



Business Plan **2015 - 2017**

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.

INREV
Strawinskylaan 631
1077 XX Amsterdam, The Netherlands
+31 (0)20 799 39 76 | info@inrev.org | www.inrev.org

© Vereniging INREV

This document, including but not limited to text, content, graphics and photographs, are protected by copyrights. You agree to abide by all applicable copyright and other laws as well as any additional copyright notices or restrictions contained in this document and to notify INREV in writing promptly upon becoming aware of any unauthorised access or use of this document by any individual or entity or of any claim that this document infringes upon any copyright, trademark or other contractual, statutory or common law rights and you agree to cooperate to remedy any infringement upon any copyright, trademark or other contractual, statutory or common law rights.



Contents

Sections

1	Introduction	4
2	Priorities and Strategic Goals	6
3	Action points	10
4	Market trends	21
5	Member Survey Results	25
6	Review of Progress 2014	31



Introduction

The Business Plan is an important tool to guide INREV's actions in 2015

Introduction

We are proud to present the INREV Business Plan for 2015 - 2017.

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 and Committee Meeting, October 2014;
- INREV Management Board Strategy Meeting, October 2014;
- Senior INREV Staff Strategy Meeting, November 2014;
- Member feedback gained via the annual Member Survey and in over 100 individual meetings conducted in 2014 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.

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 2015.

Priorities and Strategic Goals

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

Priorities and Strategic Goals

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

We have developed strategic goals to be achieved over the period 2015 - 2017. 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 priorities 2015

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 investors and market participants reflecting the diversity of the industry.
2. To further advance the academic rigour of INREV's research programme 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.

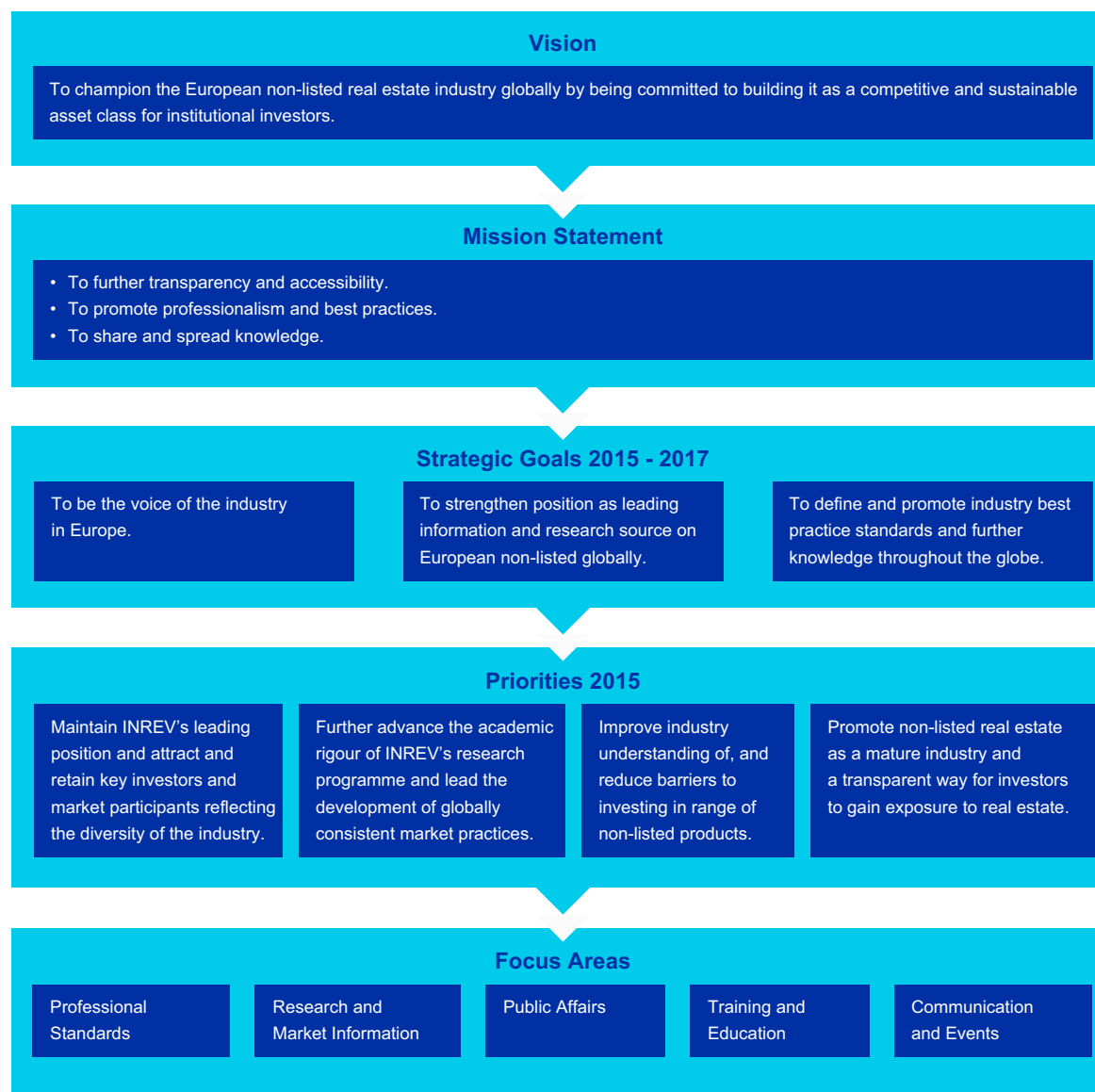
INREV's vision is:

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.

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 the right shows the connection between Vision, Mission Statement, Strategic Goals 2015 - 2017 and the Priorities for 2015 and the five main Focus Areas of the Association.



The strategic goals for 2015 - 2017 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 through research, representation at conferences and roadshows and further developing the INREV standards.

To provide members with accessible, high quality, relevant, timely and consistent data and leading, value-added analytical as well as descriptive research.

To increase the industry knowledge of students at leading European real estate education providers (European Qualification Framework 7 or higher).

To maintain an effective public relations programme within the industry and the wider investment community, including national and European regulatory and supervisory bodies.

Strategic goal 3

To define and promote industry professional best practice standards and further knowledge throughout the globe

To promote global acceptance of the revised INREV Guidelines, tools and enablers and further expand these to cover a wider range of non-listed real estate investment products.

To provide members with guidance on the development and cost efficient implementation of relevant regulatory frameworks.

To host high quality events and training offerings for INREV stakeholders as well as defined membership groups in English as well as in other languages, if and when appropriate.

To further the understanding of the non-listed real estate market through a high quality training and education as well as an investor outreach programme.

Action points

This section sets out action points in the short term for 2015 and looks forward to 2015 - 2017 for each of INREV's five focus areas

Action points Professional Standards

Short term: 2015

To maintain INREV's leading position in the non-listed real estate investment industry in Europe and to ensure INREV attracts and retains key investors and market participants reflecting the diversity of the industry

- Lead and support global focus groups for achieving global reporting standards in joint effort with ANREV for Asia and NCREIF and PREA for the US with a focus on the SDDS and TER.
- Improve understanding, acceptance and adoption rate of the INREV Guidelines via dedicated member visits.
- Develop additional tools, examples and templates to support efficient implementation of the INREV Guidelines - specifically for smaller market players - and increase awareness of these tools.

