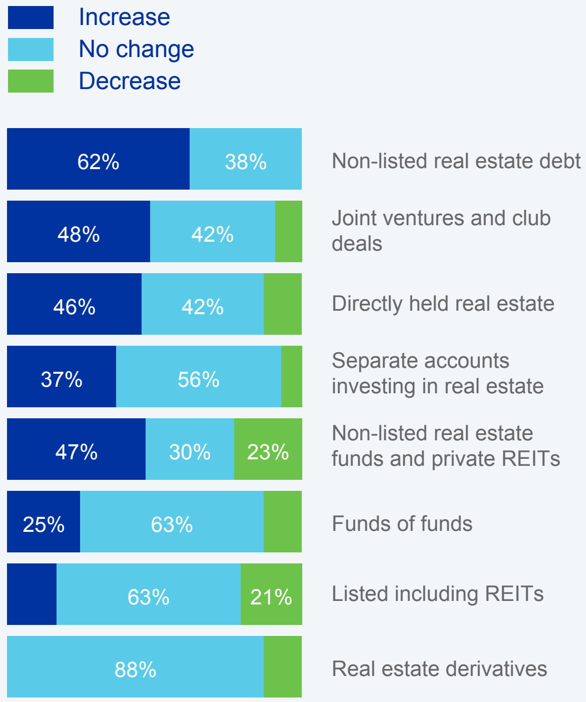


Figure 20: Expected changes to real estate allocations in Europe over the next two years (weighted by real estate AUM)

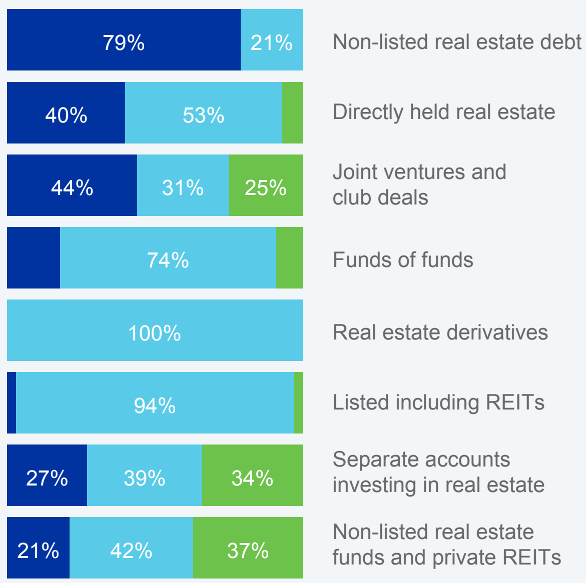
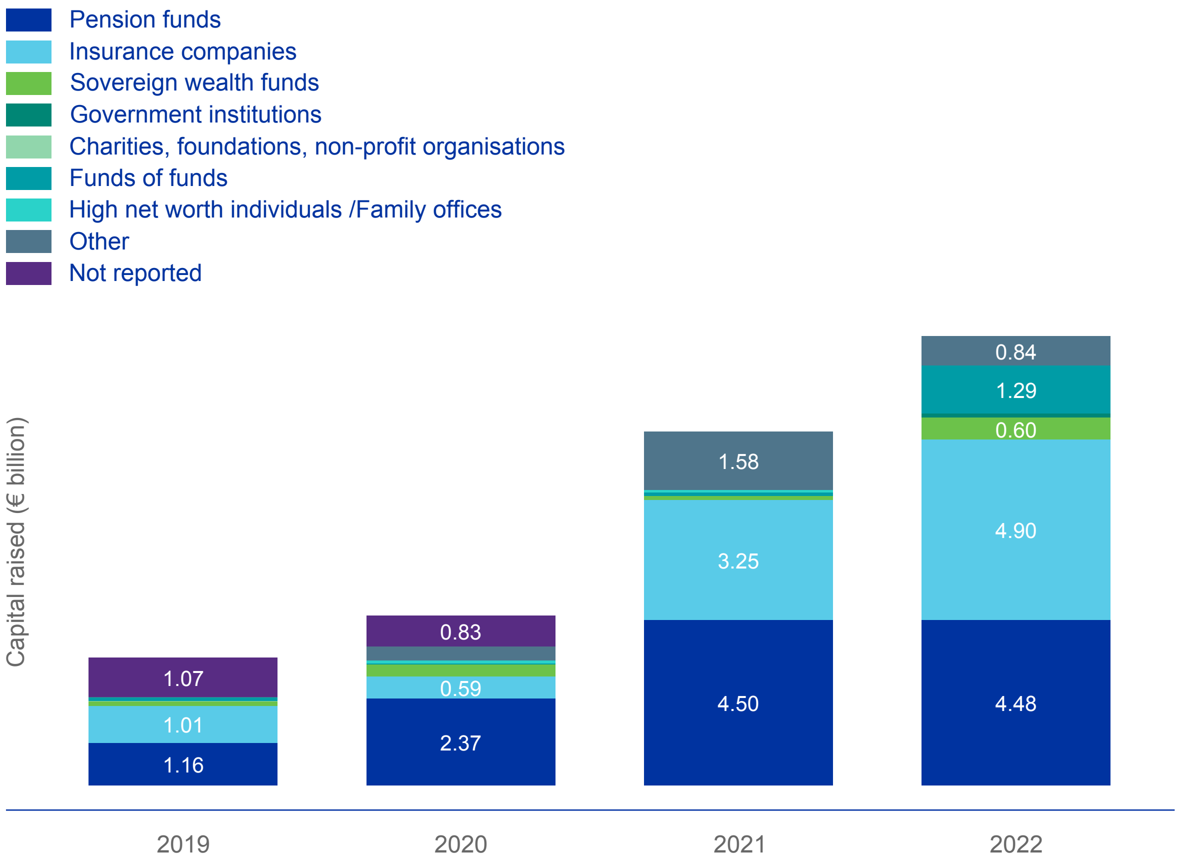


