



Mid-Year AFIRE Survey Predicts U.S. Real Estate to Recover Q2, 2010

For the first time, AFIRE conducted a mid-year survey, which revealed that foreign real estate investors say they expect to see a recovery in the U.S. real estate market by the end of the second quarter of 2010. The survey was again conducted by the Graaskamp Center. François Ortalo-Magné, professor and chair of the University of Wisconsin-Madison's Department of Real Estate, presented the results at AFIRE's European Conference in London on June 17, 2009.

Respondents also projected that their investments for the remainder of 2009 will substantially out-strip investments completed year-to-date. On the debt side, survey respondents say they expect to invest three times more than current investment levels year-to-date; equity investors expect they will place seven times more than current year-to-date investments. Overall,

three quarters of the survey respondents had not yet invested in 2009; however, more than two-thirds of them plan to invest some debt or equity in U.S. real estate before the end of the year.

Survey respondents continue to be optimistic in their investment projections. Thirty-one percent said they were more optimistic than at the beginning of the year, 16 percent said they were more pessimistic, and 53 percent said they felt about the same as at the beginning of the year.

Survey respondents also said that the office sector would recover first, followed by the multi-family and industrial sectors. This is a shift in investor perception from the results of 17th Annual Survey in which investors expressed an interest for multi-family over office buildings as the preferred property type for their real estate investment dollars.