To further advance the academic rigour of INREV's research programme and lead the development of globally consistent market practices

- Execute the annual Review of Reporting Best Practice study and compare implementation in the European and Asian market in cooperation with ANREV.
- Compare the revised INREV Guidelines and updated NCREIF / PREA Standards (US) with the aim of developing guidance which allows market participants to seamlessly move from one set of guidelines to the other and integrate where possible.
- Publish revised Pension Funds Tool highlighting the differences in legislation, regulatory oversight as well as pension investment policies, barriers and opportunities.
- Promote the INREV Standard Data Delivery Sheet (SDDS) in Europe, Asia and the US, by furthering cooperation with local organisations to develop global standards.
- Host a series of European SDDS workshops to further acceptance of the SDDS by investors and managers and support these constituents in their implementation procedures.
- Explore the possible addition of asset level information alongside fund level information in tools such as the SDDS.

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

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

- Develop a checklist and self-assessment tool for Guidelines adoption and compliance that is intuitive and easy to use for members and has the potential to develop as a benchmarking tool to compare with peers.
- Explore and develop product specific guidelines and standards for debt funds, club deals and joint ventures including a head of terms template for joint ventures.
- Develop further guidance on fund termination versus roll-over for example in the case of fund exits, how to deal with conflicts between exiting investors and remaining and how to deal with co-investments.
- Support specific member interest by offering topical round tables such as the advanced tax round table sessions.

To promote non-listed real estate as a mature and transparent way for investors to gain exposure to real estate

- Publish articles on different aspects of professional standards and develop snapshots on current topics.
- Further develop INREV's position on the importance of sustainability; develop the Sustainability Committee as a centre of expertise to drive better understanding on the relevance of sustainability by industry participants.

Mid term: 2015 - 2017

- 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.

Action points Research and Market Information

Short term: 2015

To maintain INREV's leading position in the non-listed real estate investment industry in Europe and to ensure INREV attracts and retains key investors and market participants reflecting the diversity of the industry

- Explore the requirements of investors for a Global Investor Total Real Estate Performance Benchmark and publish a report and an Index accordingly.
- Further expand the coverage of the INREV annual and quarterly index by actively approaching investors and fund managers to submit data and promote the use of the SDDS as means for submitting more granular fund data to INREV.
- Publish a comparison report on style classification: INREV style classification versus fund manager defined classification.
- Provide further insight into composition of the non-listed real estate funds universe.

To further advance the academic rigour of INREV's research programme and lead the development of globally consistent market practices

- Support and publish quality academic research on the non-listed real estate sector, the findings of which are to be presented externally.
- Provide a consistent approach to global research by collaborating with ANREV, NCREIF and PREA on global updates of existing INREV studies eg Capital Raising
- Conduct a study, with ANREV, on the approach Asian investors take in their decision making process when investing in European or US non-listed funds.
- Provide insight into the trends in global allocation to non-listed real estate vehicles by large players, such as sovereign wealth funds, pension funds and private equity funds.
- INREV commissioned academic research to be presented at the 2015 ERES Conference.

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 investment industry globally
- Provides members with accessible, high quality, relevant, timely and consistent data and leading, value-added analytical as well as descriptive research
- Supports INREV's other focus areas such as professional standards, training, events and public affairs

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

- Support and publish a study on the vehicle liquidity requirements of investors in the non-listed real estate industry.
- Conduct a study to compare the fees between listed and non-listed real estate vehicle investment.
- Further develop the research on total expense ratio (TER) comparisons, ensuring consistency with the INREV Guidelines framework.
- Support a study on the contribution of real estate debt to the real economy, in conjunction with public affairs.

**To promote non-listed real estate as a mature industry and
a transparent way for investors to gain exposure to real estate**

- Develop the online analysis tools to incorporate performance information of debt funds, opportunity funds and fund of funds and, vehicle developments accordingly.

Action points Public Affairs

Short term: 2015

To maintain INREV's leading position in the non-listed real estate investment industry in Europe and to ensure INREV attracts and retains key investors and market participants reflecting the diversity of the industry

- Continue to lead the European real estate investment industry's efforts in Brussels 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 through leading the European Real Estate Forum.
- Following the mid-2014 parliamentary elections and formation of the new European Commission, meet with new members of the European Parliament in key committee roles and European Commission officials to ensure they understand 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 by increasing the frequency and level of engagement among international and national real estate investment related associations participating in the European Real Estate Forum.

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 that 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
- Is coordinated with other industry associations, INREV actively engages with these stakeholders to 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

To further advance the academic rigour of INREV's research programme and lead the development of globally consistent market practices

- Build on the Real Estate in Real Economy research report series with a new project focused on the economic role and contribution of real estate debt, for use in meetings with policy makers and in INREV public affairs publications, articles and consultation submissions.
- As the deadline for full implementation of Solvency II requirements in January 2016 nears, continue to analyse the impact of Solvency II and inform members of its expected effects on investment and strategic asset allocations.

- Develop a case study showing how real estate investment has spurred the revitalisation of urban areas, leading to local and regional economic growth and job creation.

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

- Use the results of the research project focused on the economic role and contribution of real estate debt in interactions with policy makers to encourage equitable treatment of real estate debt products under Solvency II and other regulatory initiatives.
- Inform policy makers about EU regulatory initiatives' potential impacts on debt funds, joint ventures, separate accounts and club deals as well as non-listed funds generally.
- Provide members with information related to regulatory initiatives that could impact these products through training courses, webinars, articles, snapshots, roundtables, conferences, presentations and personal interaction.

To promote non-listed real estate as a mature and transparent way for investors to gain exposure to real estate

- 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.

Mid term: 2015 - 2017

- 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.

Action points Training and Education

Short term: 2015

To maintain INREV's leading position in the non-listed real estate investment industry in Europe and to ensure INREV attracts and retains key investors and market participants reflecting the diversity of the industry

- Encourage participation of non-member investors at INREV training courses for example via cooperation strategies with national industry bodies or member organisations.
- Offer twelve one-day and two-day training courses covering core and current topics in multiple locations.
- Offer ten tailored young professionals educational and social initiatives in the main European hubs: Amsterdam, London, Frankfurt, Munich and Stockholm.
- Offer at least ten webinars (live and recorded) on relevant topics for the industry in English as well as in main European languages such as French, German and Italian.
- Refresh and update course content and further tutor educational skills where applicable in order to ensure topics remain relevant and in line with the market and industry needs.
- Investigate the format of a possible INREV certificate to be awarded after attending a defined sequence of educational events and training courses and passing an assessment.

To further advance the academic rigour of INREV's research programme and lead the development of globally consistent market practices

- Continue to promote the Global Real Estate Fund Index through webinars and live sessions.
- Disseminate the key findings of the investment intentions survey via a webinar.
- Incorporate select INREV research studies such as Liquidity and Debt Funds within the educational programme in order to promote them and link with business practice.
- Educate the industry on the revised INREV Guidelines by including relevant modules in course content.

