iGlobal Forum 4th Real Estate Private Equity Summit
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20 October 2010
New York City
www.iglobalforum.com/4repe

Dear Spotlight Subscriber,

Preqin is pleased to invite you to iGlobal Forum's 4th Real Estate Private Equity Summit due to take place on October 20th in New York.

The event will examine in great detail the changing economic environment, and profile the best practice strategies in private equity real estate markets. This senior-level forum will once again be the premier platform to unite Corporate & Public Pension Plans, Foundations & Endowments, Insurance Companies, Private Equity Real Estate Firms, R.E.I.T's, Real Estate Venture Capitalists, Investment Banks, Distressed Debt Firms and Investors, Hedge Funds, Real Estate Asset Management Firms, and Commercial Real Estate Executives & Advisors.

Some of the key topics that will be covered include:

•Comparing performance among real estate private equity funds
•Obtaining private equity real estate investment capital
•Distressed debt segments of the PERE market
•Private equity real estate credit issues
•Recapitalizations and distressed equity investment opportunities
•PERE firms with long-term value added success
•Successful exits and partial exits in a recovery period

For detailed information on the event, please visit www.iglobalforum.com/4repe.

I will be participating on one of the panel sessions at the conference, and I hope to have an opportunity to connect with you there.

Kindest Regards,

Andrew Moylan
Manager – Real Estate
Preqin

To register, or for any other enquiry, please contact the iGlobal Forum team directly:
Jessica Reed - Senior Conference Director
Email: info@iglobalforum.com
Web: www.iglobalforum.com/4repe

Real Estate Spotlight

September 2010 Volume 4 - Issue 9

www.preqin.com

Real Estate Spotlight is the monthly newsletter published by Preqin packed full of vital information and data, all based on our latest research into the private equity real estate industry.

Preqin Real Estate Online is an online service providing constantly updated data and analysis, with information on fundraising, fund performance and institutional investor profiles. For more information and to arrange a demo, please visit: www.preqin.com/realestate

PERE Institutional Investor Survey

What would you like to see in Real Estate Spotlight? Email us at: spotlight@preqin.com.

Between June and August 2010 Preqin carried out a survey of over 150 institutional private real estate investors to determine their plans for the next 12 months. The results show that investors still have an appetite for the asset class but that many are holding back from investing in the current financial climate.

Tomas Otterud is a co-founder of the newly established Custor Capital. We interview him to find out his outlook on the private equity real estate industry.

Details of real estate funds closed this month including the $615 million Mesa West Real Estate Income Fund I.

We examine European-based fund managers (excluding those based in the UK) and reveal the 10 largest such firms.

European asset managers are significant investors in the real estate asset class. As of August 2010, the average allocation of those investing in real estate is €3.1 billion. Investor Spotlight examines the investment preferences of these investors.

Upcoming events in the real estate world, including 4th Real Estate Private Equity Summit.

All the latest news on real estate investors:

Including...

- Teachers' Retirement System of Louisiana to invest USD 200 million in real estate over next 12 months;
- Stichting Pensioenfonds Zorg en Welzijn to allocate EUR 1 billion to real estate in next 12 months;
- UniSuper to invest AUD 300 million in real estate in next 12 months.

You can now download all the data in this month's Spotlight in Excel.

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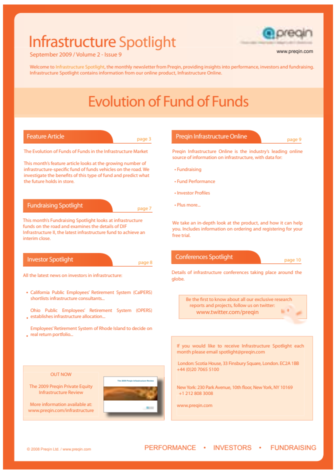

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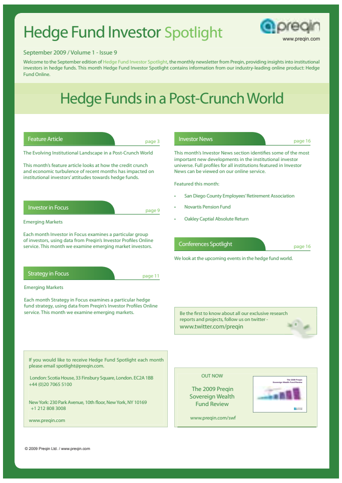

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PERE Investor Survey:
Plans for the Next 12 Months

Preqin carried out a survey of 166 institutional private real estate investors between June and August 2010. Preqin spoke to investors of varying size, type and geographic location about their private real estate portfolios and how they will approach the market in the next 12 months. This article reports the results of that survey and discusses whether the market is likely to see increased investor activity in the coming year.

Fundraising in the first two quarters of 2010 has been particularly poor. Q2 2010 saw 20 private equity real estate funds raise an aggregate $7.3 billion, the lowest quarterly fundraising total since Q3 2004. This steep decline in fundraising comes as a direct result of continuing investor uncertainty regarding the state of the industry and the estimated timescale for recovery. In order to assess whether a turnaround in fortunes was forthcoming, what the key issues are for investors in the current market and where the best opportunities are perceived to be, Preqin conducted a survey of 166 institutional investors into PERE funds. What follows are the key findings of this survey.

Investor Inactivity in H1 2010

Preqin's survey shows that investors in the asset class have not altered their cautious and prudent approach to investment. As can be seen in Fig. 1, of all private real estate investors surveyed, only 24% made new fund commitments in H1 2010.

A number of factors have contributed to this prolonged fundraising drought. Investors feel that there is still uncertainty in the market and they are concerned about the varying issues that remain. Even if many have resolved their liquidity issues, largely owing to the rebound in the stock markets, real estate portfolio values have failed to show the same levels of improvement, leaving many institutions focusing on asset classes generating stronger returns.