Figure 21: Capital raised for European non-listed real estate debt funds by investor type



Source: ANREV / INREV / NCREIF Capital Raising Survey 2022

In fact, the total capital raised for all European non-listed real estate debt was reported at a record high of €12.2 billion, according to the ANREV/INREV/NCREIF Capital Raising 2022 report.

Most of this capital was by the larger, more sophisticated institutional investors, mainly pension funds and insurance companies. In fact, many insurance companies are not only increasing their allocations to debt vehicles, but also acting as direct lenders themselves.

Non-listed real estate debt presents a favourable risk return proposition. Senior debt, for example, offers superior returns, which compensate well for the relative illiquidity, as well as offers at least some inflation hedge and no additional risk. This serves as a strong proposition and may well attract new capital not only from the existing real estate investors, but also reallocation of capital from other asset classes, such as fixed income.

This increase in investors' interest in debt vehicles can be observed in the evolution of expected changes in non-listed real estate debt. The 2023 results show that the proportion of investors expecting to increase their allocation is the highest since the series began in 2017, and no investor is planning to decrease their allocations to these vehicles in the next year.

Although non-listed debt vehicles are the most popular vehicle for investors in 2023, non-listed real estate equity funds will remain the most important vehicle in the investors' current portfolio.

Looking at how the vehicle of choice varies depending on where the assets are located, Asia Pacific-based investors hold the majority of their home-region investments in either open end funds or hold the assets directly. When investing in Europe, however, Asian Pacific investors prefer closed end funds or joint ventures/club deals, while directly held assets are most common for their US investments. While European investors emphasise directly held assets at home, they make use of joint ventures/club deals for investments in Asia Pacific and have a particular interest in non-listed debt investment products for their US exposure. Investors from North America have a heavy emphasis on open end funds for investment in their own region as well as in Europe but rely on closed end funds for their Asia Pacific investments as well as for their global strategies.