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 for members as well as for non-members.
- Remains accessible to the majority of INREV members irrespective of their domicile.

- Support the globalisation of the INREV Guidelines via a re-run of the North American course and investigate the possibility to launch a training course in Asia.

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

- Investigate and launch a one-day training course covering joint ventures, club deals and separate account products. Update and restructure the Debt Financing Course which will examine the financing landscape and debt funds products.
- Include the above products in the updated Effective Due Diligence Course which will be revised in 2015 after not being offered for two years.

To promote non-listed real estate as a mature and transparent way for investors to gain exposure to real estate

- Expand the regional spread of the INREV courses by investigating to offer a one-day training course in 2016 either in Singapore or Hong Kong to inform and educate members and non-members interested in the framework and best practice of European non-listed investment products.
- Offer a new edition of the North American training course to inform and educate members and non-members interested in the framework and best practice of European non-listed investment products.
- Educate students enrolled in real estate master programmes at leading European Universities on the non-listed investment industry.

Mid term: 2015 - 2017

- Educate INREV tutors on latest training techniques in order to ensure a consistent teaching approach and maintain the highest quality throughout the INREV curriculum.
- Continue to engage with members HR departments in order to ensure INREV training and education offering reflects the needs of members and industry.

Action points Communication and Events

Short term: 2015

To maintain INREV's leading position in the non-listed real estate investment industry in Europe and to ensure INREV attracts and retains key investors and market participants reflecting the diversity of the industry

- Increase investor membership by 15% through continuance of an investor outreach programme which includes one-to-one meetings, non-member investor roundtables and a new introductory investor membership fee.
- Further increase coverage of INREV and the non-listed real estate industry in the wider financial and national press.
- Launch and roll out a refreshed INREV brand to visually improve communication while maintaining a strong and consistent brand identity.
- Further improve accessibility of information and user experience online.
- Improve accessibility and readership levels of the IQ magazine.
- Implement and build a suitable Customer Relationship Management (CRM) tool to support and further develop relations with existing and new members.
- Further develop a social media plan to create engaging content amongst members on LinkedIn and Twitter.
- Continue to offer a wide range of accessible and high quality events to members and prospective members. This will include 7 investment intentions seminars, the Annual Conference and the Young Professionals Seminar.
- Offer 4 round table events to specialised groups in the membership.
- Offer 2 seminars outside of Europe, in North America and Asia.

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 maintain a 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 appropriately 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.

To further advance the academic rigour of INREV's research programme and lead the development of globally consistent market practices

- Continue to incorporate INREV output in the event programmes, such as the Revised INREV Guidelines, public affair updates and results of various research studies.
- Further support the globalisation of the Guidelines by including them in the North American Seminar programme.

- Effectively communicate the results of global research studies and the INREV Guidelines through opinion pieces and global comparison articles in the IQ and key media.
- Promote global research topics and the INREV Guidelines at key global industry events through speaking opportunities with INREV staff and involved members.
- Develop our presence in Asia by investigating the possibility of holding our first seminar in Asia in 2016 to promote the European non-listed real estate industry to Asian investors and fund managers.
- Continue to offer local seminars in national languages to discuss relevant global topics and overcome language barriers. In 2015 two breakfast meetings are scheduled in Italy and Germany.

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

- Continue to cover non-listed investment strategies in the event programmes.
- Develop and submit opinion articles to key media which provide explanations behind key trends seen in INREV data and analysis.
- Roll out a website poll to track member and non-member sentiment.
- Improve visual communication of INREV data, products and services through infographics, self-tutorials and videos.
- Organise a series of 7 seminars to present the key findings of the Investment Intentions Survey.

To promote non-listed real estate as a mature and transparent way for investors to gain exposure to real estate

- Design a brochure to outline the benefits of INREV membership and the products and services offered by INREV.
- Set up expert round table sessions to discuss topical subjects such as varying pension systems and their impact on real estate investment strategies and communicate results via key media.
- Initiate and further develop relationships with key non-European trade media in North America and Asia.

- Expand the events programme by investigating the possibility of holding the first Asian seminar in 2016 in order to promote the European non listed real estate industry in Singapore or Hong Kong.
- Continue to promote the European non-listed real estate industry in the North American seminar programme.
- Initiate local investor breakfast meetings to inform and educate investors who are interested to invest in the non-listed real estate industry.
- Host an Investor Round Table in order to increase investor member contribution, involvement and attendance.
- Develop and submit thought leadership articles on topical subjects and future trends to key media.
- Increase the visibility of the industry through representation at key investor events globally.
- Initiate and develop relations with wider financial press.

Mid term: 2015 - 2017

- Continue to move from a one-size fits all communication approach towards targeting key groups by providing relevant information tailored to their needs.
- Further establish INREV as a thought leader through providing stimulating forward looking content on the industry and the asset class.
- Further improve accessibility and visibility of INREV and the industry.
- Introduce an invitation only CEO round table/summit for senior management to discuss future trends and industry developments.
- Replace the spring Investor and Fund Manager seminar with an Investor round table in order to improve investor attendance and participation.

Market trends

Market trends

Real Estate – the evolving asset class

Recent global trends are having a material impact on European real estate investment markets. The current environment of low interest rates and bond yields has shone the light on real estate's relative attraction, especially for core investors comparing real estate with low yielding fixed income and volatile stock markets. Subdued development pipelines, more so in developed countries, support the notion that even moderate economic growth will lead to improving fundamentals. In developing economies, expanding middle classes and businesses are more demanding of the right type of real estate asset. Change in technology and innovation, which is manifesting itself in the way we work, shop, as well as receive goods and services, is having a significant impact on the modern demands of real estate assets both on the occupier and investment sides. Consequently, it is rendering some assets functionally obsolete while those regarded as alternatives are attracting more capital investment. As a result the real estate investment class is evolving.

Looking forwards, economic recovery across Europe is lagging behind other developed economies and, is facing the risk of deflation. Core Europe is stagnating while recovery in southern Europe is gaining momentum. The European Commission's (EC) autumn

forecast projects weak economic growth for the rest of this year in both the EU and the euro area. A gradual strengthening of economic activity is expected for 2015), driven mainly by improving non EU and domestic demand. Further growth is projected for 2016 on the back of a strengthening financial sector, as well as structural reforms, such as in labour markets. However, downside risks to the growth outlook still dominate largely due to geopolitical tensions, fragility in financial markets and the risk of incomplete implementation of structural reforms.

Despite the weak macroeconomic outlook investment into European real estate has been strong. Investors recognising that Europe is a highly fragmented market are finding opportunities across the region. 2014 set a new post-crisis record for European commercial real estate (CRE) with investors transacting €213.1bn over 2014; €67.7bn of which was in the final quarter of the year. A noticeable shift in the perception of risk and return is evident. Countries previously regarded as 'too risky', such as Spain and Ireland, have seen investment volumes close to record levels. Activity in other 'recovery' markets (Netherlands, Italy and Portugal) has also been strong although not to the same extent as in Spain and Ireland. UK and Germany saw transactions also rise, but largely driven by increasing activity in secondary markets. Overall investment strategies have shifted in line with growing market confidence, from prime to secondary,

from core to periphery, from mainstream to alternatives and even into speculative development.