One of the key determining factors governing investor fund commitment levels is the cashflow situation for their existing portfolios. In past years with activity levels at a high, investors were continually having capital called up, and receiving capital back to them in the form of distributions. As a result, it was necessary to be constantly reinvesting capital in new funds in order to maintain a stable allocation. In recent times fund managers have been calling up committed capital at a slow pace, and with transaction levels low, investors have not been seeing distributions from previous investments. As a result, investors have not needed to make new fund investments in order to maintain their allocations to the asset class. Many institutions Preqin spoke with indicated that they have a number of unfunded commitments and therefore expect outgoing capital in the next 12 months to be mainly in the form of call-ups.

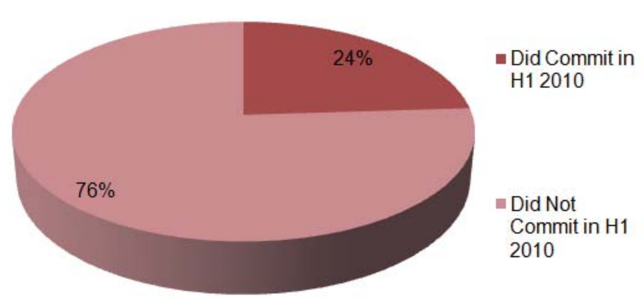
Investor Activity in Private Real Estate in Next 12 Months

Of the investors surveyed, 42% stated they were likely to commit to private real estate funds in the next 12 months. Fig. 2 shows that 39% are unlikely to invest and the remaining 19% are undecided. Although these figures are somewhat disappointing as in previous years a large proportion of investors would be committing in any one twelve month period, it does show that there is momentum in the market and that there are institutions open to new fund proposals in the current environment.

The 19% undecided figure highlights the fact that many investors remain cautious

Fig. 1:

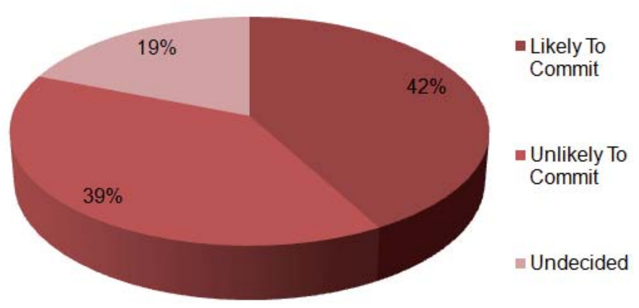
Proportion of Private Real Estate Investors Committing to Funds in H1 2010



Source: Preqin

Fig. 2:

Investors' Intentions for Private Real Estate in Next 12 Months



Source: Preqin

in their attitudes towards new private real estate fund commitments. They are opting to analyse the market and monitor opportunities on an ongoing basis rather than actively seeking investments and formulating concrete investment plans. This contrasts with previous years when the majority were able to predict both the number of funds and the amount of capital they would commit in the next 12 months.

One of the most interesting findings of the survey was with regards to the current position of investors' portfolios relative to their targets. The 73% of investors being below their targeted real estate allocations shows just how pronounced the current feeling of uncertainty towards the asset class is, with even those below target reluctant to commit to new vehicles. However, the fact that these investors are maintaining these targets indicates that over the longer term the industry is due to receive an influx of new capital, with many investors not needing to wait for distributions before making commitments once confidence returns.

Fig. 3:

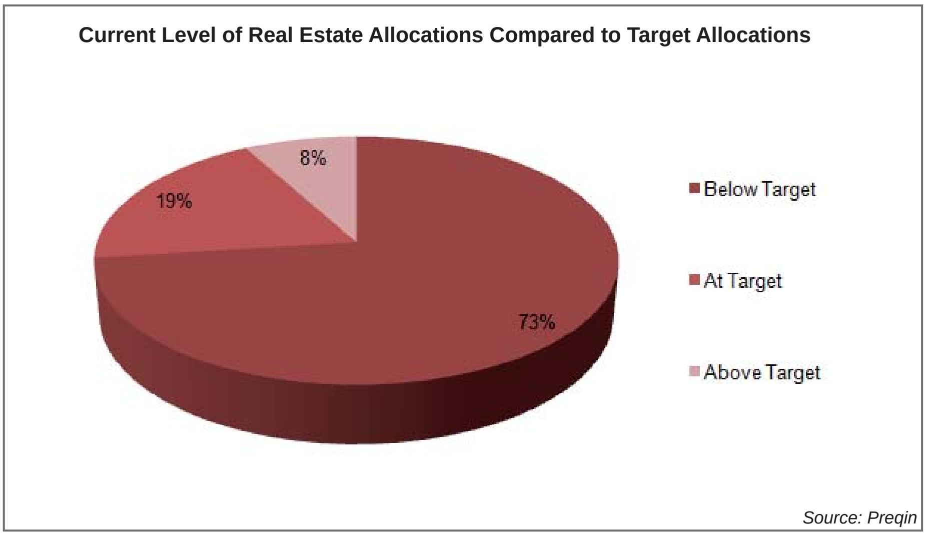
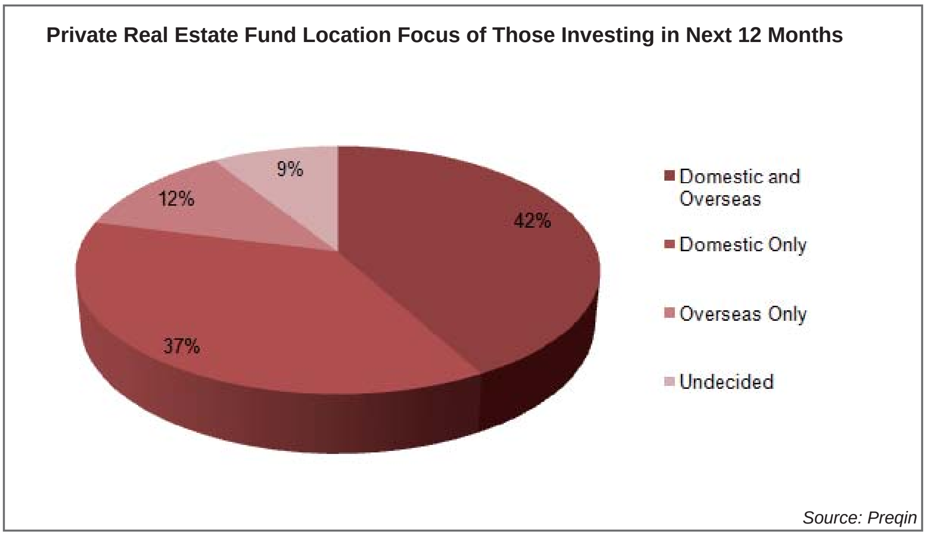