Figure 22: Expected changes in allocations to European non-listed real estate debt

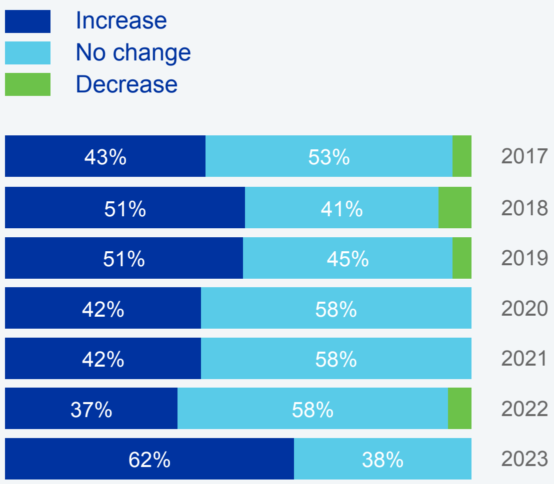
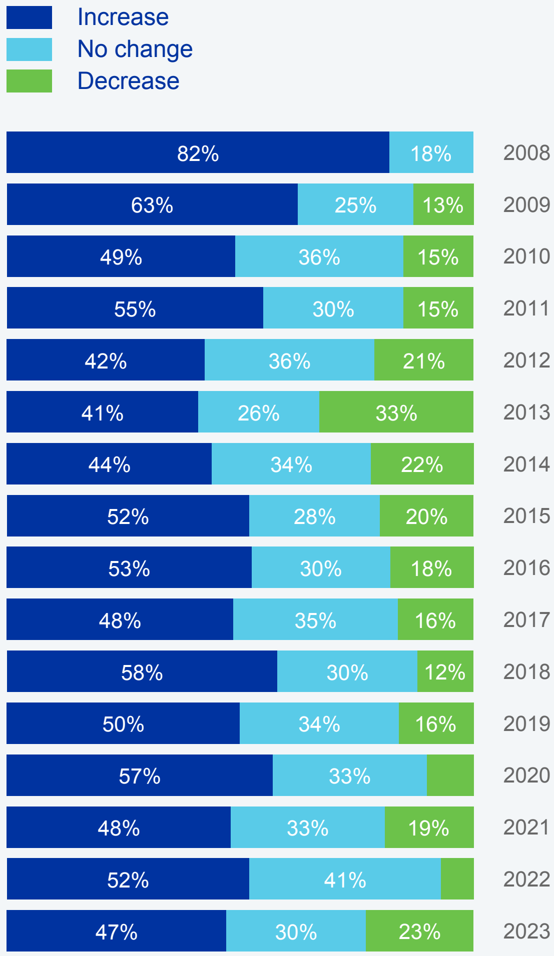


Figure 23: Expected changes in allocations to European non-listed real estate funds and private REITs



Chapter 4

General characteristics of real estate

Over 90% of European investors consider funds' net zero carbon commitment before investing

An increasingly important consideration when investing in real estate is the environmental, social and governance (ESG) characteristics. When considering an investment in a non-listed real estate fund, the majority of investors take its ESG characteristics into account. The emphasis on different areas of ESG varies by region, with North American investors having a stronger focus on diversity, equity, and inclusion (DEI) programmes than other aspects of ESG, and European-domiciled investors placing the strongest importance on net zero carbon commitments. Asia Pacific is the only region

Figure 24: Investment considerations when deciding whether to invest in a non-listed fund by investor domicile