The investor composition itself is evolving, European investment markets have been benefitting from a new wave of globalisation with the arrival of investors from countries where real estate is only starting to be added to their investment portfolios. Cross-border investment activity is set on an upward trend that will accelerate as markets become more transparent and efficient. Within Europe global investors have had an increasing presence and growing market share. Globally, 2014 marks the second year in a row that Europe has outpaced Asia Pacific and North America in terms of year on year growth, highlighting the opportunities investors see in Europe as well as rising economic concerns about parts of Asia Pacific and the strong competition for assets in the United States.

The relative attraction of real estate will continue to attract capital from a diverse range of sources. The variety of real estate investment vehicles plays an important role here, offering all sized investors a broad range of vehicles in which to make their real estate allocations. Larger investors show continued preference for joint ventures, club deals and direct investments, while smaller investors are increasing allocation to non-listed real estate funds.

Interestingly, fund of funds managers are gradually moving away from investment into non-listed funds, which typically has been their preferred route to real estate, and moving towards investment into joint ventures and club deals. In a similar way that funds of funds have given smaller investors access to real estate funds, the combined scale of aggregation is increasingly being used by fund of funds managers to participate in joint ventures and club deals, thus allowing fund of funds to behave more like larger investors.

Core funds continue to be the preferred strategic option overall. However, larger investors are showing a willingness to take on more risk for their growing appetite for higher rewards. As such, value added funds are rising up the rankings as a preferred fund style, also the favored investment style for fund of fund managers, while opportunity funds are the preferred option for Asian and North American capital.

As confidence in the markets grows, allocations to European non-listed real estate funds is increasing, largely driven by those accessing new markets and new sectors as they offer access to expert management needed when entering new areas. €47.3 billion of capital was raised for investment into the European non-listed real estate industry in 2013, of which €18.1bn was raised for investment into non-listed real estate funds with the trend continuing into 2014 and set to follow in 2015. Separate accounts followed in close second.

Insurance companies are demonstrating a notable preference for separate accounts, although at the expense of reducing investment into non-listed funds, while sovereign wealth funds (SWFs) are continuing to increase exposure to the real estate sector, and increasing allocation to non-listed real estate funds. SWFs are becoming an increasingly dominant player in the real estate markets, and their appetite for European real estate shows no signs of reduction.

The desire for European real estate is driven by several macro factors. Firstly, the current low inflation and low growth environment has contributed towards government bond yields reaching record low or near record low levels. Overall, European yields have been driven lower by stagnating euro area economic growth, disinflation (declining inflation) and rising geopolitical tensions. As a result, the spread of property yields over bonds continues to look attractive, especially for investors seeking relative value. Additionally the shift in interest rate expectations to 'lower for longer' across most of Europe has increased the chances of further yield compression in many markets, suggesting that the yield spread can widen further, further increasing real estate's relative attraction, as a result continuing to attract global capital flows into select markets for the near term. The question of course will be: when and how fast will yields and interest rates rise across Europe, and what are the implications for the real estate sector?

There are other macro dynamics at play, such as the restructuring of Europe's banking system, which will undoubtedly have a waterfall effect on the real estate industry. Results from the recent asset quality review (AQR) and stress tests of 130 banks across the euro zone found a capital shortfall of €25 billion at 25 banks. Although 12 of the 25 banks have already covered their capital shortfall by increasing their capital by €15 billion in 2014 banks generally are still too weak to expand new lending materially. This has several implications for the market. On the one hand this impacts hugely on debt liquidity and the availability to raise finance the traditional way, on the other, it has created an opportunity for non-traditional lenders to enter the market. Thus the rise of debt funds and the non-bank lending industry.

European non-listed debt funds are becoming an increasingly important part of the real estate market. The number of such vehicles reached 39 in 2014, representing targeted equity of €29 billion. This segment of the market has grown significantly since 2012 when the number of non-listed debt funds was just 19 representing circa €9 -10 billion. This trend is on course to rise further; in 2013 €8.9 billion of capital was raised for investment into non-listed debt funds with a much wider offering than when they first came to market. Of the €8.9 billion of capital raised, 49% was by senior debt funds, 26% by subordinated debt funds, while the remaining is apportioned to those funds that offer a mix of senior, subordinated and / or whole loans.

This suggests that the market is moving towards a more balanced and varied provision of debt for European real estate, as such, potentially limiting the impact of future systemic risks from the financing sector.

As an asset class the European real estate sector is evolving and diversified in many more ways than seen before. Capital flows are increasingly global, financing is available from a broader range of debt providers, the investor profile is changing and with it the risk and return investment requirements. As a result the product range of investment vehicles is widening further in order to adapt and suit the needs of all types of real estate investors.

Regulations

The non-listed real estate funds industry entered a new regulated era in 2014 as it adjusted to a wave of regulation emanating from Brussels. In July 2014 the one-year

transition to full compliance with AIFMD ended and EU fund managers were finally feeling the full impact of the directive. AIFMD implementation required the expenditure of considerable time, effort and money. The cost implications of AIFMD, and particularly how they will be shared between fund managers and investors, remained a major topic of discussion. Meanwhile the new rules impacting authorised fund managers' operational structures, requiring the use of depositaries and re-structuring remuneration

practices have become the new normal, while the actual benefits of AIFMD passporting rights are still being assessed.

Solvency II was finally passed late in 2013 and industry efforts in 2014 focused on the strategic asset allocation implications of the new directive's Solvency Capital Requirements for insurers. While debt funds potentially receive relatively advantageous treatment, the solvency requirements for listed real estate and CMBS are even more punitive, leaving non-listed real estate funds somewhere in the middle. The ability to develop internal models, along with the volatility dampener included in the directive, significantly temper the impact of the standard model 25% solvency capital charge, especially for the large insurers that can absorb the considerable costs of developing internal models. Nevertheless, with full implementation of the directive scheduled for January 2016, its far-reaching data reporting requirements are demanding increased attention from both fund managers and insurers.

Along with AIFMD and Solvency II implementation, a new regulatory challenge in 2014 was EMIR. While the reporting requirement currently in effect has had relatively little impact on fund managers to date, the costs of centrally clearing derivative positions and cash collateral posting that will come into effect for some managers in the future will be much more significant. According to a new INREV report on the impacts of regulation on the industry, almost

all fund managers have compliance teams working on adapting to the new regulatory environment, including examining whether they should be restructuring loans and interest rate hedging strategies to avoid the more burdensome requirements of EMIR.

