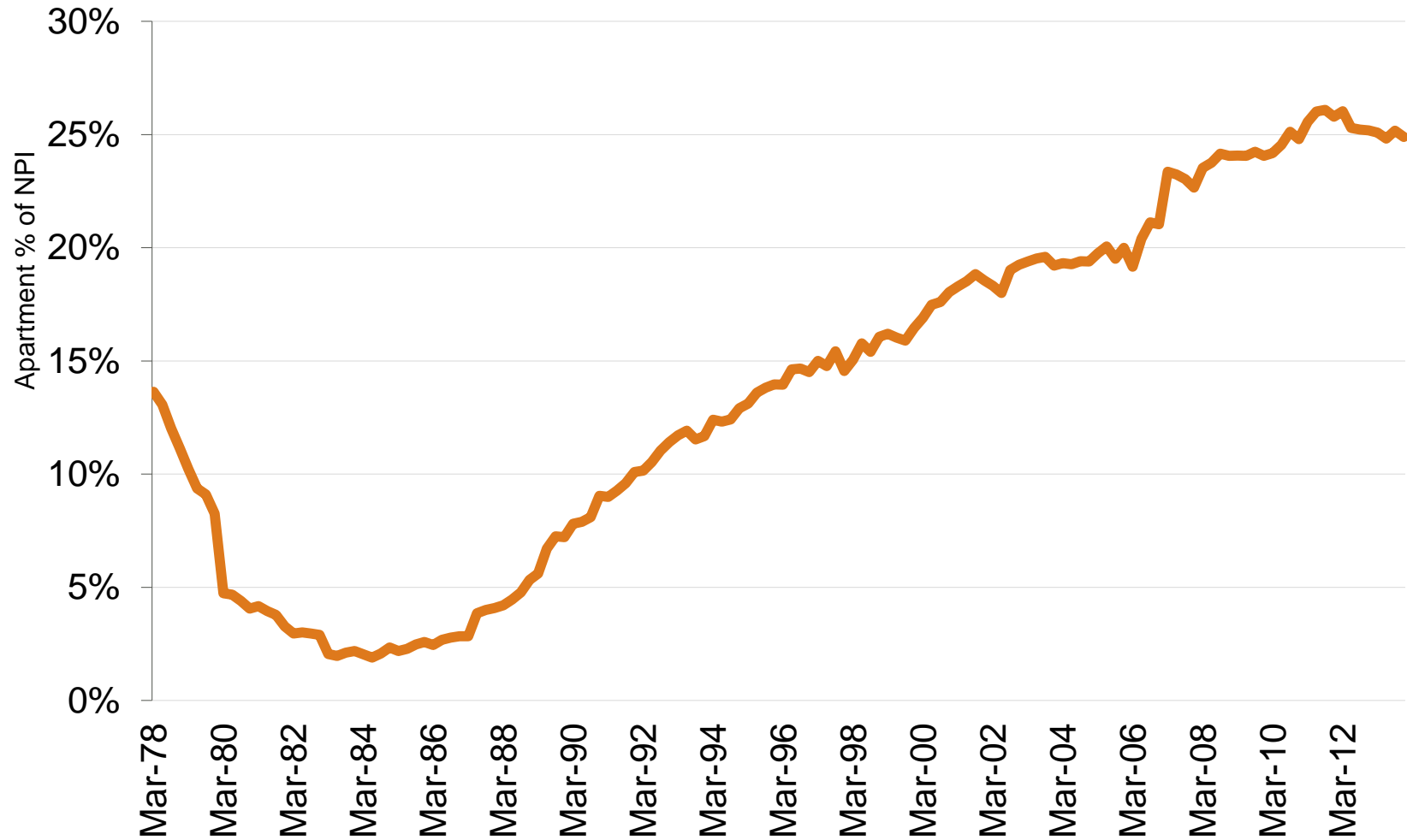


April 2014

# Foreign Investment in US/Canada Apartments



# US Apartment Share of NPI Has Risen Significantly Since 1990s

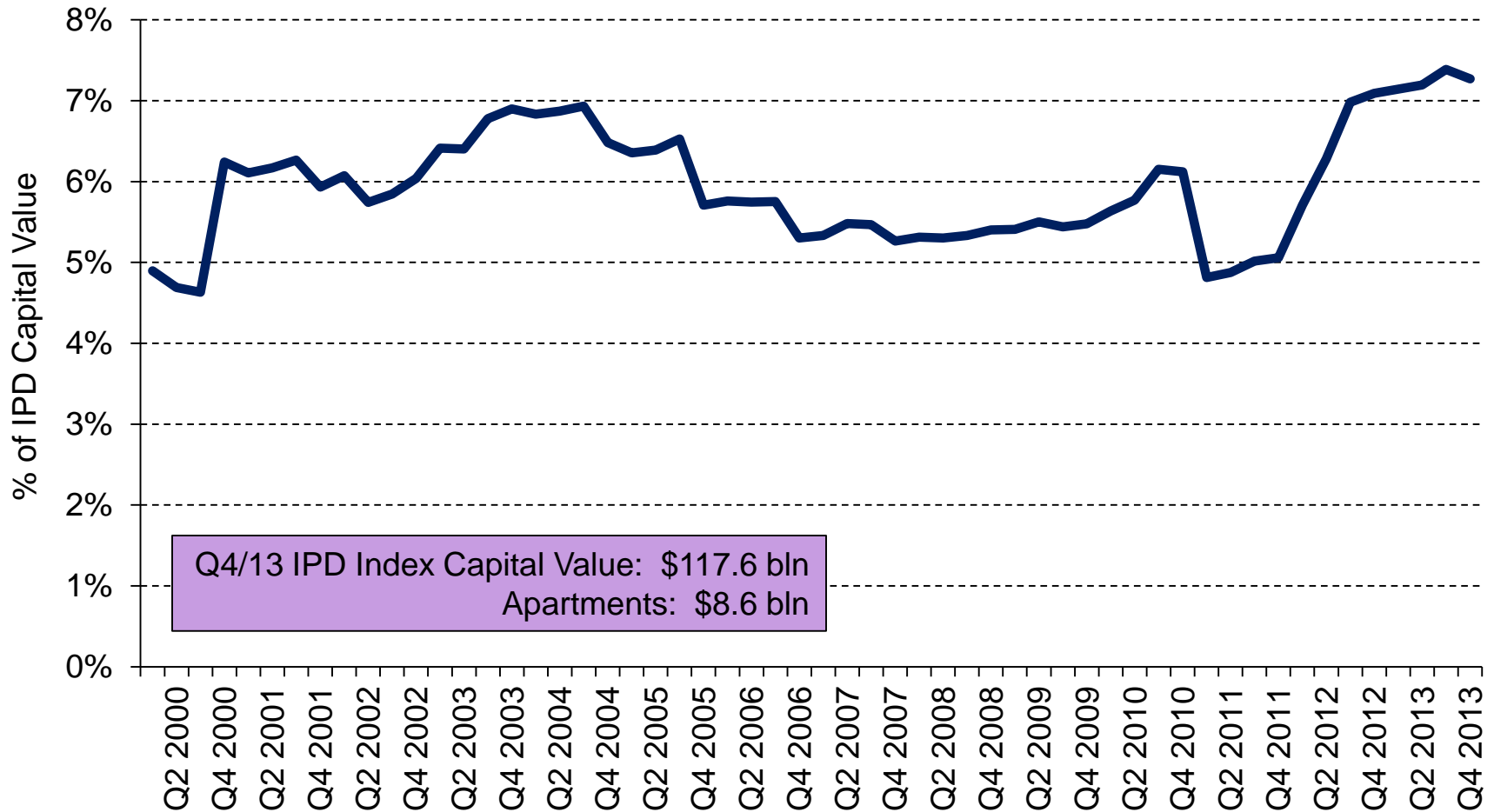