NORTH AMERICA	EUROPE	ASIA PACIFIC
56% Having an established diversity, equity, and inclusion (DEI) programme	57% Having an established diversity, equity, and inclusion (DEI) programme	63% Having an established diversity, equity, and inclusion (DEI) programme
44% Promoting environmentally and socially responsible investments or targeting bespoke sustainable investments	94% Promoting environmentally and socially responsible investments or targeting bespoke sustainable investments	75% Promoting environmentally and socially responsible investments or targeting bespoke sustainable investments
0% Committed to becoming net zero carbon	91% Committed to becoming net zero carbon	68% Committed to becoming net zero carbon

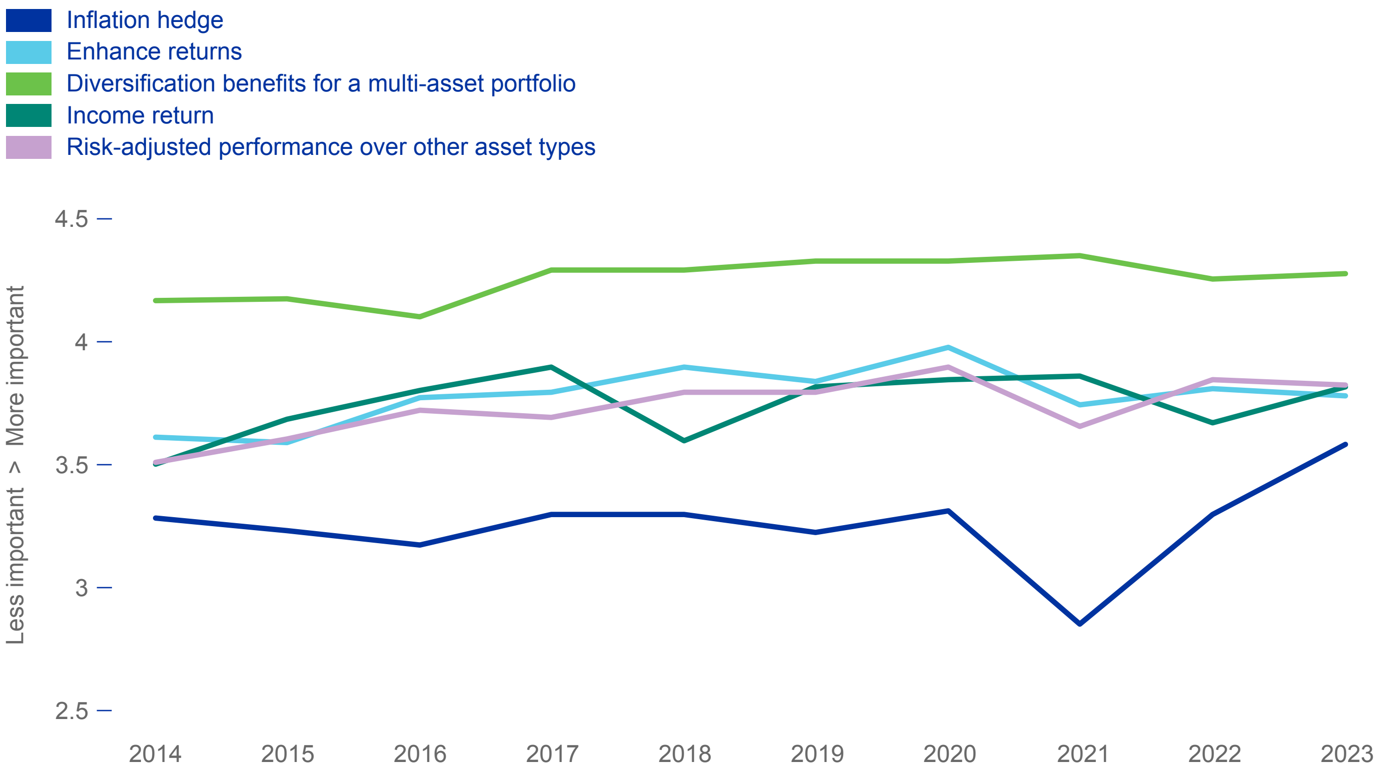
in which the majority of investors take all three of the ESG characteristics into account when considering fund investments.

