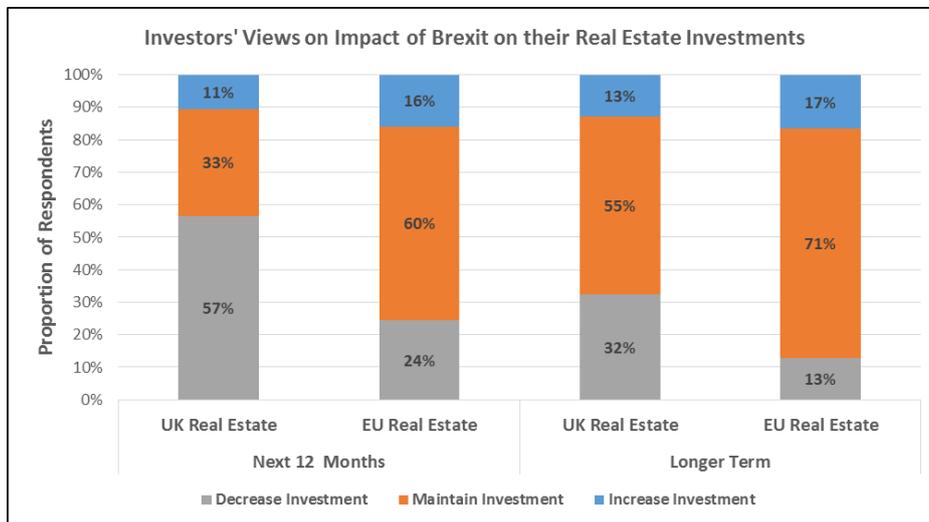


## Brexit: Institutional Investors Look to Reduce Exposure to UK Real Estate

**57% of global institutional investors with exposure to real estate say that they will likely invest less in the UK in the next 12 months as a result of the referendum result**

In the wake of Britain's vote to leave the European Union, Preqin surveyed over 90 institutional investors with exposure to UK real estate, in order to assess their expectations and intentions following the result. Over half (57%) of the investors surveyed stated that the referendum result makes it likely that they will invest less in the UK over the next 12 months, with just 11% expecting to invest more than in the previous year.

Over the longer term, the outlook looks more positive for the UK market. Although 32% of respondents stated that they expected to invest less in the UK over the longer term as a result of Brexit, the majority (55%) do not expect it to affect their approach to the UK market, and 13% anticipate allocating more capital to the UK.



### Other Key Real Estate Brexit Survey Findings:

- **Portfolio Performance:** When asked about the performance of their overall real estate portfolios in the coming year, **37% of respondents expected Brexit to have a negative impact**, compared with 14% that anticipate a positive impact and 49% which think it will have no effect.
- **European Investments:** Regarding their real estate investments in the rest of the EU, 24% of surveyed institutional investors stated they would be likely to invest less in the coming year, while 16% expect to invest more. **Over the longer term, 17% of respondents expected to increase their investments in the rest of the EU**, while 13% expect to reduce their exposure.

**To see more results from fund managers and investors across all alternative asset classes, please see:**  
<https://www.preqin.com/docs/reports/Preqin-Special-Report-Impact-of-Brexit-on-Alternatives-July-2016.pdf>

### Comment:

"It is clear that institutional investors are adopting a wait-and-see approach to the UK real estate market in the wake of the Brexit vote. Over half of the investors surveyed by Preqin expect to invest less capital in the UK in the coming year than they would otherwise have done, and over the longer term a third of institutions may look to reduce their exposure.

Already in the wake of the referendum, a number of UK-focused real estate funds serving retail investors have suspended withdrawals following a high number of redemption requests, and the results of this study suggest that the level of institutional capital entering the UK property sector also looks set to fall as a result of Brexit."

### Andrew Moylan – Head of Real Estate Products, Preqin

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**Note to Editors:**

- Preqin is spelled without the letter 'U' after the 'Q', the company name being an amalgamation of the former name, Private Equity Intelligence.

**About Preqin:**

Preqin is the leading source of information for the alternative assets industry, providing data and analysis via online databases, publications and bespoke data requests.

Preqin has built a reputation in the alternative assets industry for providing the most comprehensive and extensive information possible. Leading alternative assets professionals from around the world rely on Preqin's services daily, and its data and statistics are regularly quoted by the financial press. For more information, please visit: [www.preqin.com](http://www.preqin.com)

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