Source: NCREIF, LaSalle Investment Management

As of 4Q2013

# Canada: Apartments Only 7% of IPD Index Capital Value

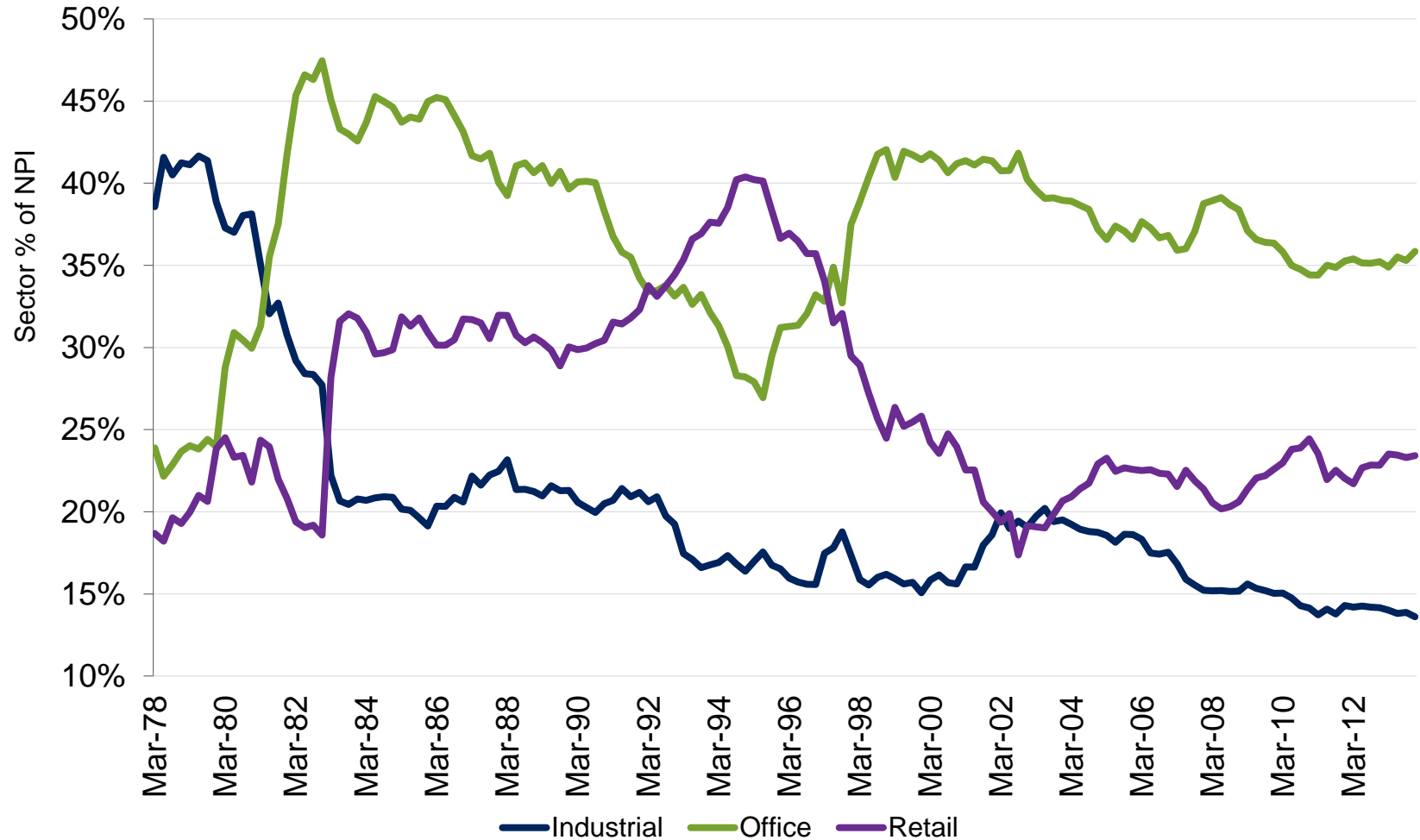
## REALpac / IPD Canada Quarterly Property Index, Q1/00 – Q4/13