Member Survey Results

Our members views help us understand their needs
and feed into 2015 priorities

Member Survey Results

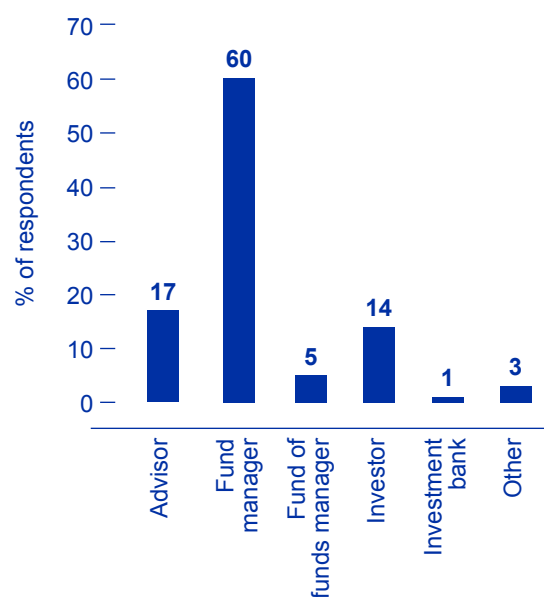
INREV canvassed the views of its members with its annual member survey in September 2014. This survey gives INREV information about members' views on the success of our activities and helps us understand their needs going forward. The results of the survey are key in formulating this Business Plan.

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

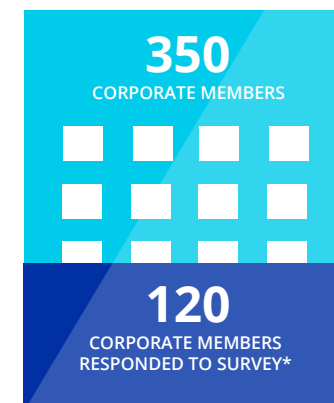
Respondents

The sample represents the opinions of more than a third of our corporate members and is representative of our overall membership composition.

Membership composition



Member representation



*43% SUBMITTED ANONYMOUSLY, SO ACTUAL CORPORATE MEMBER RESPONSE IS HIGHER

302

RESPONDENTS FROM



18

COUNTRIES

Overall Satisfaction

Would you recommend INREV to a colleague?

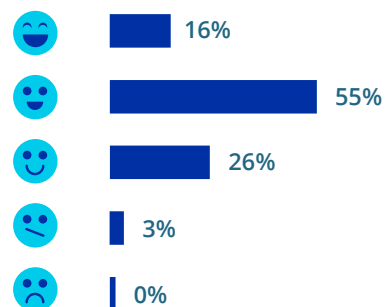
87% of members would
8% more than in 2013

93% of investors would
7% more than in 2013



How INREV services are rated?

INREV services are highly rated by members with 97% rating the services as good or better.

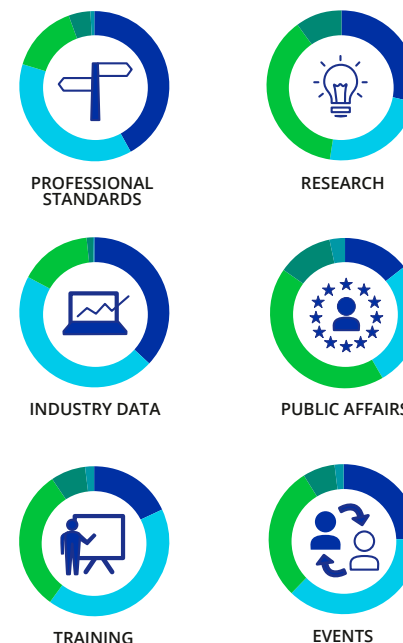


*UP +22% OVER 2013

Relevance of services

We asked members how relevant each of the INREV services were to them. The most relevant service was professional standards (guidelines), followed by industry data and research.

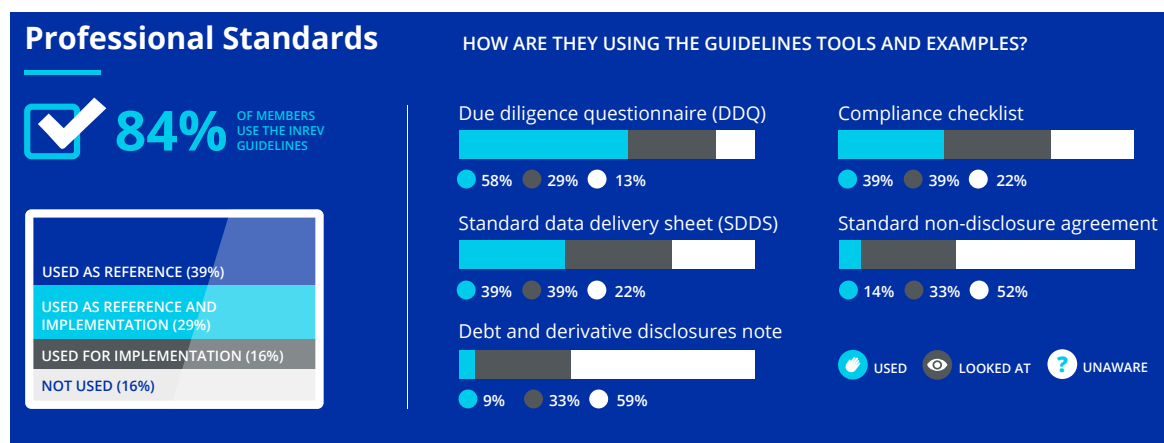
EXTREMELY VERY RELEVANT
PARTLY NOT



OF MEMBERS FIND PROFESSIONAL STANDARDS (GUIDELINES) THE MOST RELEVANT SERVICE

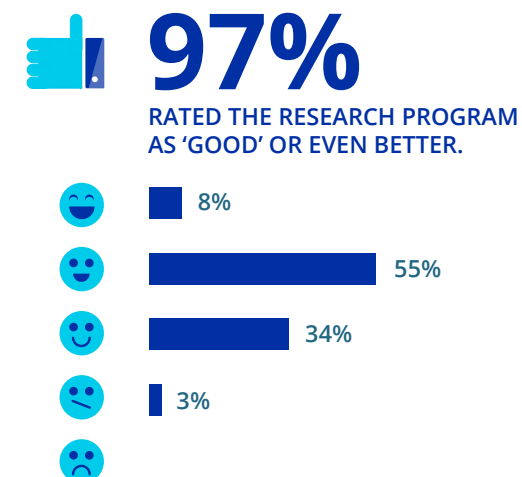
Professional Standards

INREV Guidelines are well used by 84% of respondents. The majority, 39%, use the Guidelines as a reference.



Research & Market Information (data)

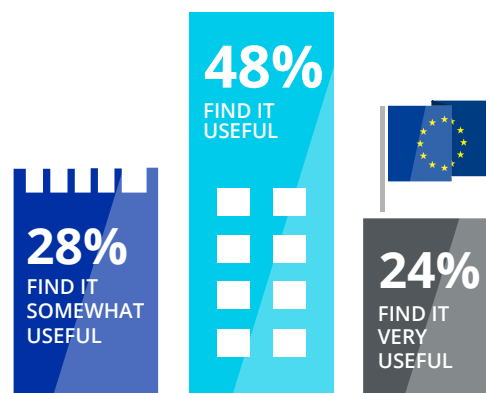
The research programme is rated as good or better by 97%. Over half of the members rate research as very good, a shift from 2013 where the majority rated it as good. Suggested topics to cover in 2015 include: debt, value added and opportunity, AIFMD.



