

9 Appendix 2: Real Estate Target Markets

Investible Metros: We screened top U.S. metros, which represent 86% of the NCREIF Property Index (NPI), and identified the investment markets for each property sector that we believe have the best prospects for superior performance during the market cycle or a portion of it. This metro selection is based on property market size, liquidity, growth characteristics, income, historical returns and other factors indicative of future performance. The list of these metros remains generally static, although some metros may be added or subtracted over time due to structural market changes

Target investible Metros: These are a subset of the universe of investible metros and include markets expected to outperform or market perform during the next three to five years.

Investible and Target Markets					
Market	↑ Overweight		↓ Underweight		↔ Market Weight
	Apartments	Industrial	Office	Retail	
Atlanta	↔	↔	↑	↓	
Austin	↔	↔	↓	↔	
Baltimore	↓	↓			
Boston	↔		↔	↔	
Charlotte	↓		↓	↔	
Chicago	↓	↔	↓	↓	
Dallas	↓	↓	↔	↔	
Denver	↔	↔	↓	↔	
Fort Lauderdale	↑	↑	↑	↔	
Houston	↓	↓	↓	↓	
Los Angeles	↔	↔	↔	↔	
Miami	↔	↔	↑	↔	
Minneapolis	↓	↓		↓	
New York	↓	↔	↓	↔	
Oakland / East Bay	↔	↑	↔	↑	
Orange County	↑	↑	↑	↑	
Philadelphia	↓			↓	
Phoenix	↑	↔	↔		
Portland	↔	↑	↑	↔	
Riverside	↑	↔			
San Diego	↑	↑	↔	↑	
San Francisco	↓	↔	↓	↔	
San Jose	↓	↑	↔	↑	
Seattle	↓	↔	↔	↔	
Washington DC	↓	↓	↓	↓	
West Palm Beach	↑			↔	

Source: Deutsche Asset Management. Data as of July 2016.