

More than €254 billion raised for non-listed real estate in 2021 globally

- > Capital raised reaches a record-high for North American, Asia Pacific, and global strategies
- > European strategies display the widest spread of non-listed vehicle types
- > Residential and industrial/logistics led capital raised for Europe’s single sector equity strategies
- > Non-listed debt vehicles targeting Europe raised a record-high level of €12 billion

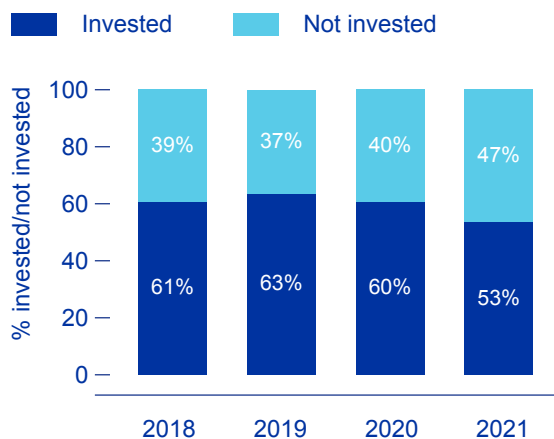
At least €254 billion was raised for non-listed real estate globally in 2021, representing a new record-high since the beginning of the survey in 2013. Around 53% of that new capital was invested in 2021. Despite the decline in the share of invested capital, the actual deployments surpassed the investments in previous years.

Capital raised in 2021 has increased for each of the regional strategies. For the first time since the start of the survey most capital was raised by non-listed vehicles targeting North America while European strategies recovered to 2019 levels. Capital raised for global strategies and Asia Pacific reached new records too.

Pension funds and insurance companies remain the primary source of capital in the global non-listed real estate market. Although their contribution to the total capital raised reached an absolute record level, their combined share declined as other types of investors are catching up.

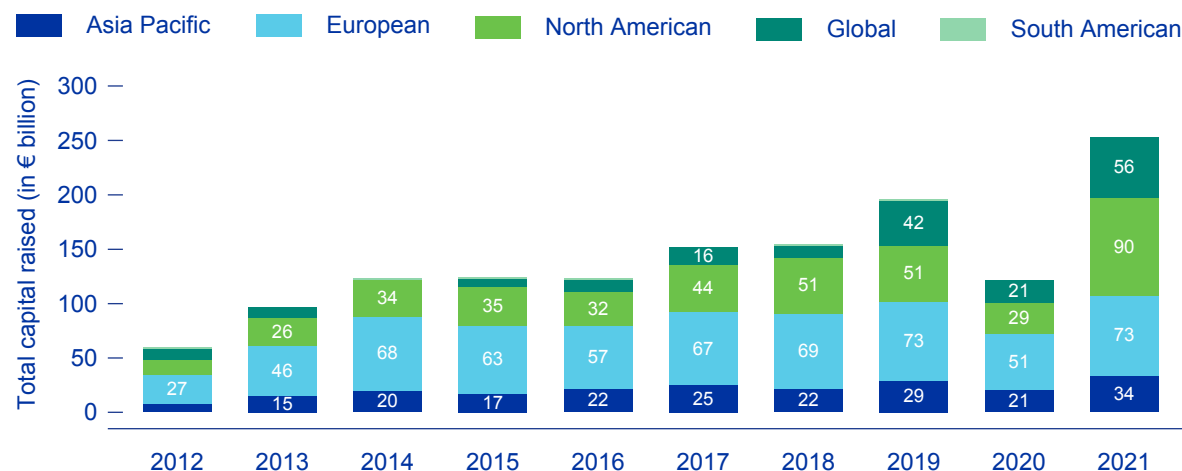
By domicile, European investors are the main source of capital, representing 41% of the total raised globally in 2021. North American and Asia Pacific investors accounted for a third and 26% of the total capital raised, respectively.

Figure 1: Capital raised and invested in non-listed real estate



Source: ANREV / INREV / NCREIF Capital Raising Survey 2022

Figure 2: Capital raised for investment in non-listed real estate by regional strategy



Source: ANREV / INREV / NCREIF Capital Raising Survey 2022

Turning to European strategies, its share in the total capital raised globally continued its downward trend from 55% in 2014 to 29% in 2021.

Capital raised for European strategies is more dispersed among non-listed vehicle types compared to other regional strategies. Non-listed real estate funds remain the largest beneficiaries but other vehicle types claim an increasing proportion. Capital raised by non-listed debt rose to a record-high level of €12 billion, underlining the growing appetite for this evolving market while joint ventures and club deals raised €6 billion, doubling its share in the total capital raised for European strategies.