Fig. 4:



Location and Strategy Focus in Next 12 Months

Fig. 4 shows that 42% of the investors that will be active in private real estate in the next 12 months will be targeting both domestic and overseas markets and 37% expect to invest only in domestic markets. 12% will invest only in property markets abroad, perhaps because they have significant domestic allocations and are looking to diversify or expand their international portfolios. A significant 45% stated an interest in Asia and Rest of World vehicles, showing that investors are still eager to benefit from the rapid growth in emerging economies.

In terms of the fund strategies that investors are hoping to commit to in the next 12 months, Fig. 5 shows that 43% will be looking to allocate to core vehicles and 38% to opportunistic strategies. Value added strategies are not favoured as much as they have been in the past, with only 28% stating an interest in investing in these funds in the coming year. Distressed and debt funds will be targeted by 22% and 18% of these investors respectively. 20% of investors were interested in committing to funds utilizing core-plus strategies whilst only 3% were interested in other fund types such as fund of funds and secondaries. 15% were still unsure as to which fund types they will be focusing on in the next 12 months.

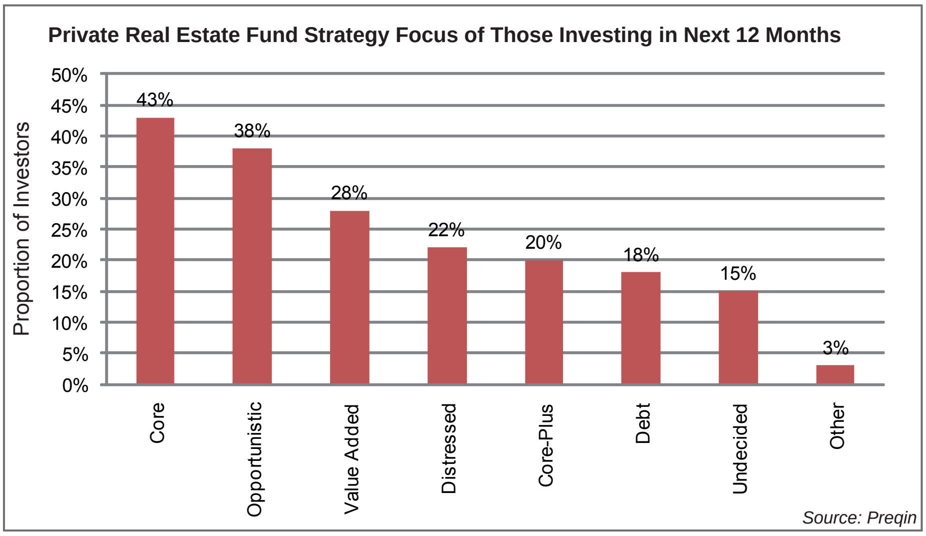
Looking Ahead

The survey reveals a number of important issues affecting the asset class at present, with the low proportion of respondents that have allocated to funds so far this year underlining the extent to which uncertainty and caution is influencing investor appetite for new funds. For some investors, the fact that they have so many unfunded commitments and very limited levels of capital being returned to them in the form of distributions has caused them to halt new investments as they need to do little to maintain current allocations. However, the figures showing the proportion of respondents to be below their target allocations reveals that for a large proportion of institutions it is market uncertainty rather than cashflow constraints that is the primary factor in the low commitment levels that we are seeing in the current market.

Looking forwards there are signs of encouragement. Although many investors are below their target allocations, there is little evidence of target allocations being revised downwards, indicating that over the longer term investors will once again be looking to commit to funds. Over the next twelve months, although only 42% of respondents are likely to commit to new vehicles, it certainly shows that there is some momentum within the market, and that investors are slowly beginning to return.

For those that are investing, there are some clear preferences in terms of strategy and regional focus. We are seeing a big shift towards emerging markets investments, while in terms of strategy core and core-plus funds, which were until recently relatively rare strategies for PERE funds to pursue, are now finding favour with investors. Opportunistic funds are still popular, but value added funds have certainly lost much of their attraction for institutions in the current market.

Fig. 5:



The message for fund managers is clear. Investors are still keen on private equity real estate, but are holding serious reservations about making commitments in the current climate. In order to be successful in the fundraising market, it is necessary for fund managers to successfully convey how they intend to overcome market conditions, and why their strategy is well suited to achieve successful returns. Managers will need to take note of the current regional and strategic preferences, and should expect the fundraising process to take significantly longer than in previous years. Many firms have already taken the concept of fundraising to a new level, essentially remaining in fundraising mode on an almost perpetual basis, ensuring that existing investors are well informed on future plans and that potential future investors are also kept up to date with the firm's activities and successes, whether the firm is currently in fundraising mode or not.