The extent to which European investors have embedded ESG in their investment process is clear, confirming the earlier findings that European regulatory environment helps to pave the way (see page 10).

Inflation hedging potential moves in importance across the globe

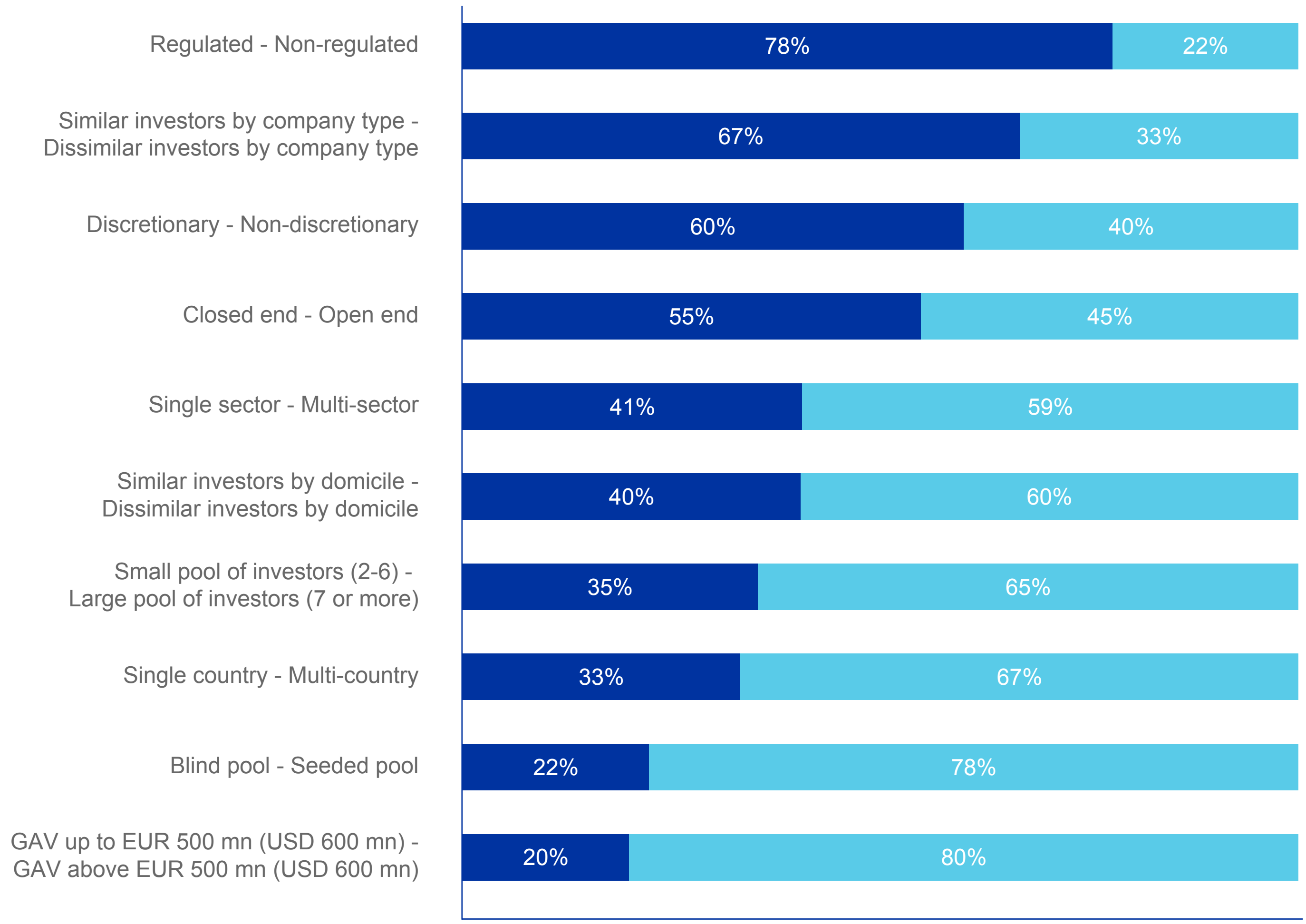
As in past years, the 2023 survey asked respondents about the leading reasons to hold an allocation to real estate within their overall portfolio. Over the years, responses to this have been relatively stable, with the diversification benefits of real estate being the most important reason for investing in real estate and real estate's inflation hedging potential being the least important. However, the last two years have seen a significant rise in the importance ascribed to inflation hedging. With inflation having been low for many years, investors seemed to have largely discounted inflation risk – something that has changed rapidly over the course of 2023.

