

Biggest 20 real estate fund managers account for more than two-thirds of global assets

# ING tops property asset league table

ING Real Estate has topped the league table for global real estate assets under management by €25.5bn more than the second-placed manager, according to a new global survey.

The inaugural survey – carried out by Property Funds Research and *The Banker* – has collated assets under management from 72 global participants. Figures from an additional 17 fund management houses were sourced externally, combining to give an aggregate global real estate assets under management figure of €946.5bn.

According to the research, the top 20 managers account for more than two thirds (67%) of global assets with Dutch investment house ING Real Estate at the top of the pile with €79.2bn. RREEF is second with €53.7bn.

A spokesman for ING Real Estate said its fastest growing division was the global real estate securities business where assets have doubled from €7.5bn to €15bn in 2006. In aggregate, the rest of its funds grew by €8bn last year.

Latin American real estate investment is still in its infancy, with just €1.5bn in global assets. The market has just five participants, led by Pramerica Real Estate Investors – part of Prudential Financial – with €623m under management.

Pramerica has 48 investment staff dedicated to the Latin

## Top 20 global real estate fund management houses

Investment in Europe and North America by the top 20 global property fund managers accounts for 33% and 26% respectively of the global real estate assets under management

Fund manager (all figures €bn)	Total	Europe	North America	Asia	Australasia	Latin America
ING Real Estate	79.2	41.3	31.1	1.3	5.5	
RREEF	53.6	16.5	29.8	1.2	6.1	0.01
Morley Fund Management	48.0	48.0	0.01	0.01		
Morgan Stanley Real Estate	47.6	14.8	23.1	9.7	0.03	
Pramerica Real Estate Investors	46.4	3.3	40.0	2.5	0.03	0.6
LaSalle Investment Management	32.0	12.8	15.5	3.3	0.1	0.3
Axa Real Estate Investment Managers	32.0	32.0				
UBS Global Asset Management RE	30.4	14.2	12.2	3.0	1.0	
Principal Real Estate Investors	28.1		28.0		0.06	
PRUPIM	27.7	26.1	1.0	0.3	0.3	
Curzon Global Partners/ Ixis AEW Europe	27.6	13.2	14.4			
Invesco Real Estate	20.4	5.4	15.0			
Standard Life Investments	19.9	19.4	0.2	0.3	0.07	
CB Richard Ellis Investors, LLC	19.7	8.9	9.6	1.1		
Heitman International*	19.5	n/a	n/a	n/a	n/a	n/a
Macquarie Goodman Group	19.2	13.3		2.2	3.7	
IVG Immobilien	18.0	17.4	0.6			
BlackRock	18.0	4.4	12.7		0.9	
Cohen & Steers Capital Management	17.2	1.5	14.4	0.8	0.5	
Legal & General Property	17.1	17.1				

SOURCE: PROPERTY FUNDS RESEARCH/THE BANKER \*SOURCE: IPE REAL ESTATE

America region. Latin America principal for investments Francisco Andragues said: "We are seeing new global managers coming every year, particularly from the US, Germany, Spain and to a lesser extent, the UK." Mexico and Brazil are the traditional entry points with Pramerica expecting to invest more than \$500m in the two countries this year.

Morgan Stanley Real Estate

is in first place for funds under management for indirect real estate investment vehicles, with 29 funds worth €34.4bn. Morley Fund Management was in second place with 28 vehicles worth €22bn and Standard Life Investments reported 12 vehicles worth €18.6bn.

More than 100 funds were launched in 2006 via 40 of the 72 survey participants. And that growth shows no signs of abat-

ing with more than 60 fund launches already anticipated for 2007.

Germany's IVG Immobilien plans the most aggressive push with eight fund launches, while LaSalle Investment Management plans more than six. Next quarter, ING Real Estate is to launch a €750m European healthcare real estate fund, a \$500m Asian retail fund and a \$750m Asian value fund.

## European real estate market doubles since 2004

The European commercial direct property market has doubled since 2004, according to CB Richard Ellis.

The broker's European investment report reveals a 46% year-on-year increase in the

turnover of the commercial real estate investment market in 2006, to €227bn.

Germany saw the biggest increase, with market turnover growing from €20bn in 2005 to over €51bn in 2006. Sev-

eral other Western European countries also saw turnover more than double, including Belgium, Finland, Denmark and Luxembourg. Central and Eastern Europe also saw a rapid increase in investment market

turnover, with the total for the region increasing from €5.8bn in 2005 to €12.7bn in 2006. Cross border investment increased by 70% to over €100bn with 48% of all transactions now involving a foreign buyer.