Forena Akhtar

For more results from our investor survey, including preferences by region, please visit the follow page to download the full version:

www.preqin.com/resurvey

Information on over 1,900 investors in private real estate, including investor preferences and investor plans, is available on Preqin's industry leading online module, Real Estate Online. To find out more information about this product, or to arrange a demo, please visit:

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Interview:
Tomas Otterud, Co-Founder Custor Capital

Tomas Otterud is a co-founder of Custor Capital, an independent institutional investment firm focused on indirect real estate investments. The firm has a solution-based business model where investment vehicles and programs are customized to its client's specific needs and objectives. The founding Partners established the firm after having been responsible for the global Real Estate Customized Fund Investment Group at Credit Suisse and previous to that, founders of Aberdeen Asset Management's real estate fund of funds business.

Can you tell me a bit about your experiences of real estate fundraising over the past two years?

We saw capital raising slow down in early 2008 and it effectively stopped following the collapse of Lehman. In 2009, we had numerous discussions with clients that were planning to get into the market towards the end of the year or in the early parts of 2010 but, apart from a rush into UK funds in particular, 2009 was pretty quiet. Some of the larger global fund managers have been successful in raising capital for distressed and debt-focused funds but in general raises have been slow and volumes less than targeted.

Some capital has also been raised for investment clubs where investors have more control through seats on investment committees etc.

On the multi-manager side we have seen some investors, predominantly from the UK, getting back into the market with new segregated mandates so there are indirect managers with dry powder out there. Capital raising for traditional blind pool fund of funds has been very limited but there has been capital raised for secondary-focused funds and funds with re-cap strategies. However, the big question is how large the secondary investment universe really is, not least considering the difference in price expectations.

What do you think is needed to improve real estate fundraising?

Fundamentally, investors need to see improved market conditions and clear signs of a global recovery. With present uncertain conditions, depending on who you listen to the risk of a double dip is estimated to be somewhere between 25% to 50% at an extreme, we expect many investors to remain on the sidelines for some time yet.

As for the funds industry, we believe fund managers will have to address corporate governance issues and increase transparency. They also need to convince investors that they are sharing the risk. Many investors are frustrated that fund managers are taking a large part of the upside, but are not sharing the downside if/when things go wrong.

Another factor affecting fundraising is resources. Many investors have their hands full dealing with legacy issues and lack resources to focus on new investments. Once there are fewer issues in existing fund holdings they will be able to free up resources for new investments.

Finally, we are aware of some investors that have decided to put new investments on hold until they know the final outcome of the new AIFM Directive.

While other asset classes have started to make a significant recovery, the outlook remains pretty bleak for real estate - a recent Preqin investor survey showed that only 24% of those questioned have made a real estate commitment in 2010 YTD, and 39% are not planning to make an investment in the next 12 months. Why have you chosen now to set up Custor Capital?

First of all, we take a long-term view. We believe real estate remains important in a multi-asset portfolio. With the volatility we see in the equity markets, and long-term fear of inflation making the bond market less attractive, we believe real estate by comparison offers attractive risk-adjusted returns for the long-term investor. We are aware of several large institutions that today completely lack international real estate exposure but have decided to move into the indirect sector over the next few years. For such new entrants it takes a long time to build a diversified international portfolio of sufficient scale. In order to do it properly, with a clear strategy, efficient structure and all the necessary internal approvals in place it is not uncommon for it to take up to a year before being able to make the first commitments. Furthermore, assuming the investment program is diversified over say 10 funds, which realistically could take two years to execute, the normal three-year investment periods of those funds means it effectively takes five years to get full exposure. In this context 2010-2012 could arguably be a good time to launch new investment programs.

Secondly, we do not only take on new investment mandates. A new area where we have experienced increased interest over the last couple of years is in what one could characterize as portfolio outsourcing. Many large institutions have built substantial portfolios of funds over the past decade but are not resourced to actively manage these holdings in today's environment where fund managers much more frequently are requiring investors consent for changes and approvals in their funds. These issues are often complex and it requires a lot of time for the investor to respond diligently. In situations like these, many investors have or are considering bringing in a third party partner to assist them in the management of the portfolio. These sort of mandates suit us very well given our experience of actively managing a large number of fund commitments, often through advisory board positions and given that we are able to start working immediately without a legacy portfolio.

The fact that we are independent and able to start working with a blank sheet of paper makes us very flexible. We can focus on the future, rather than the past, and are not restricted by legacy issues, conflict of interest or "corporate agendas".

How do you plan on capturing commitments from the 61% of investors that are looking to invest in the next 12 months, or considering doing so?

By offering customized solutions where we work very closely with the investor. We have a long and proven experience of both building and managing portfolios through segregated accounts and pooled products tailored around specific groups of investors. We believe there is still room for improvement in our industry and we will use what we have learned over the last decade to develop our products and service offerings further. In this context we would not limit ourselves to only focusing on established funds but also participate in structuring investment clubs and creating investment opportunities together with selected partners.

You have a history of making innovative real estate investments; for example, you established some of Europe's and Asia's first closed and open-ended funds of funds, and while at Aberdeen established the first pooled Pan-European RE fund of funds. Will you be continuing this tradition at Custor Capital? What will be the key features of these strategies and how will they be of benefit to investors?

Yes absolutely. We will continue to work on finding ways of making the asset class more accessible and more manageable for investors as well as on improving transparency and corporate governance.

We believe that our 10 years of experience working as a team in the indirect fund industry combined with our independence means we can offer attractive solutions to both new market entrants and experienced indirect investors. As our name implies we want to work together with the client to customize solutions for them, whether it will involve building new investment programs or assisting in the management of their existing holdings.

As for new vehicles, we believe there is a lot of work that can be done in the area of pooling multi-domiciled pension funds holdings, which we have experience from structuring in the past. White-labeled products for private banks are another area in which we think we can add a lot of value. Geographically we still see a lot of interest in Asia and many investors still see the benefit of using pooled funds of funds to capture this market. Furthermore very few European investors have exposure to the US, which we think will change as market conditions improve. In both these markets we will work together with close local affiliates with a view to establishing joint entities.

Finally we will be looking at adding expertise in real estate-related asset classes such as infrastructure and timber to our service offering.