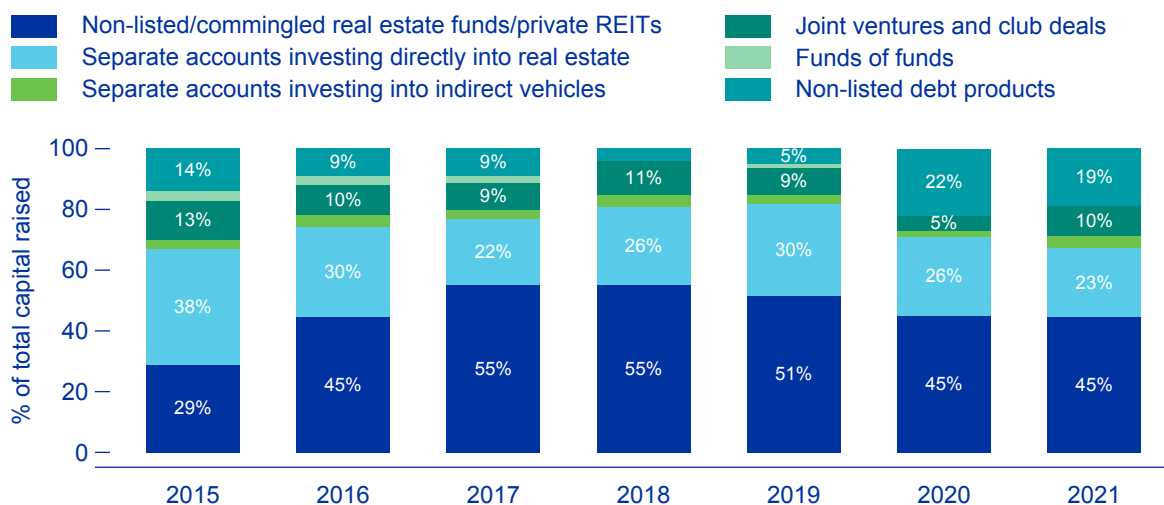
For those non-listed real estate vehicles targeting Europe, capital raised for multi country and single country strategies was in balance. For multi country strategies, non-listed real estate funds is the dominant type of vehicle with 68% of the capital raised.

Single country strategies exhibit a greater variety and dispersion of capital among vehicle types including a high proportion raised by separate accounts investing directly into real estate and joint ventures and club deals. Of vehicles following single sector strategies, those targeting the residential and industrial/logistics sectors raised the most capital in 2021.

Of the total capital raised for opportunistic strategies, 71% was assigned to joint ventures and club deals. However, out of the €43.7 billion raised for investing in European non-listed real estate equity, € 30.8 billion targeted core strategies, mainly structured through funds and separate accounts. For non-listed real estate debt, the breakdown by investment style follows a similar pattern with most of the capital targeting senior debt.

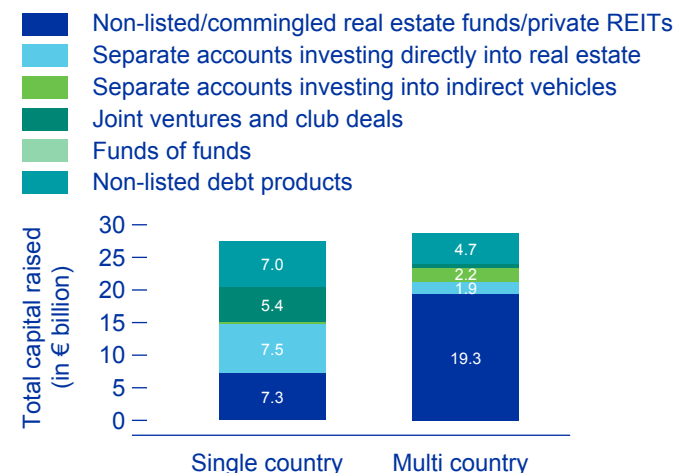
For further details, contact research@inrev.org. The full report is available to members at inrev.org/research.

Figure 3: European strategy: capital raised by vehicle type



Notes: Based on the reported value of €65 billion. Percentages for 2021 deviate from Figure 7 as for some submissions the breakdowns by investor type and vehicle type were not disclosed.
Source: ANREV / INREV / NCREIF Capital Raising Survey 2022

Figure 4: European strategy: capital raised by country strategy and vehicle type



Note: Based on the reported value of €56 billion
Source: ANREV / INREV / NCREIF Capital Raising Survey 2022