Source: IPD, LaSalle Investment Management  
Q4 2013

At

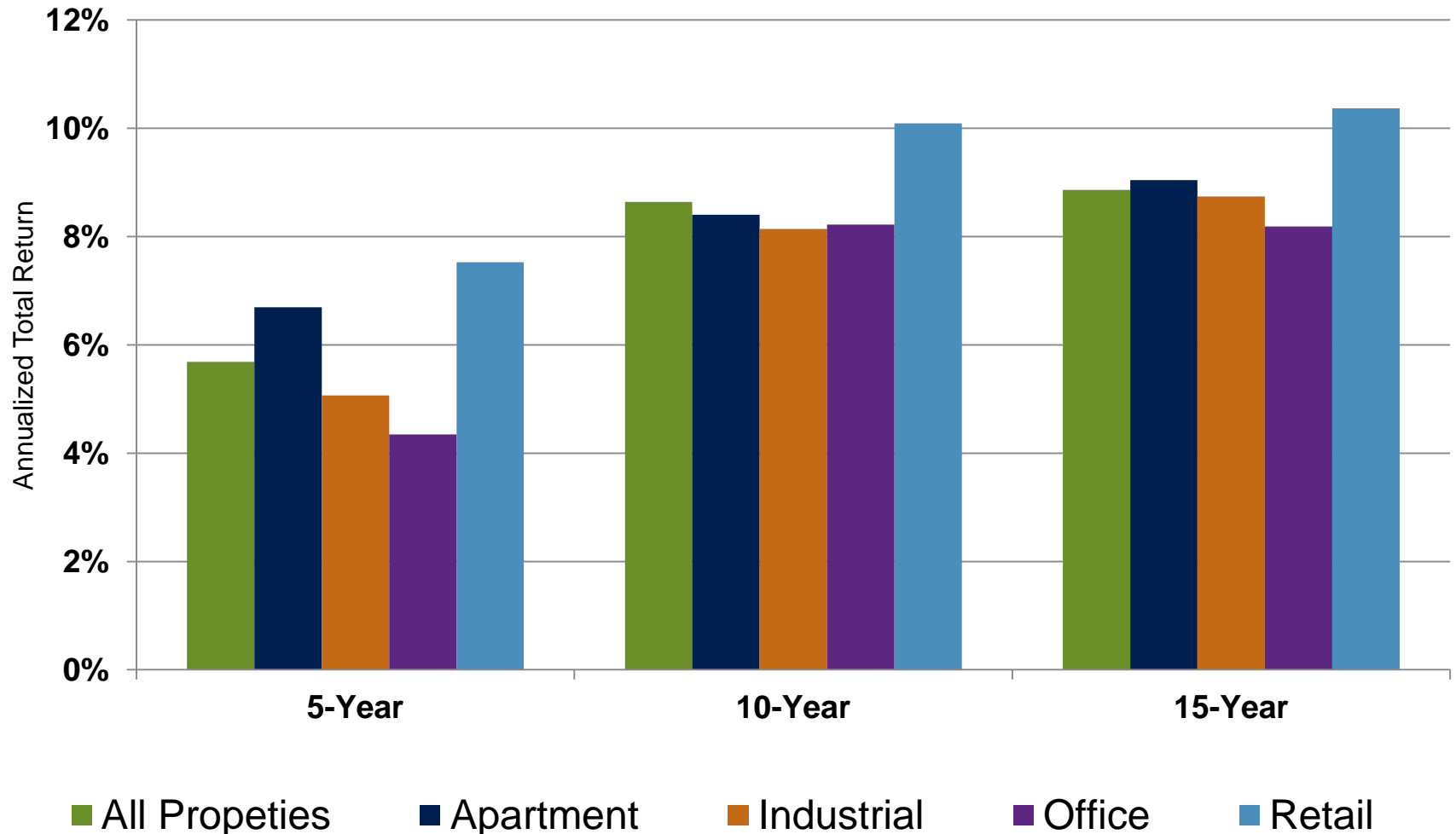
# US Industrial, Office Sectors Losing Share Since Early 2000s