Which regions and strategies do you believe offer the greatest opportunities for RE investment at the moment?

One benefit for us as a multi manager compared to many direct managers is that we can be very flexible as to where, in what and with whom we invest. A large component of our job is to identify and underwrite capable teams with unique experiences and ideas. In this sense we put a lot of emphasis on the bottom-up perspective and not only the top-down.

One area in which we think there are opportunities is re-capitalization of funds. There are still a lot of funds that need to be re-capitalized and with banks still on the sideline and existing investors fully allocated there are opportunities for debt and re-capitalization related strategies.

As for traditional real estate-focused funds, more defensive core and core-plus strategies can offer attractive risk-adjusted returns relative to other asset classes. Although overall market conditions remain uncertain, there are opportunities in more defensive core high yielding vehicles with long leases in sectors and countries that have not been on the radar of most investors recently. We are aware of opportunities that currently are delivering cash-on-cash returns of up to 10% with LTV's of 50-60%, and lease lengths to high-grade tenants on 8-10 years.

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The Fund Terms Advisor is a vital tool for all fund formation lawyers and for private equity firms and placement agents involved with the fund formation process. It also contains valuable intelligence for all those investing in private equity, and for those advising LPs. Key features include:

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- Full access to our updated Fund Terms Advisor Online product, which enables you to model the real economic impact of fund terms and conditions, and download detailed fund terms for further analysis.
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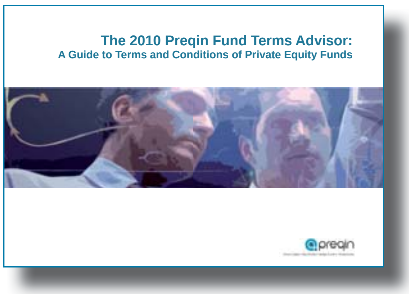

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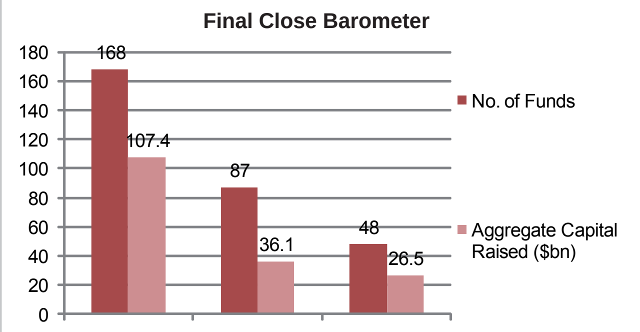
Fundraising Spotlight:
PERE Fundraising

Fig. 1:

Funds on the Road				
	US	**Europe**	**ROW**	**Total**
Number of Funds	214	98	79	391
Aggregate Target Size ($bn)	69.3	34.0	24.8	128.1
Average Target Size ($mn)	340	396	349	355

Source: Preqin

Fig. 2:



Source: Preqin

Fig. 3:

10 Largest Real Estate Funds on the Road			
Fund	**Manager**	**Target Size (mn)**	**Strategy**
Lone Star Fund VII	Lone Star Funds	4,000 USD	Debt and Distressed
Lone Star Real Estate Fund II	Lone Star Funds	4,000 USD	Debt, Distressed and Opportunistic
Carlyle Realty Partners VI	Carlyle Group	3,000 USD	Debt and Opportunistic
TA Realty Associates IX	TA Associates Realty	1,850 USD	Core-Plus, Debt, Distressed and Value Added
MacFarlane Urban Real Estate Fund III	MacFarlane Partners	1,500 USD	Opportunistic
UK Property Income Fund	Legal & General Property	700 GBP	Core and Core-Plus
Aetos Capital Asia IV	Aetos Capital Asia	1,000 USD	Debt, Distressed and Opportunistic
Forum Asian Realty Income III	Forum Partners	1,000 USD	Opportunistic
Vornado Capital Partners	Vornado Realty Trust	1,000 USD	Distressed and Value Added
Aetos Capital Asia IV	Aetos Capital	1,000 USD	Debt, Distressed & Opportunistic

Source: Preqin

Recently Closed Funds

Mesa West Real Estate Income Fund II

Manager: Mesa West Capital
Strategy: Debt
Debt Strategies: B-Notes, Mezzanine, Preferred Equity
Geographic Focus: Western US
Final Close (mn): 615 USD (Jun-2010)
Placement Agent: HFF Securities
Sample Investors: Indiana Public Employees' Retirement Fund, Kentucky Retirement Systems, Los Angeles City Employees' Retirement System, Pennsylvania Public School Employees' Retirement System, Philadelphia Board of Pensions & Retirement, San Joaquin County Employees' Retirement Association, State of Wisconsin Investment Board

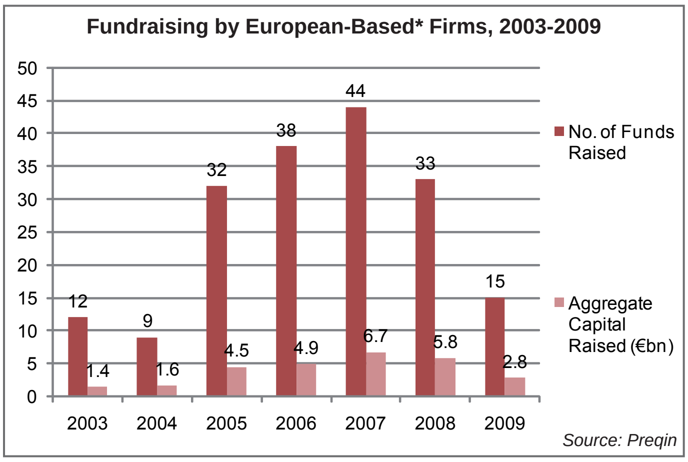
AG Net Lease Realty Fund II

Manager: Angelo, Gordon & Co
Strategy: Value Added
Property Types: Industrial, Office, R&D
Geographic Focus: US
Final Close (mn): 550 USD (Jul-2010)
Lawyer: Akin Gump Strauss Hauer & Feld