Public Affairs

Over half of our members consider public affairs very useful in their work.

Over half of our members consider public affairs useful in their work



Training

The majority, 91% of members would recommend an INREV training course, this is compared to 77% in 2013. Of the 9% that were unlikely to recommend the main reason was because they had never attended a course so could not comment.

One third of investors and fund of fund managers are extremely likely to recommend versus one quarter of fund managers and advisors.

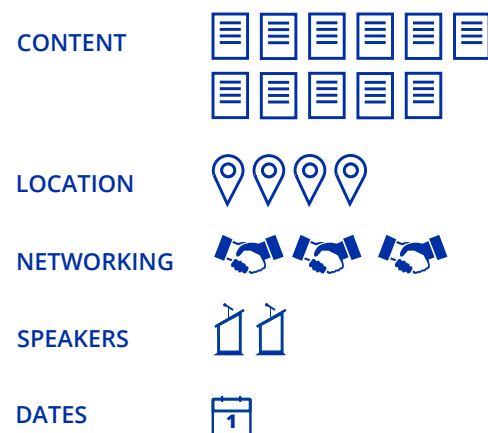
Members who would recommend an INREV training course



Events

Content is considered the most important factor when deciding to attend an INREV event. Followed by location and networking.

Why members attend INREV events



Communication

INREV News (weekly member newsletter) is still the most popular source of information.

Popular sources of information



Review of Progress 2014

How we met our 2014 targets

Progress 2014 Professional Standards

Priority

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 reflect the diversity of the industry

Implementation 2014

Further promote the INREV Guidelines globally in cooperation with local 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 drive better understanding on the relevance of sustainability by industry participants

Support specific member interest by offering topical round tables such as the Advanced Tax round table sessions

Status

Included in the North American event and training course in September, and in meetings with REIS, PREA and NCREIF.

The INREV Sustainability Committee was established in April. The goal is to emphasise the importance of sustainability in the non-listed real estate investment industry by improving the dialogue between investors and fund managers, increase knowledge and market transparency through supporting measurement of sustainability and providing practical guidance for sustainable investments.

An article on 'Growing green' was published in the December IQ to summarise the results of INREV members participation in the GRESB Survey 2014.

The second Advanced Tax Round Table took place in May, and was well received with 46 participants and an average score of 4.2 on a scale of 1 to 5. Two tax briefings have been published on the OECD Action plan and BEPS in May and November respectively.

Priority

To further expand INREV's interregional research programme to serve the needs of all members and lead the development of globally consistent market practices

Implementation 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

Status

A joint plan has been approved to compare the revised INREV Guidelines and the NCREIF PREA Standards, formally known as REIS Standards. This comparison will feed into the work of the global groups.

Launched in November around the CFO Round Table. As ANREV are using the same questionnaire a comparison of the two studies was made and published in the December IQ.

A Memorandum of Understanding (MoU) was drafted to support the cooperation between INREV and NCREIF PREA. The groups are being set up with three representatives from all sides. The INREV and ANREV members are known. The NCREIF PREA delegates are expected to be confirmed after signing the MoU and work is scheduled to start in January 2015.

Priority

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

Implementation 2014

Set up product focus groups such as for debt funds 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 liquidity/exit issues such as co-investment

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

Status

All Product Focus Groups are established and two Focus Groups started in November 2014.

An INREV Debt Due Diligence Questionnaire was launched in September.

No progress, this project will be picked up in 2015.

Group of global infrastructure investors are currently discussing the establishment of a Global Infrastructure Association. The working group is being supported by the previous Director of Professional Standards who keeps close contact with INREV, so currently no further promotion of INREV as possible partner is regarded necessary.

Priority

To promote non-listed real estate as a mature industry and transparent way for investors to gain exposure to real estate

Implementation 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

Status

The INREV Debt Due Diligence Questionnaire has been published in September. Additional regulatory data on open end fund in different jurisdictions was added to the Tax & Regulations tool in November.

Six video tutorials, of 7-12 min have been launched to give a brief introduction of the modules: Reporting; Property Valuation; NAV; Fee and Expense Metrics; Liquidity; and Corporate Governance.

Articles and snapshots produced on the INREV Guidelines, Review of Reporting Best Practice, and INREV GRESB results and 2 tax briefings.

Mid Term Goals 2014 - 2016

Implementation 2014

Status

Promote the revised INREV Guidelines globally within the industry and the wider investment community

An article about the INREV Guidelines has been published on the RICS website and INREV spoke at the ALFI Annual Conference and European Real Estate Forum. In addition the INREV Guidelines were included in the INREV North American event and training course as well as workshops organised by ANREV in Asia.

Further develop and formalise relationships with leading industry associations across the alternative investment industry to develop uniform standards across the different alternative investment sectors

A MoU has been created and expected to be signed by NCREIF PREA by the year end.

Develop product specific guidelines, tools and examples in an extension of the revised INREV Guidelines

Ongoing. An INREV Debt Due Diligence Questionnaire was launched in September.

Explore the integration of asset level information in a set of INREV Guideline modules and tools

Meeting set up with several members to discuss Solvency II reporting requirements and the possibility of integrating the SDDS as an appendix in 2015.

Mid Term Goals 2014 - 2016

Implementation 2014

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

Status

ANREV gave a local SDDS training and the SDDS has been promoted in the North American event and training course. The promotion of the SDDS will be discussed with the global SDDS focus group, which has yet to be established.

INREV is partner of the Standard Setting Committee facilitated by RICS with the aim to create consistent operational real estate standards on a global scale. INREV gave feedback to a whitepaper on standardisation of office measuring.

The creation of the Global Groups will enable further global coordination.

Progress 2014 Research and Market Information

Priority

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 reflect the diversity of the industry

Implementation 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

Status

Ongoing.

A survey was carried out, however, the findings did not yield conclusive results, largely due to the framing of the survey questions which were biased towards memberships (INREV and other associations).

As such, in order to capture the true size of the market the survey questions need to be reviewed and framed in a way that will capture the information required.

Initiative launched, paper on transparency published and appointments made for a paper on Corporate Governance and for a study on liquidity and secondary markets.

In 2015 we will explore the idea of awarding an INREV award at ERES.

Priority

To further expand INREV's interregional research programme to serve the needs of all members and lead the development of globally consistent market practices

Implementation 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 (GEFI) 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

Status

Completed.

Quarterly GREFI launched, Q1 2014 and Q2 2014 editions have been published
In progress - outline paper drafted with Ernst & Young (EY). EY to complete a first draft before the end of 2014, which will be discussed with a broader audience in January 2015.

Fund of funds have been captured in the INREV online input tool.

In progress, ideas discussed include:
a) why is the pan-US non-listed core funds market a success compared to Asia and Europe?
b) why do large pan-European core funds not exist? For both ideas issues like currency, legal jurisdictions, valuations need to be investigated.