Source: NCREIF, LaSalle Investment Management

As of 4Q2013

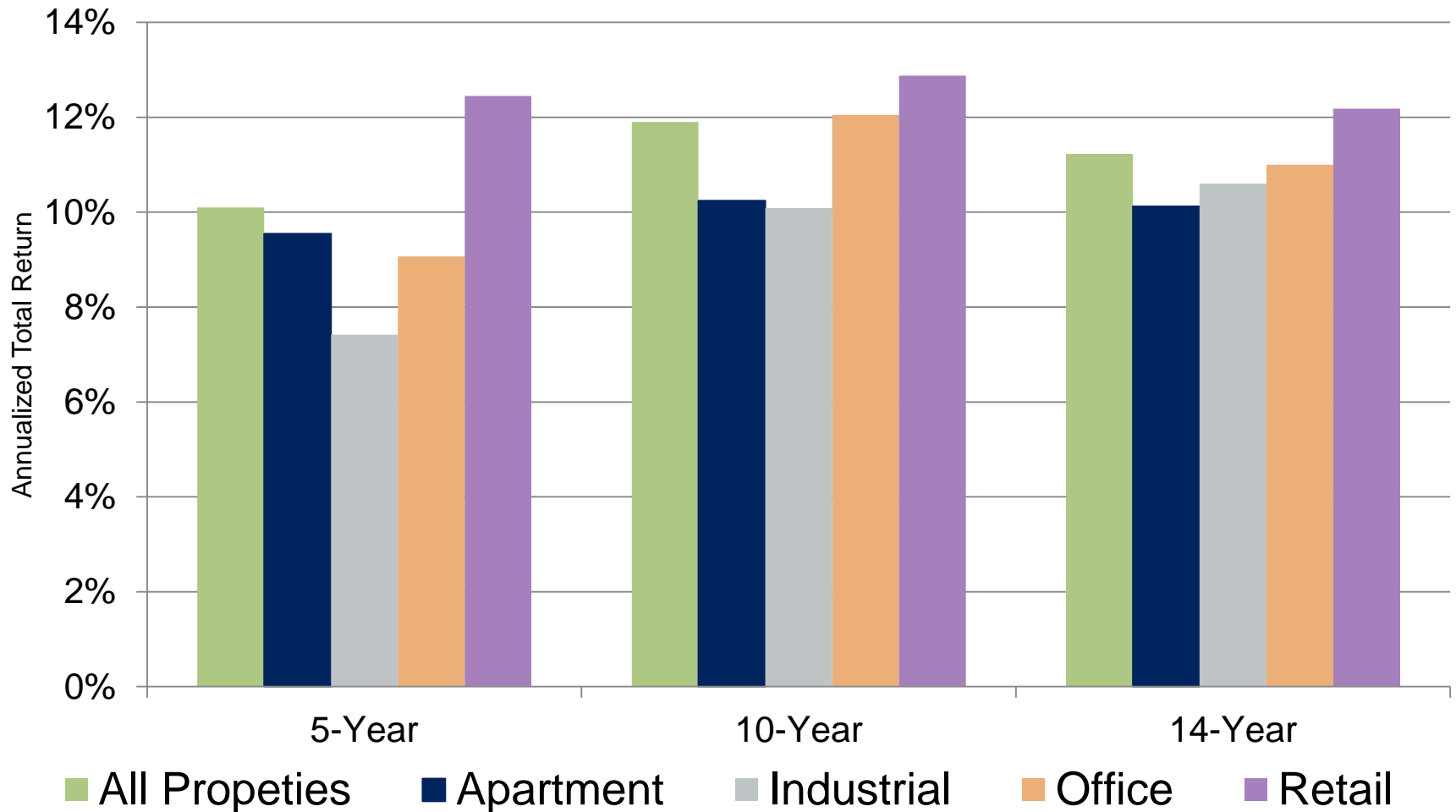
# US Apartment Returns Above Average for Most Periods