Andrew Moylan

Fund Manager Spotlight:
Europe (exc. UK) Fund Managers

Fig. 1:



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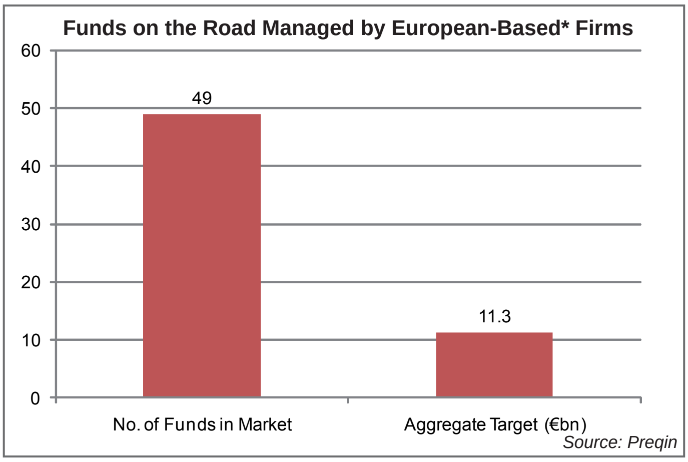
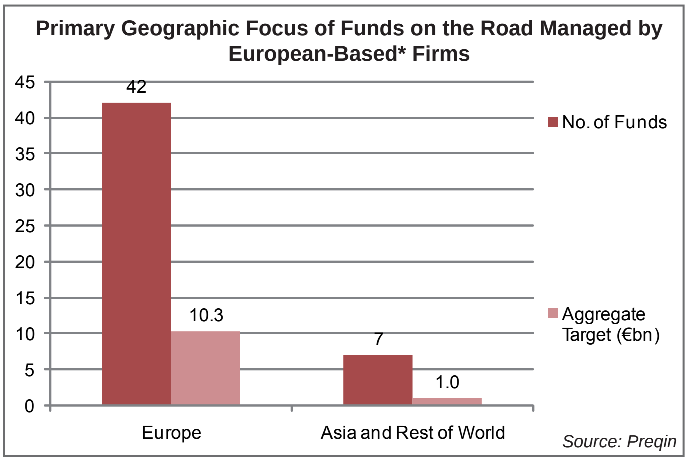


Fig. 3:



The information in Fund Manager Spotlight is taken from Preqin's Real Estate Online product. There are currently profiles for 97 fund managers based in Europe (excluding UK).

To find out more information about this product, or to arrange a demo, please visit:

www.preqin.com/realestate

Fig. 4:

10 Largest European-Based* Firms by Capital Raised for Private Equity Real Estate Funds in the Last 10 Years

Firm	Total Capital Raised for Private Equity Real Estate Funds in Last 10 Years (€bn)	Firm Headquarters
ING Real Estate Investment Management	3.9	Netherlands
AEW Europe	3.5	France
AXA Real Estate Investment Managers	2.4	France
BNP Paribas Real Estate Investment Management Italy	1.9	Italy
CORPUS SIREO	1.2	Luxembourg
Europolis	1.2	Austria
Niam	1.0	Sweden
Natixis Capital Partners	0.8	Germany
ICECAPITAL Real Estate Asset Management	0.8	Finland
Aedes Real Estate	0.8	Italy

Source: Preqin

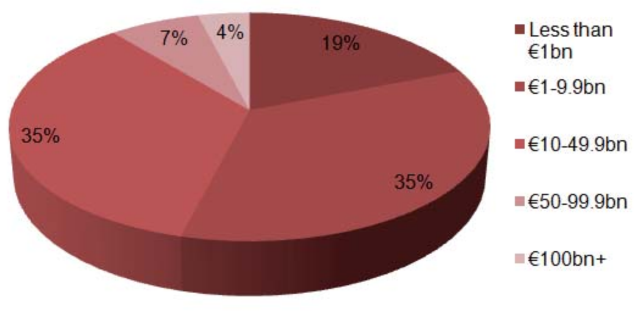
Andrew Herman

* Excluding UK-based.

Investor Spotlight:
European Asset Managers

Fig. 1:

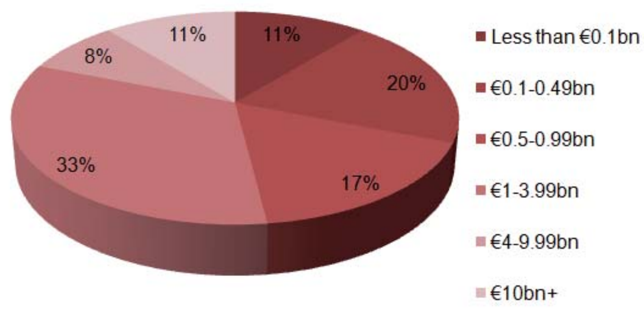
Breakdown of European Asset Managers by Size



Source: Preqin

Fig. 2:

Breakdown of European Asset Managers by Overall Real Estate Allocation



Source: Preqin

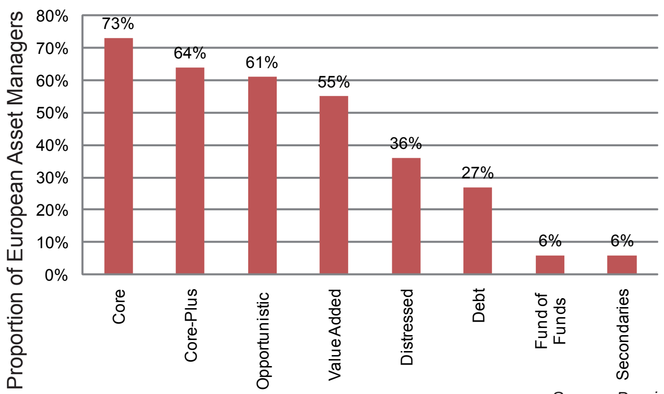
European asset managers are significant investors in the real estate asset class. As of August 2010, the average allocation of those investing in real estate is €3.1 billion or, excluding those with a 100% allocation to the asset class, €2.7 billion (10.9% of total assets). The average target allocation is €5.6 billion and the average allocation to private real estate funds is over €1 billion. Of the European asset managers that invest in real estate, 19% have total assets of less than €1 billion, while the ranges between €1 billion and €9.9 billion and between €10 billion and €49.9 billion each comprise of 35% of investors. 7% have total assets between €50 billion and €99.9 billion and the smallest group is the 4% with total assets of over €100 billion.

