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## Real Estate Deal Value Doubles On This Time Last Year

Real estate deal value in Q2 2021 has increased by 103% compared to Q2 2020 with transactions totalling \$68.3bn compared to \$33.6bn a year earlier, according to the Q2 2021 Real Estate Quarterly Report published by [Preqin](#), the global leader in alternative assets data, tools and insights.

The report also found that Q2 2021 deal numbers (1,785) have increased by 60% compared to the same time last year (1,114). There has been a sharp recovery in hotel, mixed-use and retail deal numbers, with growth of 253%, 134% and 117%, respectively.

Between January and June 2021 the number of real estate funds in market increased by 16% (from 1,068 to 1,240), while the amount of capital targeted increased by 15% (from \$314bn to \$360bn). This increase of funds in market and the amount of capital targeted continues to sit at record highs.

On top of this, during Q2 2021 there were just 59 funds closed raising an aggregate \$19bn – the weakest in the last five years. To put the Q2 fundraising environment into context, the average number of funds closed between Q1 2016 and Q1 2021 was 123, so Q2's 59 represents less than half of that longer-term average.

**Dave Lowery, Head of Research Insights at Preqin, said:** *“Following a year of upheaval and uncertainty, fund managers in the real estate class appear to be more positive in Q2 2021. Deal numbers in the quarter are far higher than the same time last year and a 103% increase in deal value points towards higher value transactions.*

*“Despite this, funds closed are at the weakest in the last five years and returns have been weakening with the emergence of new COVID-19 variants adding pressure. However, we would argue that in some respects the recovery in real estate is already underway.”*

**For more information and analysis, see the Q2 2021 Real Estate Quarterly Report Tearsheet:**

<https://www.preqin.com/insights/research/quarterly-tearsheets/preqin-quarterly-update-real-estate-q2-2021-tearsheet>

### Key Q2 2021 Real Estate Facts:

- Aggregate capital raised in Q2 2021 was \$18.9bn, down 65% on Q2 2020.
- North America accounted for 66% of funds closed in Q2 2021 and 78% of all capital raised
- 13% of investors say they expect to commit to four or more real asset funds over the next 12 months, up from 12% in Q1 2021 and 8% in Q2 2020.

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### About Preqin

Preqin is the Home of Alternatives™, the foremost provider of data, analysis, and insights to the alternatives industry. The company has pioneered rigorous methods of collecting private data for almost 20 years so that 110,000+ global professionals are streamlining how they raise capital, source deals and investments, understand performance, and stay informed. Through close partnerships with its clients, Preqin continuously builds innovative tools and mines new intelligence to enable them to make the best decisions every day. For more information visit [www.preqin.com](http://www.preqin.com).

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