Source: NCREIF, LaSalle Investment Management

As of 4Q2013

# Canada: Apartment Returns Lag but Are Less Volatile

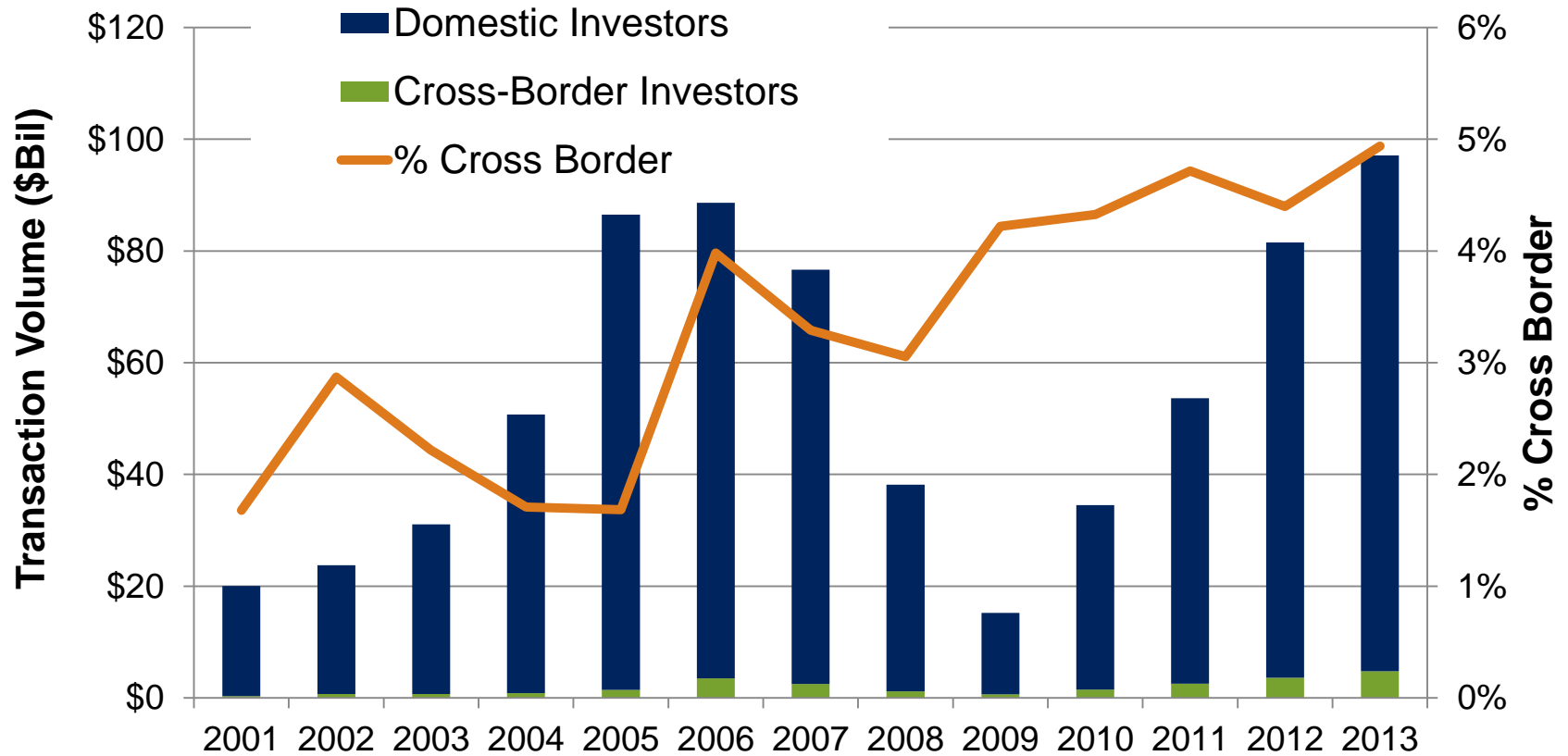


Source: IPD, LaSalle Investment Management

As of 4Q2013

# Share of Foreign Investment in US Apartments Has Risen

## Apartment Transaction Volume

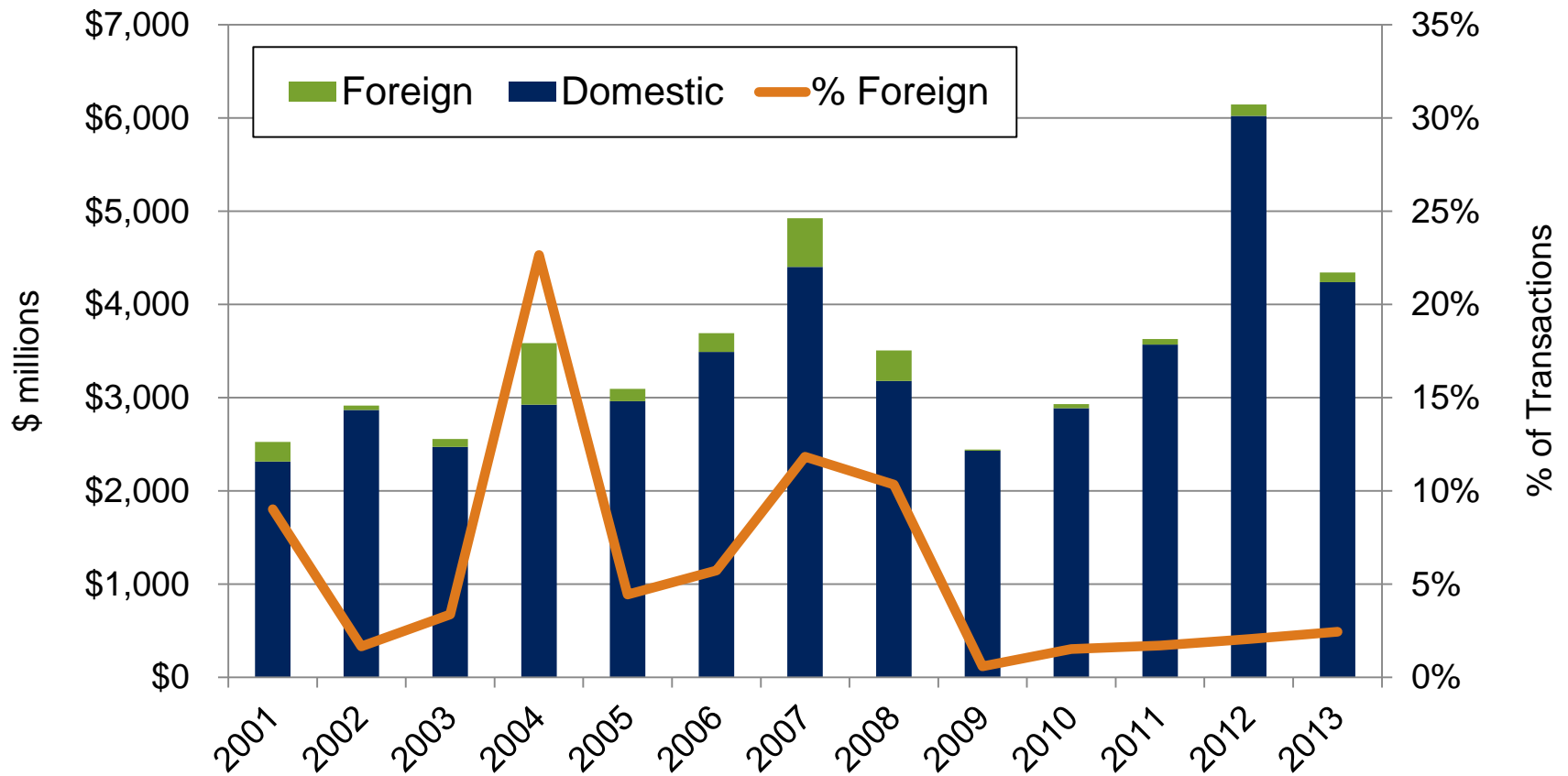


