

# PERE

## FUNDRAISING REPORT 2019

*PERE's* interactive and downloadable review of the past year's fundraising environment

 [Download data](#)

---

**Evelyn Lee**

Editor, PERE  
evelyn.l@peimedia.com

**Daniel Humphrey Rodriguez**

Head of Fund Manager Research  
daniel.r@peimedia.com

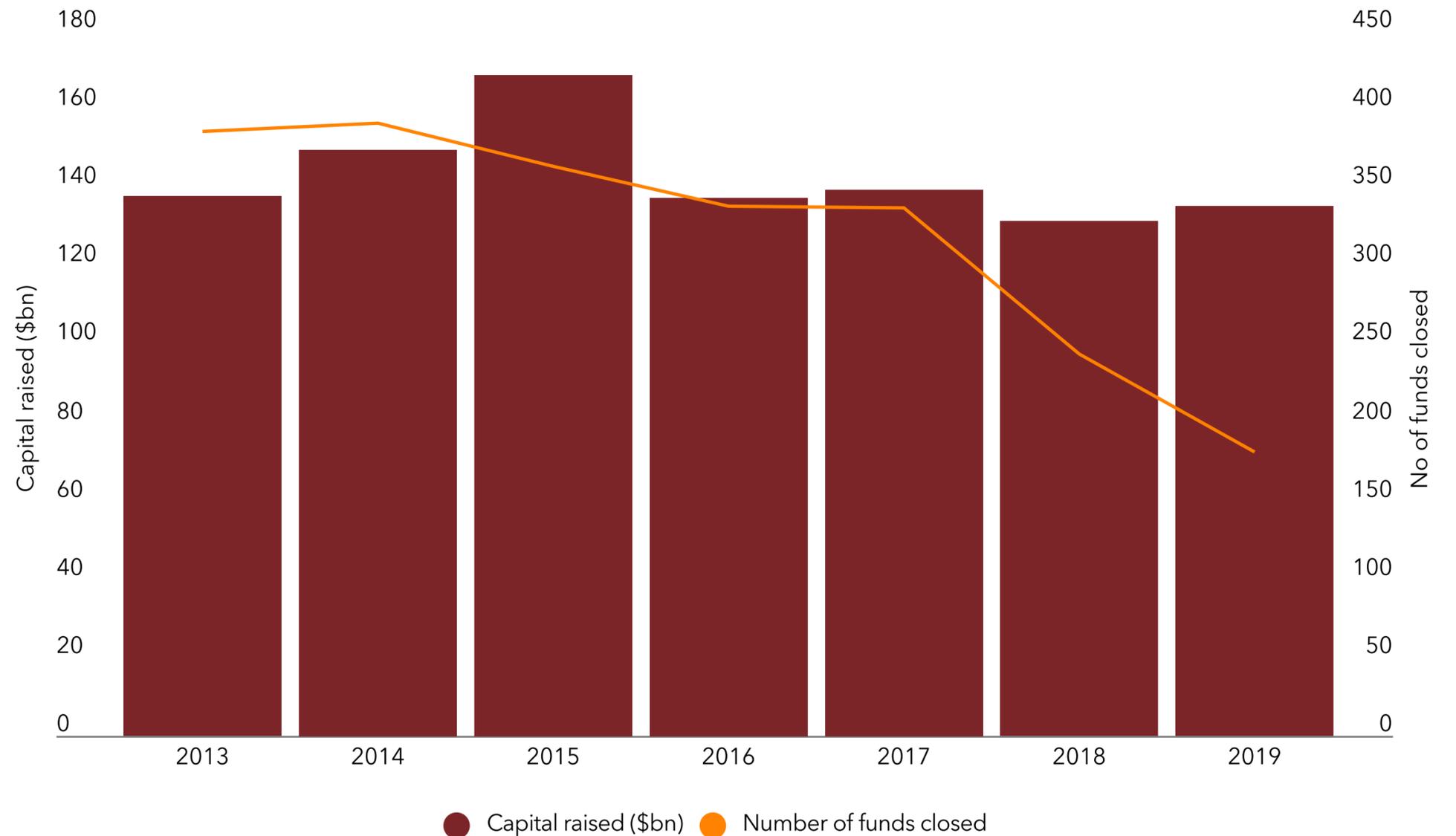
**Jesse Koppi**

Senior Research Associate  
jesse.k@peimedia.com

# Fundraising overview

The 2019 fundraising total was the second-lowest over the past seven years; at \$135.27 billion, the aggregate volume last year was only slightly higher than the \$131.54 billion raised in 2018. Fundraising levels have remained fairly consistent over that period, hovering in the \$130 billion-\$140 billion range in five of the seven years. Capital raising volumes exceeded that range only in 2014 and 2015, when volumes hit \$149.92 billion and peaked at \$168.92 billion, respectively. The dramatic change in fundraising from 2013 to 2019 was in the number of funds raised, which has dropped precipitously from 337 in 2017 to 181 in 2019 - and points to the ongoing concentration of capital in mega-funds.