Priority

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

Implementation 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

Status

The Management Fees and Terms Study was restructured. Instead of asking for TERs we asked fund managers to fill in the underlying data so INREV can calculate the TER. A total of 89 funds delivered data for this project.

Completed.

Expanding sample size of opportunity funds to be carried out in January 2015 when historical data collection is carried out.

IRR calculations in progress and will be completed by end of 2014.

Expansion of the Index and database is currently being challenged by a wave of fund terminations which are not compensated with the new vehicle launches.

Additionally, the new vehicle launches are primarily joint ventures and separate accounts which in most cases are reluctant to be included in the universe.

Completed.

Priority

To promote non-listed real estate as a mature industry and transparent way for investors to gain exposure to real estate

Implementation 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

Status

Completed.

Completed.

An appointment has been made and an outline draft of the assignment and survey / interview questions have been reviewed and comments will be incorporated into the next draft. A focus group has been put together to support and guide the study, to be conducted by Richard Durban. Aim to present initial findings at MIPIM 2015.

Mid Term Goals 2014 - 2016

Implementation 2014

Status

Further expand the research programme to analyse the key characteristics of the non-listed real estate industry

Published a study on the Investment Case for Core Non-Listed Funds and on The Transparency and Performance of Non-Listed Funds.

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

Completed.

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

The number of funds for the ANREV Index improved substantially from 74 to 92. Another important step for the industry has been achieved by publishing the first quarterly ANREV index, which INREV support. The Global Real Estate Fund Index was released in 2014 (Q1 and Q2). For Q2 2014 the GREFI release includes the performance of 376 funds compared to 372 funds at the end of Q1 2014.

Freeze the INREV Quarterly as well as the Global Real Estate Fund Index (GREFI)

Explored the options – freezing the Index will require an online system change, at the same time will not allow us to add new funds to the Index. At this stage we feel we have not yet captured the entire universe, as such need to explore this option again once we have given another push to capture more funds data. Same with regards to the GREFI, additionally this requires ANREV to freeze their index also, which they are currently not in a position to do as they are still proactively increasing sample size.

Progress 2014 Public Affairs

Priority

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 reflect the diversity of the industry

Implementation 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

Status

Held successful event in European Parliament in February on long-term investment and larger industry event in Brussels on economic contribution of real estate investment to the European economy in November.

Met with numerous members and staffers, and ensured all ECON committee members received copy of "Real Estate in the Real Economy" report and were invited to Parliament event on "Real Estate as a Long-Term Investment" and "Building the Real Economy" industry event in Brussels.

Drafted, coordinated and submitted letters and industry responses in areas such as the Urban Agenda, OECD Tax Treaty Abuse, and issues related to treatment securitised real estate debt.

Implementation 2014

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

Status

Presented PA training at regulatory update course, foundation course, North American Seminar, and Cambridge/IPF course on Indirect Real Estate.

Interviewed for articles in IPE Real Estate, PropertyEU and Financial Times.

Released AIFMD reference Guide.

Organised EMIR Roundtable in January and Managing Funds in the New Regulated Environment Round Table in December.

Presented regulatory update at Danish investor breakfast.

Numerous personal meetings and telephone conferences with INREV members on regulatory issues.

Monthly Public Affairs Forum calls updated members on various aspects of AIFMD, EMIR, Solvency II, FATCA and anti-money laundering, bribery and corruption rules.

Led the European Real Estate Forum by organising two live meetings in Brussels and one teleconference meeting, organising two industry events, encouraging several more associations such as ULI and ASPIM to join, and regularly communicating on issues of mutual interest.

Priority

To further expand INREV's interregional research programme to serve the needs of all members and lead the development of globally consistent market practices

Implementation 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

Status

Updated Real Estate in the Real Economy released in September and widely distributed to policy makers in Brussels and to INREV members and national property associations for use in interactions with member state financial regulators.

With an informal survey of members showing that Solvency II has little impact on strategic asset allocation, supported a research proposal for 2015 that will inquire more deeply into the issue.

With an informal survey of members showing that insurers are not developing new internal models, the project is currently on hold.

Priority

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

Implementation 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

Status

Organised EMIR Roundtable in January and Managing Funds in the New Regulated Environment Roundtable in December.

Information on debt funds, joint ventures, separate accounts and club deals included in discussions with policy makers and included in research data.

Information on debt funds, joint ventures, separate accounts and club deals included in training courses and briefings.

Priority

To promote non-listed real estate as a mature industry and transparent way for investors to gain exposure to real estate

Implementation 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

Status

Met with policy makers in Brussels and in national capitals to raise their awareness of the role and important contribution of real estate investment, and held successful event in European Parliament in February on long-term investment and larger industry event in Brussels on economic contribution of real estate investment to the European economy in November

Mid Term Goals 2014 - 2016

Implementation 2014

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

Status

Released Real Estate in the Real Economy report and infographic and results of survey on the impact of regulations on the non-listed real estate fund industry.

Held monthly Public Affairs Forum calls, wrote numerous articles for IQ and industry publications, and presented at industry conferences and events such as the ALFI annual conference and CREFC debt roundtable and annual conference.

Met with national regulators and/or industry bodies in UK, the Netherlands, France and Germany.

Progress 2014 Training and Education

Priority

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 reflect the diversity of the industry

Implementation 2014

Offer twelve one-day training courses and one two-day course covering a range of relevant topics in accessible locations

Status

Delivered 11 courses in Europe and one in New York attended by 297 delegates from 116 member companies. An increase of 28 delegates compared to 2013. The average rating for all courses was 4.2 on a scale of 1 to 5.

Offer four Link and Learn seminars for Young Professionals

There were 2 Link and Learn Breakfast activities in Amsterdam and Stockholm, attended by 43 delegates from 24 members. There were 4 Link and Learn & Get Together Activities: 2 in Frankfurt, London and Munich attended by 91 delegates from 48 members. Overall the Link and learn social activities were attended by 134 delegates from 68 members.

Offer webinars (live and recorded) on key topics in English as well as in local languages

9 webinars including a webinar in Italian, French and German.

Expand the remit of topics by developing and delivering two new courses on the topic of Benchmarking and Advanced Fund Valuation

Completed. We delivered a course on Advanced NAV with 23 attendees and an average rating of 3.8 and a Performance Measurement and Benchmarking courses with 25 attendees and an average rating of 4.4.

Implementation 2014

Evolve and update the content of all courses to ensure they stay in line with the latest trends and developments

Status

We restructured the Debt Financing and Liquidity Course and refreshed the course content for Europe: Non-Listed Real Estate Market Trends and Best Practices, the Regulatory course and the Portfolio Construction Course.

Priority

To further expand INREV's interregional research programme to serve the needs of all members and lead the development of globally consistent market practices

Implementation 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

Status

Global Index covered in the Performance Measurement and Benchmarking and Portfolio Construction I course.

Webinar delivered in February.