Note: RCA data understates foreign investment because foreign capital managed by domestic managers is primarily classified as domestic capital

Source: Real Capital Analytics, LaSalle Investment Management

As of 4Q2013

# Canada: Foreign Investors' Share of Apartment Market Relatively Small



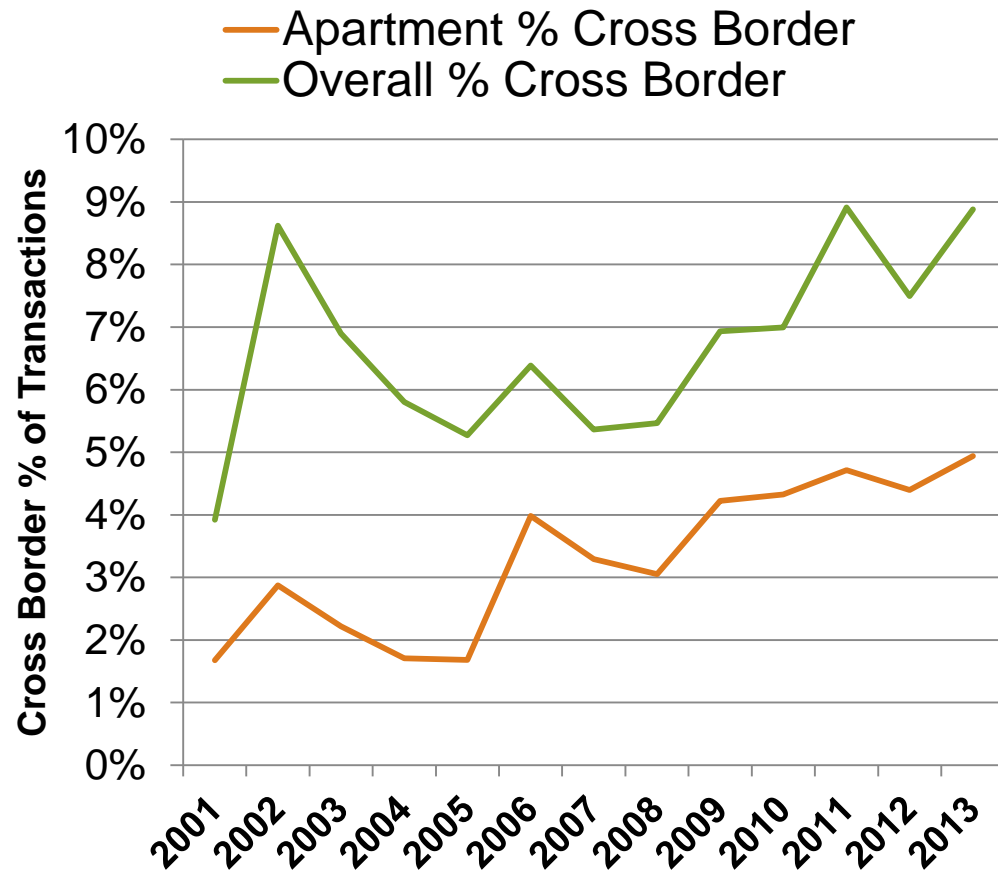
Source: CBRE, LaSalle Investment Management