## Year-on-year fundraising

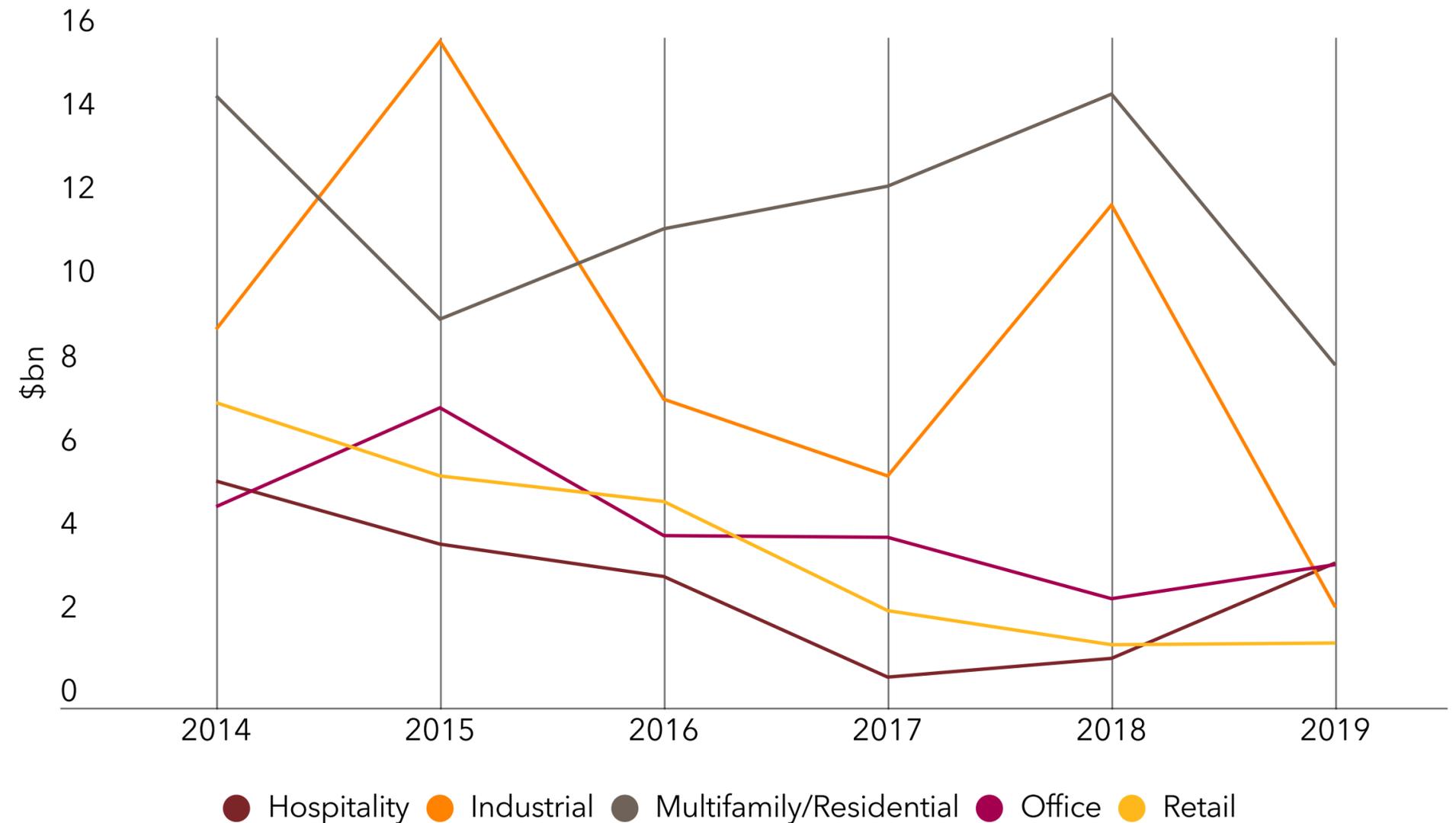


[Download data](#)

## > Fundraising by sector

For the fourth year in a row, multifamily/residential remains the most popular strategy among sector-specific funds. Nonetheless, the capital raised for the sector tumbled from \$14.65 billion in 2018 to \$8.17 billion last year. Meanwhile, industrial, another top strategy in 2018, saw fundraising plummet from \$12 billion to \$2.4 billion. The office sector attracted the second-highest amount of capital in 2019, but at \$2.59 billion, the year's total was less than half of the amount raised for multifamily/residential. Multifamily/residential and industrial, which have attracted the most capital in recent years, both declined significantly last year, while office, hospitality and retail all saw slight upticks.

### Year-on-year fundraising by sector



[Download data](#)