Guidelines were covered in the Foundation course, Advanced NAV, Fund Valuation and Reporting and the course held in North America. In addition we published six video tutorials which are available on the website.

Course delivered in September. In 2014 we had 213 delegates join a webinar, only 1 was based in North America.

Priority

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

Implementation 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

Status

Delivered the webinar in June.

We restructured the Debt Management course now called Debt Financing and revised the Fund Valuation and Reporting course according to the revised INREV Guidelines.

INREV presented non-listed real estate to master students at the University of Cambridge and Regensburg University.

Priority

To promote non-listed real estate as a mature industry and transparent way for investors to gain exposure to real estate

Implementation 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

Status

Delivered three webinars on INREV NAV in English, German and Italian.

Throughout the year 17 non-members attended.

We worked with ALFI in Luxembourg, GIF in Germany and NCREIF in North America.

Delivered a course on AIFMD and EMIR and a webinar on EMIR.

Mid Term Goals 2014 - 2016

Implementation 2014

Status

Develop and launch a certificate to be awarded after attending a defined sequence of training courses and/or passing a final assessment

In progress. Internal discussion with the Training Committee and the Management Board.

Establish long-term relationships with leading European universities relevant in the field of real estate education

Established relationships with Cambridge University, Bocconi University and Regensburg University.

Ensure a sustainable balance between seasoned INREV tutors and new tutors in order to guarantee continuity but also diversification

In 2014 we had 26 new speakers presenting at the courses, 11 more than in 2013.

Progress 2014 Communication and Events

Priority

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 reflect the diversity of the industry

Implementation 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

Status

Prospect investor event organised in Copenhagen and Paris and visits to Canadian Investors. Approx. 30 one-to-one meetings with prospects and 15 prospects attended an INREV event.

Investor membership increased from 58 to 60 we gained 5 investors but lost 3 in 2014.

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

Questionnaire was developed and sent out to small and midsize non-member investors, project was subsequently cancelled due to disappointing response rate.

Increase investor attendance at events through active promotion to existing as well as prospective investor members

Prospect and existing investor members have been invited to various events, such as the Investment Intentions Roadshow, the Annual Conference, the North American seminar and the Investor and Fund Manager seminar in Copenhagen.

Further increase coverage of INREV and the non-listed real estate industry in the wider financial press

We have begun to broaden the reach of INREV in the wider financial press for example II Sole 24, Financial Times, though traction remains limited.

Implementation 2014

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 Content Relationship Management (CRM) Tool that will support maintenance and development of existing and new members

Status

We have also started to reach out to Brussels-based general and political media for example the pensions article in Policy Review. Ongoing, the majority of our coverage is still in pan-European real estate media. The coverage breaks down as follows: Pan-European & International 70%, Germany 13%, Netherlands 9%, France 3%, UK 2%, Italy 2% and Nordics 1%.

INREV Brand Guidelines developed and launched in January 2015. Infographic style communication has been included in the Annual Report, Business Plan and IQ.

Distribution lists have been cleaned up and campaigns around the Annual Conference and Young Professionals Event have led to a 15% increase in readers.

Annual Member Survey completed in September. Over 60 member visits were made by INREV staff in 2014.

RFP completed and CRM consultant chosen. Workshops to identify needs in progress, this will feed into a blueprint which will be used to select a provider/CRM system.

Implementation 2014

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

Status

LinkedIn members have almost doubled in 2014 compared to 2013 with over 56 discussions posted. Twitter account opened in January with almost 200 followers.

Tablets well received by Annual Conference attendees. Mobile website further improved with touch functionality for tablets.

In 2014, 21 events were held attracting 2168 participants from 299 member companies. Compared to 2013 this is an increase of 3 events, 52 more participants and 6 more member companies. In addition to the core seminars and conference a focus was on round table seminars going into more depth, attracting targeted senior management.

Videos produced to promote Investment Intentions, INREV Guidelines, INREV events, Young Professionals event, and Real Estate in the Real Economy.

Priority

To further expand INREV's interregional research programme to serve the needs of all members and lead the development of globally consistent market practices

Implementation 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

Status

A series of interviews were published on PrivCap and 5 key trade media attended the North American event in September.

A series of 5 investment intentions seminars were organised in the first quarter of the year, presenting the outcome of the Investment Intentions survey.

The revised INREV Guidelines were successfully launched during the Investor and Fund Manager Seminar in April.

Two round table seminars in the area of Public Affairs were conducted and two parliament events took place in Brussels.

Presence in North America has been further developed by organising a successful second North American Seminar.

First breakfast seminar in local language has been initiated in Paris in France. French members, including investor non-members, were invited.

Implementation 2014

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

Status

Articles published on global Investment Intentions, INREV Guidelines, GREFI, global comparisons of fees and review of reporting best practice.

The topic of sustainability was moved forward and discussed at the Investor and Fund Manager Seminar in April.

Priority

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

Implementation 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

Status

Overall, 24% of media coverage achieved has been through thought leadership pieces, with 69% news and 7% passing mentions.



Website poll set up and ready to go.



A full social media plan was made and posts based around key events and activities, which led to 88% more members joining LinkedIn group, although discussions levels remain very low. Twitter account set up in January with over 200 followers.



Done, continued to include strategies such as debt funds investments, student housing, residential funds investing etc. into the event programme.

Priority

To promote non-listed real estate as a mature industry and transparent way for investors to gain exposure to real estate

Implementation 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

Status

INREV staff attended the ANREV Annual Conference, Golden Circle Event, NCREIF, PREA Conference, RealPac, ULI, ALFI ZIA and the Canadian Real Estate Forum.

A series of interviews were published on PrivCap and 5 key trade media attended the North American event in September.

Videos produced to promote Investment Intentions, INREV Guidelines, INREV events, Young Professionals event, and Real Estate in the Real Economy.

Mapping exercise completed and content plan carried out in line with key activities and events. Visits to INREV website from social media doubled in 2014 compared to 2013. Over 60 posts to LinkedIn have been made by INREV staff in 2014.

Page dedicated to investors on the website.

Implementation 2014

Promote the European non-listed real estate industry in the North American programme

Promote local events to non-members, specifically targeting investors

Status

Completed, by including mainly European speakers in the North American Seminar programme, who discussed the opportunities in Europe.

Completed, non (investor) members were invited to our local investment intentions roadshows, the North American seminar, the Investor and Fund Manager Seminar in Copenhagen, the French local breakfast seminar as well as to our Annual Conference in Berlin.

Mid Term Goals 2014 - 2016

Implementation 2014

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

Status

Coverage in FT.

Brand refresh almost completed, to be rolled out in January 2015.

The majority of all eshots (90%) were sent to a targeted audience. Improvements to the members database in 2015 will help us improve tailoring information further.

Webpages created for prospects, young professionals and about non-listed.

The traditional Investor Platform and Committee day format has been renewed into the Committee and Management Board day.

New format CFO Round Table has been established, focusing on high quality content including in depth round table discussions. This new seminar is targeting a smaller group of senior finance management, CFO's and COO's. The event was attended by 58 participants and was highly rated at 4.5 on a scale of 1 to 5.