48% of European asset managers have an overall real estate allocation of under €1 billion, 33% have an allocation of between €1 billion and €3.99 billion and 8% allocate between €4 billion and €9.99 billion to real estate. 11% have an allocation to the asset class of €10 billion or more.

In terms of strategy, lower-risk core is the most popular, with 73% of European asset managers investing in such funds. This is closely followed by core-plus and opportunistic vehicles, in which 64% and 61% of European asset managers invest respectively. Value added funds are also popular with 55% of the asset managers investing in these. 27% and

Fig. 3:

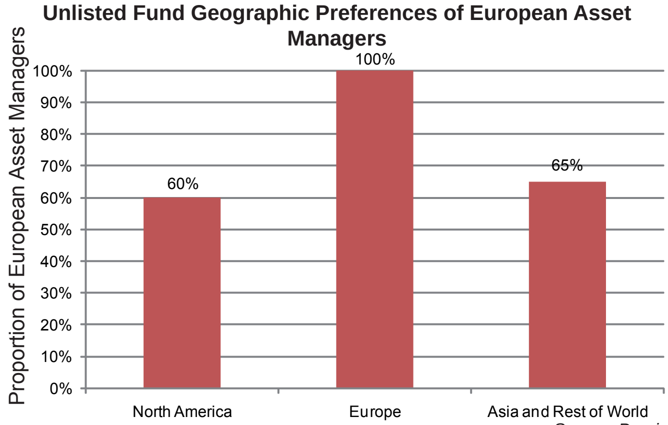
Strategic Preferences of European Asset Managers



Source: Preqin

Fig. 4:

Unlisted Fund Geographic Preferences of European Asset Managers



Source: Preqin

36% of European asset managers have a preference for debt and distressed funds respectively.

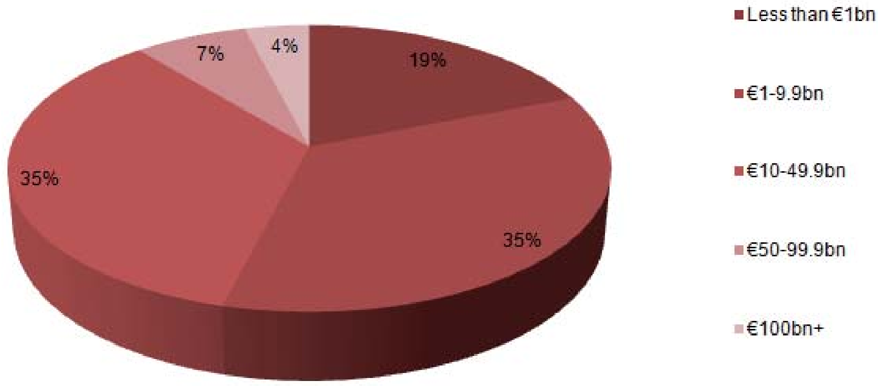
With regard to location, all European asset managers invest in Europe, 65% invest in Asia and Rest of World and 60% invest in North America.

38% of European asset managers invest in first-time funds and 29% would consider doing so. 29% would not invest in first-time funds, and 4% would consider spin-off teams only.

Clare Bowden

Fig. 5:

Attitudes of European Asset Managers towards First-Time Funds



Source: Preqin

The information in Investor Spotlight is taken from Preqin's Real Estate Online Product. There are currently profiles for 63 European asset managers with an active interest in real estate.

To find out more information about this product, or to arrange a demo, please visit:
www.preqin.com/realestate

Conferences Spotlight:
Forthcoming Events

Conference	Dates	Location	Sponsor
3rd Distressed Commercial Real Estate EAST	13 - 15 September 2010	New York	Infocast
Real Asset Investing Forum	15 - 16 September 2010	San Francisco	Opal Financial Group
IPD RealWorld Conference	22 - 23 September 2010	Cambridge	IPD
The 2nd Annual Distressed Commercial Real Estate Forum	23 - 24 September 2010	New York	IMN
Expo Real 2010	4 - 6 October 2010	Munich	Messe Munchen
Real Estate Investment World Australia 2010	6 - 8 October 2010	Sydney	Terrapinn
CEE Real Estate 2010	14 October 2010	Warsaw	EastEuro Link
Real Estate Investment World Japan 2010	18 - 19 October 2010	Tokyo	Terrapinn
4th Real Estate Private Equity Summit	20 October 2010	New York	iGlobal Forum
Real Estate Investment World Latin America 2010	25 - 27 October 2010	Coral Gables, FL	Terrapinn
PERE Forum: New York	26 - 27 October 2010	New York	PEI Media
AIS 2010 Abu Dhabi Showcase of Alternative Investment Funds	3 - 4 November 2010	Abu Dhabi	Leoron Events
European Real Estate Opportunity & Private Fund Investing Forum	8 - 9 November 2010	London	IMN
Real Estate Investment World India 2010	22 - 24 November 2010	Mumbai	Terrapinn
Real Estate Mezzanine Lending & Distressed Debt Forum	30 November - 1 December 2010	New York	IMN
Western Non-Traded REIT Industry Symposium	8 - 9 December 2010	San Diego	IMN

You can now download all the data in this month's Spotlight in Excel.