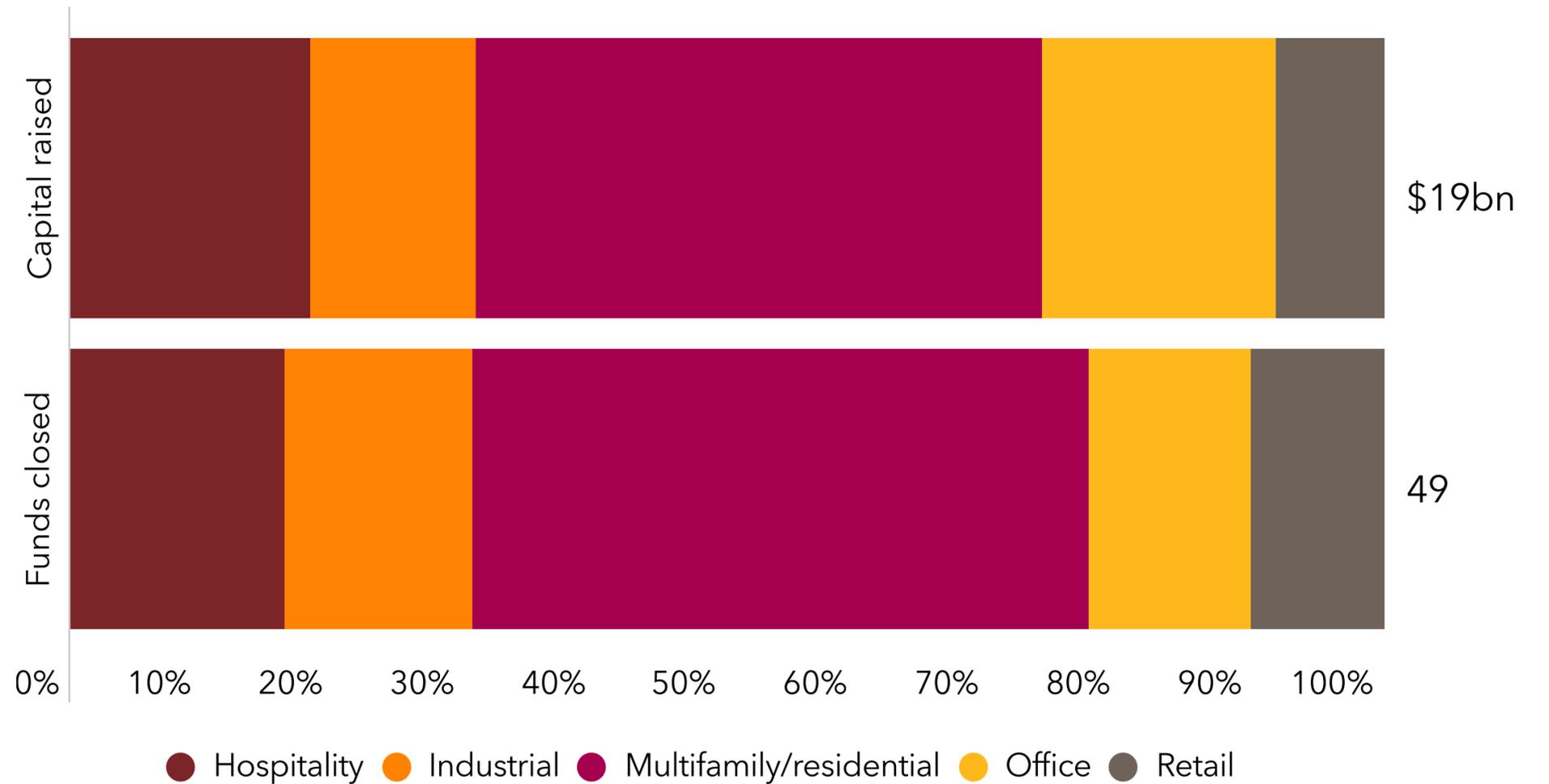


## Fundraising breakdown

The sector breakdown for 2019 fundraising looks similar, whether it is by capital raised or the number of funds closed.

Multifamily/residential accounted for nearly 47 percent of sector-specific funds closed and 43 percent of capital raised. Hospitality and industrial represented the second- and third-largest percentage, respectively, of both funds closed and capital raised. Office represented a higher percentage of capital raised at 17.91 percent than funds closed at 12.24 percent. The reverse was true for retail, which claimed 10.20 percent of funds closed but just 8.21 percent of capital raised.