Figure 25: Reasons to invest in real estate



In Europe, investors prefer to invest in regulated funds with gross asset value (GAV) of above €500 million. They have a balanced preference between open end and closed end mandates, but strongly prefer to invest in a large group of investors and with similar investor types. This highlights that investors like to operate with like-minded peers aligned with their investment horizon, with a size of the fund playing an important role as well.

Figure 26: Preferred features for European non-listed real estate fund investments



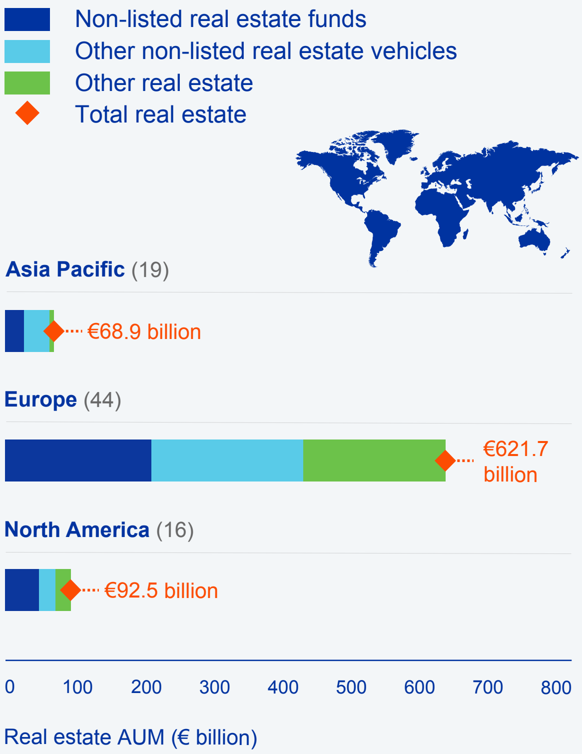
Appendix 1

Survey composition, methodology and use

Based on a sample of 75 institutional investors and seven funds of funds with aggregate real estate assets under management (AUM) of close to €800 billion, the survey has global reach although the majority of this year's respondents were domiciled in Europe. The survey also covers multiple types of institutional investor, with the most common categories being pension funds and insurance companies. While the response rate to the survey is down somewhat from prior years, this may, in fact, reflect the uncertain market environment, with some investors still unsure as to their investment plans for the new year.

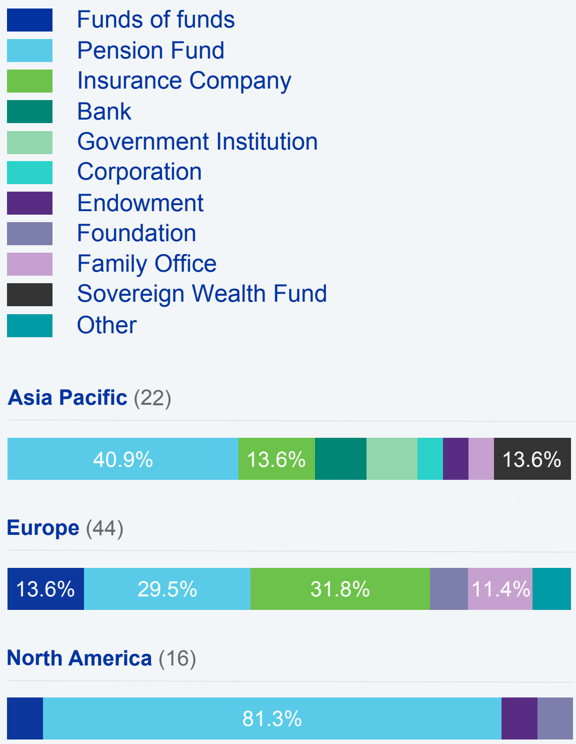
Further analysis is included in the chart book and excel supplement on the INREV webpage.