6th Annual CEE Real Estate

Date: October 14th, 2010
Location: Warsaw, Poland
Organiser: EastEuro Link

Now in it's 6th year, CEE Real Estate 2010 will provide you with an informative and thought-provoking series of presentations from some of the region's leading developers. Join us in Warsaw and network with key industry players.

Information: www.easteurolink.co.uk/cee-real-estate/

5th Annual Real Estate Investment China Summit

Date: December 1st, 2010
Location: Swissotel Beijing, Hong Kong Macau Center
Organiser: IQPC Singapore

The event will bring together institutional investors, fund managers, property developers and other property business leaders to evaluate China's real estate investment market outlook in 2011 uncovering opportunities in China's Tier 1, 2 and 3 cities

Information: www.realestateinvestmentchina.com/Event.aspx?id=362634&12020.004_preq%

4th Real Estate Private Equity Summit

Date: October 20th, 2010
Location: New York
Organiser: iGlobal Forum

iGlobal Forum is pleased to announce the 4th Real Estate Private Equity Summit in our series. The event will once again examine in great detail the changing economic environment, and profile the best practice strategies in private equity real estate markets. This senior-level forum will once again be the premier platform to unite Corporate & Public Pension Plans, Foundations & Endowments, Insurance Companies, Private Equity Real Estate Firms, R.E.I.T's, Real Estate Venture Capitalists, Investment Banks, Distressed Debt Firms and Investors, Hedge Funds, Real Estate Asset Management Firms, and Commercial Real Estate Executives & Advisors.

Information: www.iglobalforum.com/4repe

Investor Spotlight:
Investor News

Metropolitan Government of Nashville & Davidson County Employees' Trust Fund to invest USD 120 million in private real estate funds

The USD 1.8 billion Metropolitan Government of Nashville & Davidson County Employees' Trust Fund is to invest USD 120 million in 2-3 private real estate funds in the next 12 months and will make its first commitment by the end of August. It is interested in closed-end funds with a distressed or debt strategy. The public pension fund has a 10% target allocation to real estate and an actual allocation of 7%. Going forward, it will seek to reduce its exposure to core and core-plus funds.

West Virginia Investment Management Board to commit USD 100 million to private equity real estate funds

The USD 19.3 billion West Virginia Investment Management Board (WVIMB) is looking to increase its current real estate allocation of 2.6% to its target allocation of 10% in the next 3-5 years. To assist in achieving this goal, it has earmarked USD 100 million to be committed to private equity real estate funds in the coming 12 months. It is seeking the advice of its investment consultant, Courtland Partners, in identifying attractive opportunities. Its current private equity real estate portfolio allocation comprises a split of 50% to core real estate, 30% to value added and 20% to opportunistic funds.

Michigan Department of Treasury to make further fund commitments in next 12 months

The USD 47.9 billion Michigan Department of Treasury has already committed to two real estate vehicles so far in 2010; one of the funds was a PPIP debt vehicle and the other was an international fund. It is hoping to commit limited amounts of capital to two vehicles in the next 12 months and is interested in value added strategies. It is also hoping to invest in Asia. The pension fund feels that Asian markets and debt strategies are presenting the best opportunities in the current climate. Although it has not earmarked a set amount of capital to deploy across these two vehicles, the pension fund expects to make its next commitment by Q4 2010. It will invest with a mix of existing managers and those it has yet to form relationships with.

Teachers' Retirement System of Louisiana to invest USD 200 million in real estate over next 12 months

The USD 12 billion public pension fund is planning to invest USD 305 million in real assets over the next 12 months and will invest USD 200 million of this in 2-3 private real estate funds. It will be making the first real estate investment by the end of this year. It has not made any real estate investments so far in 2010, apart from the USD 50 million it committed to Blackstone Real Estate Special Situations Fund II, which it does not consider to be a real estate fund but rather a debt fund. The public pension fund solely invests in the asset class through private real estate funds and invests across a wide range of strategies, such as core, core-plus, value added and opportunistic. It believes that in the current market, opportunistic strategies are presenting the best opportunity.

Stichting Pensioenfonds Zorg en Welzijn to allocate EUR 1 billion to real estate in next 12 months

The EUR 88 billion pension fund is planning to make significant investments in real estate in the near future. It is looking to allocate EUR 1 billion in the next 12 months, although 30% of this capital will be in the form of call-ups. It envisages spreading these commitments equally over the next four quarters. It believes that the best opportunities in the current market exist in core and cashflow generating strategies and it will only be making core fund commitments. It will maintain its existing geographic strategy of investing in Asia, Europe and North America.

European Bank for Reconstruction and Development to allocate between EUR 75 million to EUR 100 million to real estate funds in next 12 months

The EUR 32.5 billion bank has budgeted EUR 250 million to EUR 300 million to be invested in real estate projects in the next 12 months. Around 30% of this capital is earmarked for private real estate funds, with the remainder for direct property. The bank is currently evaluating a private equity real estate fund to potentially invest in, and is also debating the possibility of entering co-investment opportunities with fund managers in the near future. It is interested in opportunistic vehicles focusing on Eastern Europe and primarily targeting non-EU countries.

UniSuper to invest AUD 300 million in real estate in next 12 months

The AUD 25.4 billion superannuation scheme is planning to invest AUD 300 million in 1-2 funds over the next 12 months. It will target core domestic retail funds and will make its next commitment by the end of Q3 2010. It committed an additional AUD 200 million across existing funds in H1 2010. It believes that core domestic funds that are substantially unleveraged are presenting the best opportunity in the current market.

Forena Akthar

Each month Spotlight provides a selection of the recent news on institutional investors in real estate. More news and updates are available online for Real Estate Online subscribers.

In the last month, Preqin analysts have added 33 new investors and updated 371 existing investor profiles.

For more information, or to register for a demo, please visit:

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