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## Consistent Performing Managers

A consistent track record is one of the most important factors for an investor considering a new commitment. Although past successes are no guarantee of future returns, a fund manager's track record can provide an indication of the manager's skill in seeking out potentially profitable investments and generating a good return for its investors. This section looks into the most consistent private real estate fund managers. It in no way seeks to endorse fund managers, but rather to illustrate those that have been the most consistent performers in the past.

The methodology used to compile the list in Fig. 10 looks at the quartile rankings of each fund, where a top quartile fund will be assigned a score of one, a second quartile fund will be scored two and so on. Preqin only assigns quartile rankings to funds of more mature vintages and so funds with a vintage of 2010, 2011 or 2012 will not be considered. Furthermore, the list is restricted to only those managers that have raised three or more funds, those that have raised a fund in the last six years, and those managers for which Preqin holds performance data. All fund managers appearing on the list have achieved a score of 1.57 or less - in other words, their average fund is in the first or second quartile.

Two firms have the best possible score of 1.00. JBG Companies, a value added and opportunistic investor in the Washington, DC real estate market, has five funds ranked as top quartile. Carmel Partners is a San-Francisco-headquartered firm which targets the acquisition and repositioning of under-performing multi-family investments in high barrier of entry markets in the US. It has three funds ranked in the top quartile.

Brookfield Asset Management has six funds ranked as top quartile, with another two as second quartile giving it an average score of 1.25. The Canada-headquartered Brookfield is a global investor which invests in a range of properties in North and South America, Europe and Australia. Several firms have a score of 1.33, including the Hong-Kong-based Gaw Capital, which primarily invests in Greater China, and the office-focused Parmenter Realty Partners.

The 2012 Preqin Private Equity Performance Monitor features data on top performing real estate funds and firms.

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Fig. 10: Consistent Performing Closed-End Private Real Estate Fund Managers\*

Firm	Headquarters Location	Overall Number of Funds with Quartile Ranking	Number of Funds in Top Quartile	Number of Funds in Second Quartile	Average Score
Carmel Partners	US	3	3	0	1.00
JBG Companies	US	5	5	0	1.00
Brookfield Asset Management	Canada	8	6	2	1.25
Calare Properties	US	3	2	1	1.33
Embarcadero Capital Partners	US	3	2	1	1.33
Gaw Capital	Hong Kong	3	2	1	1.33
John Buck Company	US	3	2	1	1.33
Pacific Star Financial	Singapore	3	2	1	1.33
Parmenter Realty Partners	US	3	2	1	1.33
Covenant Capital Group	US	7	4	2	1.57
DRA Advisors	US	7	3	4	1.57
Harbert Management Corporation	US	7	4	2	1.57
Hines	US	7	5	1	1.57

\*Based on a universe of 113 firms and 619 funds fulfilling the selection criteria.

Source: Preqin Real Estate Online