Figure 27: Real estate AUM of the 2023 survey sample by investor domicile and type



Numbers in brackets shows sample size by number of respondents

Figure 28: Sample size by investor domicile and investor type



Numbers in brackets shows sample size by number of respondents

Methodology and use

The Investment Intentions survey was launched in 2005. Since 2014, the survey has had a global reach, as a joint research project between ANREV, INREV and PREA. This is the fifth year that the survey is focused entirely on institutional investors and fund of funds managers.

Aggregate results are shown only when there is a minimum sample size of three for any category. ANREV, INREV and PREA do not use publicly available information, and both members and non-members can provide data to the survey.

Use
The results of the Investment Intentions survey may be used for research and information purposes only.

They may not be used for the following:

- To determine the value of a fund
- To determine the value of a financial instrument
- To determine the amount payable under a financial instrument
- To determine the amount payable under a financial contract
- To calculate performance fees
- To define the allocation of a portfolio

It is important to note that the sample size and its composition varies year by year. As such, a historical comparison should be treated with caution.

ANREV, INREV and PREA would like to thank all participants for contributing to the Investment Intentions Survey 2023.

Appendix 2

Participants

Of the total of 82 participants in this year's survey 47 opted to have their names published and 35 chose to remain anonymous.

Company	Region
BEI	Asia Pacific
Cbus Property	Asia Pacific
HESTA	Asia Pacific
Hostplus	Asia Pacific
SBI Life Insurance Co., Ltd.	Asia Pacific
TCorp	Asia Pacific
TelstraSuper	Asia Pacific
Tokio Marine & Nichido Fire Insurance	Asia Pacific
Addvalue Capital GmbH	Europe
AFIAA Foundation for international Real Estate Investments	Europe
Allianz Real Estate GmbH	Europe
Almazara	Europe
APG Asset Management	Europe
ASR	Europe
AXA IM - Real Assets	Europe
Bayerische Versorgungskammer	Europe
Blue Sky Group	Europe
CBRE Investment Management	Europe
Dicoval	Europe
ERAFP	Europe
Generali Real Estate	Europe
H2i Assetmanagement GmbH	Europe
HIH Invest Real Estate GmbH	Europe
Ilmarinen Mutual Pension Insurance Company	Europe
KLP	Europe
KZVK/VKPB Dortmund	Europe
LGT Capital Partners	Europe
NN Group	Europe
Pensioenfonds Horeca & Catering	Europe
Pensioenfonds KBC	Europe
PGGM	Europe
Stichting pensioenfonds PGB	Europe
Swiss Life Asset Managers	Europe
Tesco Pension Investment	Europe
UBS AG	Europe
Varma Mutual Pension Insurance Company	Europe
Wealth Management Partners N.V.	Europe
Zurich Insurance Company Ltd	Europe
Alaska Electrical Pension Fund Real Estate Title Holding Corporation	North America
LaSalle Investment Managment	North America
Maryland State Retirement and Pension System	North America
New Jersey Division of Investment	North America
North Carolina Department of State Treasurer	North America
Sacramento County Employee Retirement System	North America
TRAF	North America
UPS	North America
Virginia Retirement System	North America

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