As of 4Q2013



# Foreign Investors Prefer Other Property Types to Apartments, US

## Foreign Buyers Buy Relatively More Offices, Hotels, Retail, and Warehouses



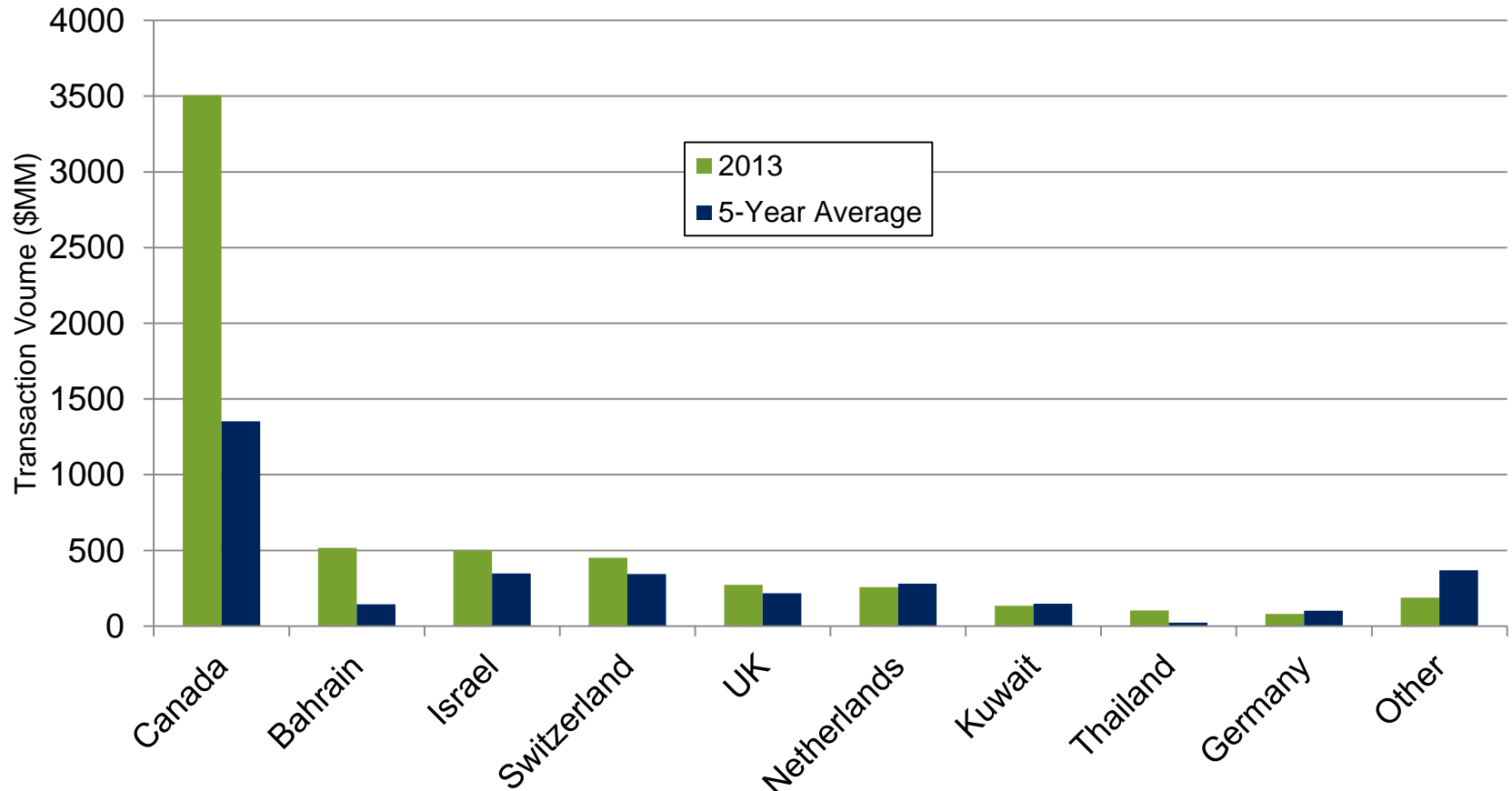
| Property Type | Cross Border Investment as % of 2013 Transaction Volume |
|---------------|---|
| Office        | 14.6%   |
| Hotel         | 9.2%  |
| Retail        | 7.8%  |
| Industrial    | 5.6%  |
| Apartment     | 4.6%  |

Note: RCA data understates foreign investment because foreign capital managed by domestic managers is primarily classified as domestic capital