### 2019 sector-specific fundraising breakdown

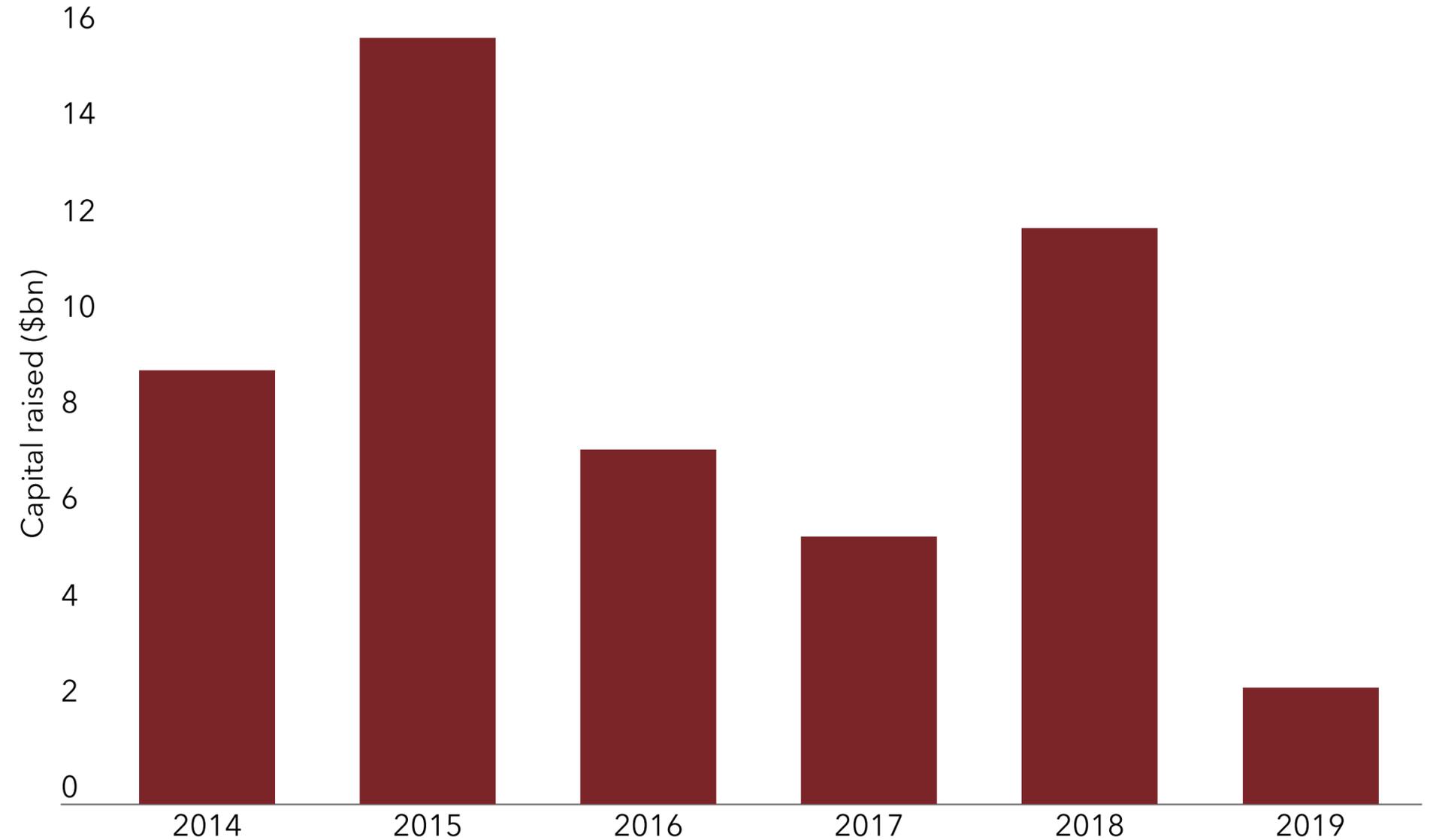


 Download data

# Strategy review: Logistics

The precipitous drop in logistics fundraising from 2018 to 2019 was the largest among sector-specific funds over that period - an 80 percent decline from \$12 billion to \$2.4 billion. However, the sector has witnessed dramatic ups and downs before. In 2015, industrial real estate hit a capital raising peak of \$16 billion, nearly double the \$9 billion collected the prior year. In 2016, however, the aggregate fundraising amount fell by more than 50 percent to \$7.37 billion before falling further to \$5.54 billion in 2017. It then shot up by more than 100 percent the following year.

