



This report is an excerpt from: **Quarterly Update: Real Estate, Q2 2013**. To download the full report please visit:
https://www.preqin.com/docs/quarterly/re/Preqin_Quarterly_Real_Estate_Update_Q2_2013.pdf

Fund Performance

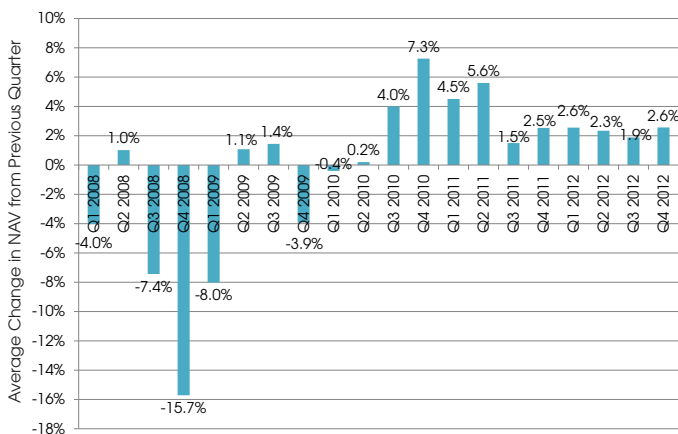
The performance of private equity real estate funds continues to improve, with the NAV of closed-end real estate funds seeing a positive change in each of the 11 quarters to December 2012 (Fig. 2). The performance of the more recent vintage funds is also encouraging, with the median net IRRs of 2009 and 2010 vintage funds standing at 16.0% and 12.9% respectively (Fig. 1).

The PrEQIn All Real Estate Index, which captures in an index the returns earned by investors on average in their private equity real estate portfolios, stood at 229.2 in December 2012, just above the PrEQIn All Private Equity Index which stood at 227.1, and significantly above the S&P 500 which stood at 118.9 (Fig. 5). However, the PrEQIn All Real Estate Index still remains significantly below its peak of 337.0 from June 2007.

Want to view net-to-LP returns with full metrics for over 1,100 individual named private real estate funds globally? Which firms have truly delivered value for their investors? Preqin's **Real Estate Online** can help.

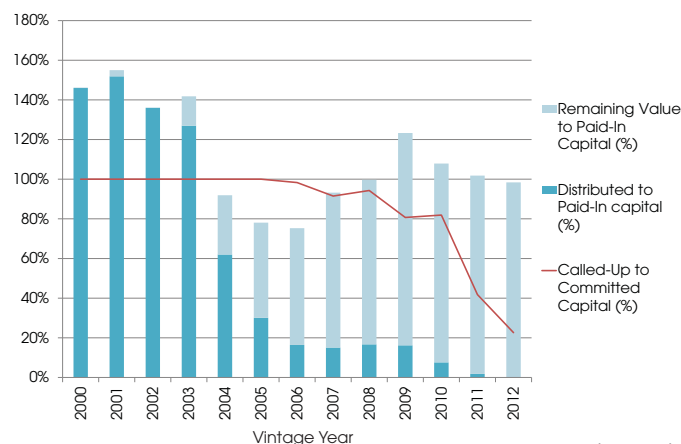
For more information, please visit: www.preqin.com/reo

Fig. 2: Closed-End Private Real Estate Quarterly Change in NAV, Q1 2008 - Q4 2012



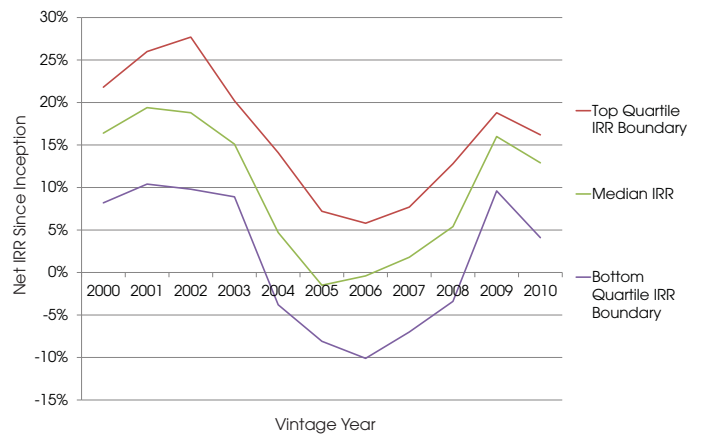
Source: Preqin Real Estate Online

Fig. 4: Closed-End Private Real Estate Funds: Median Called-up, Distributions and Residual Value Ratios by Vintage Year



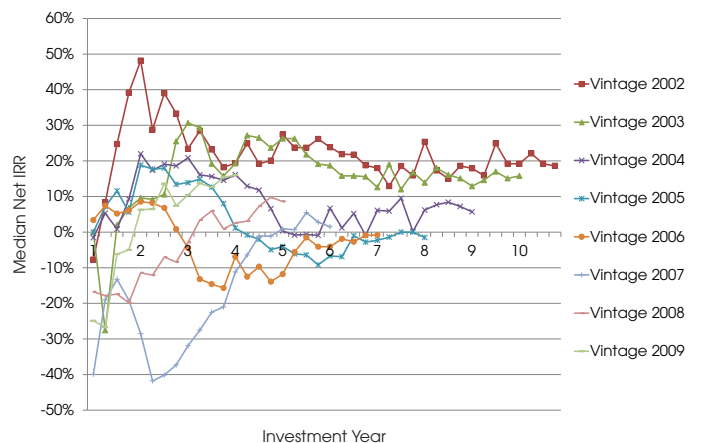
Source: Preqin Real Estate Online

Fig. 1: Closed-End Private Real Estate Funds: Median Net IRR and Quartile Boundaries by Vintage Year



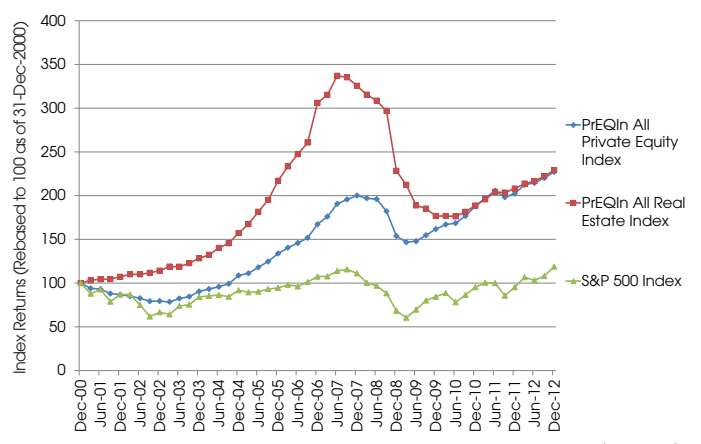
Source: Preqin Real Estate Online

Fig. 3: J-Curve: Annual Median Net IRRs by Vintage Year (as of 31st December 2012)



Source: Preqin Real Estate Online

Fig. 5: PrEQIn Index: Real Estate vs. Private Equity & S&P 500



Source: Preqin Real Estate Online