Source: Real Capital Analytics, LaSalle Investment Management

As of 4Q2013

# Most Foreign Investment In Apartments Is from Canada

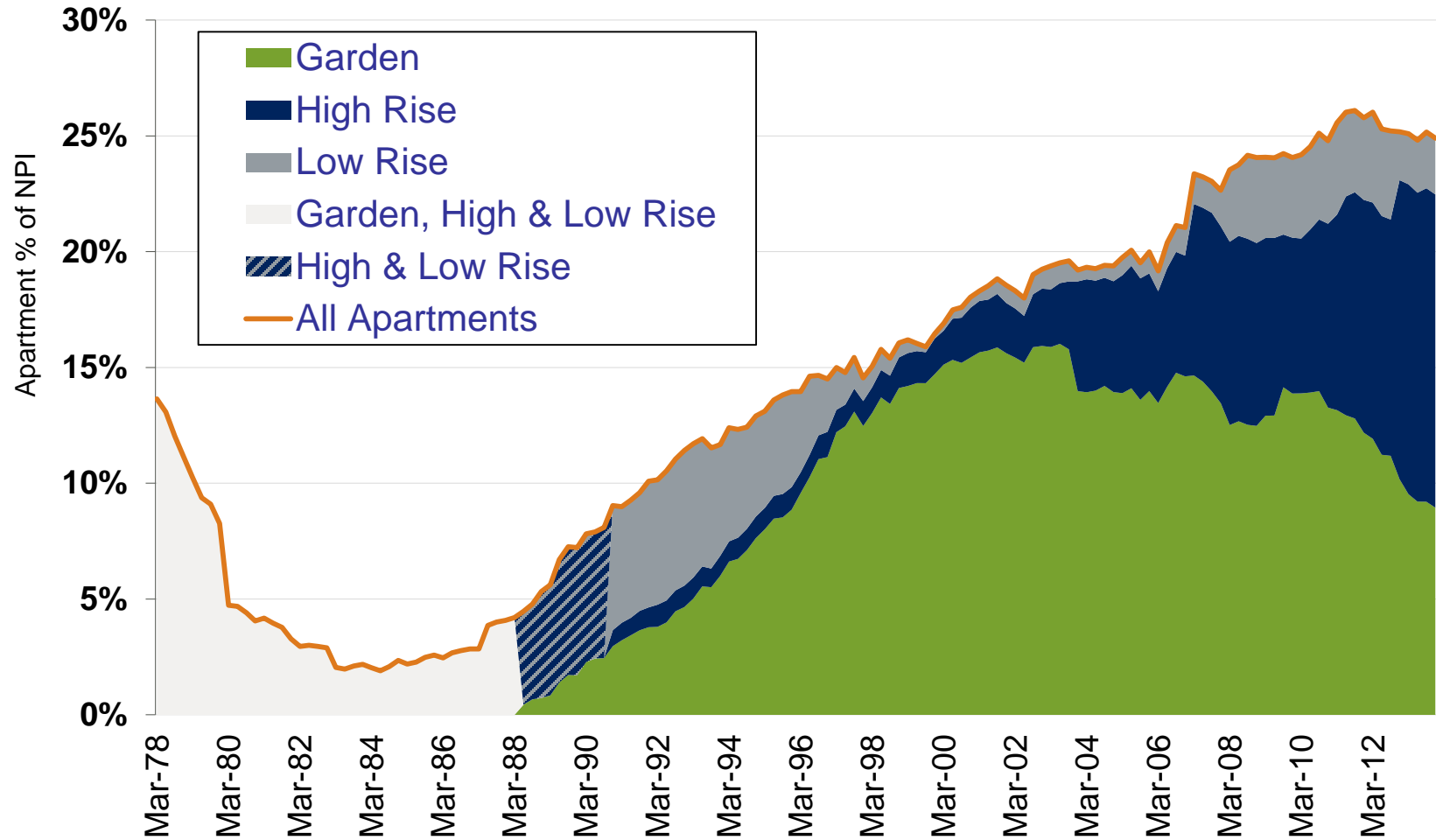


Note: RCA data understates foreign investment because foreign capital managed by domestic managers is primarily classified as domestic capital

Source: Real Capital Analytics, LaSalle Investment Management

As of 4Q2013

# US Increase Since 2000 is Mostly From High-Rise Apartments



Source: NCREIF, LaSalle Investment Management

As of 4Q2013

## US: Top 10 Foreign Apartment Purchases in 2013

| Buyer                    | Property                     | Location          | Units | Price (USD, mil.) |
|--------------------------|------------------------------|-------------------|-------|-------------------|
| Brookfield (Canada)      | Southeast Portfolio          | Carolinas, VA, TX | 3,115 | \$231.7           |
| Land & Houses (Thailand) | Domain                       | Oakland, CA       | 264   | \$104.0           |
| Grosvenor (UK)           | Northcreek                   | Seattle, WA       | 524   | \$88.0            |
| UBS (Switz.)             | Mission Grove Park           | Riverside, CA     | 432   | \$75.4            |
| BVT (Germany)            | Estates at Southpark Meadows | Austin, TX        | 670   | \$65.0            |
| Morguard REIT (Canada)   | Grand Venetian               | Dallas, TX        | 514   | \$63.2            |
| Milestone REIT (Canada)  | Nashboro Village             | Nashville, TN     | 994   | \$60.6            |
| Morguard REIT (Canada)   | Portfolio                    | Louisiana         | 588   | \$60.0            |
| Investcorp (Bahrain)     | University Estates           | Austin, TX        | 498   | \$58.9            |
| Morguard REIT (Canada)   | Lodge at Crossroads          | Raleigh, NC       | 432   | \$57.1            |

Note: RCA data understates foreign investment because foreign capital managed by domestic managers is primarily classified as domestic capital

Source: Real Capital Analytics, LaSalle Investment Management

## LaSalle Investment Management Research

For more information please contact Bill Maher (410.878.4822)

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