## Logistics fundraising



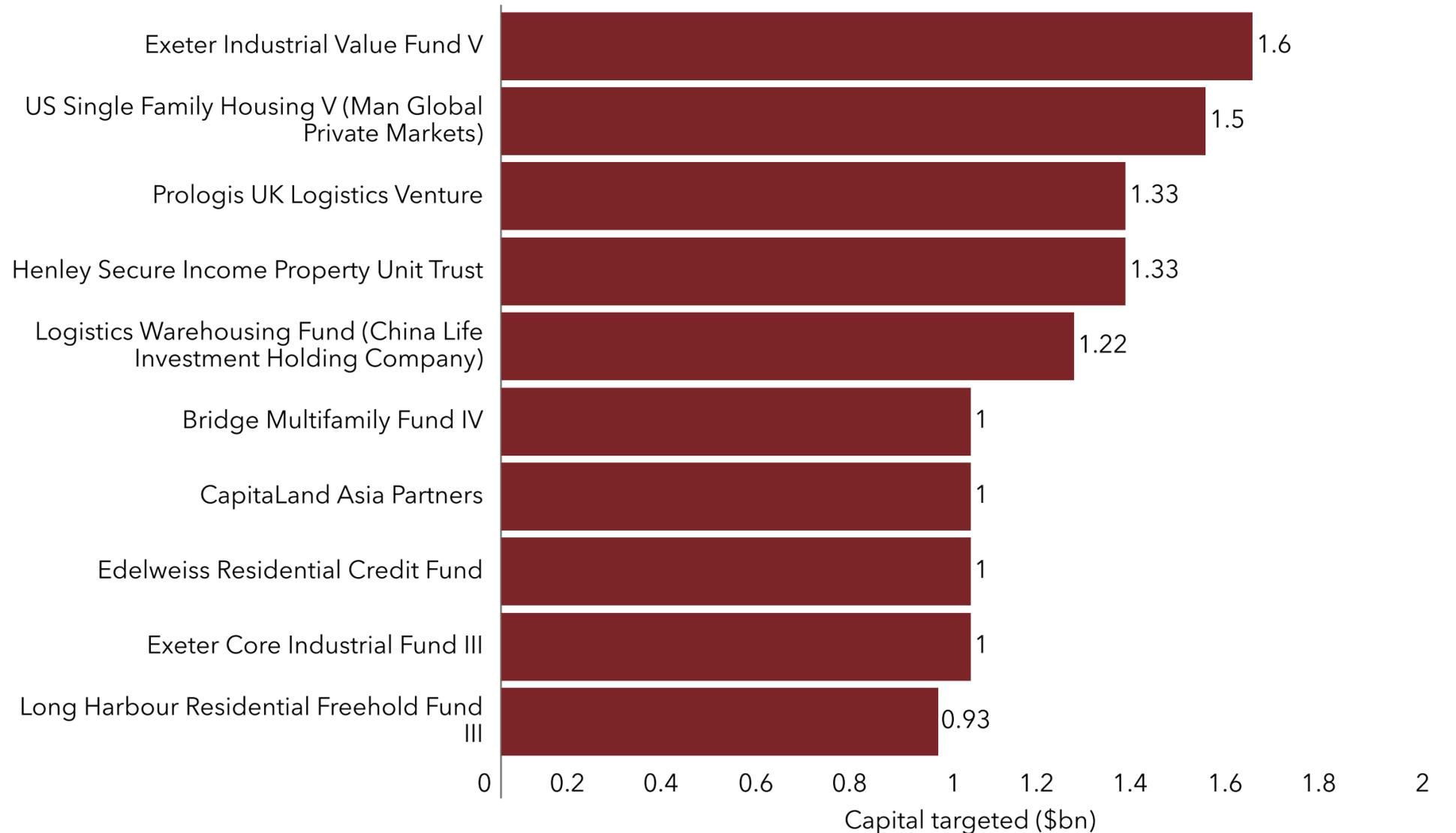
 Download data



## Strategy review: Logistics

Despite logistics showing a dramatic decline in fundraising in 2019, some of the largest sector-specific funds currently in market are targeting the sector. In fact, four of the 10 largest sector-specific funds in market at 1 January 2020 were focused on logistics opportunities. These included two of the largest sector-specific funds: Exeter Property Group's Exeter Industrial Value Fund V (targeting \$1.6 billion) and Prologis's Prologis UK Logistics Venture (targeting \$1.33 billion).

### Largest sector-specific funds, 1 January 2020

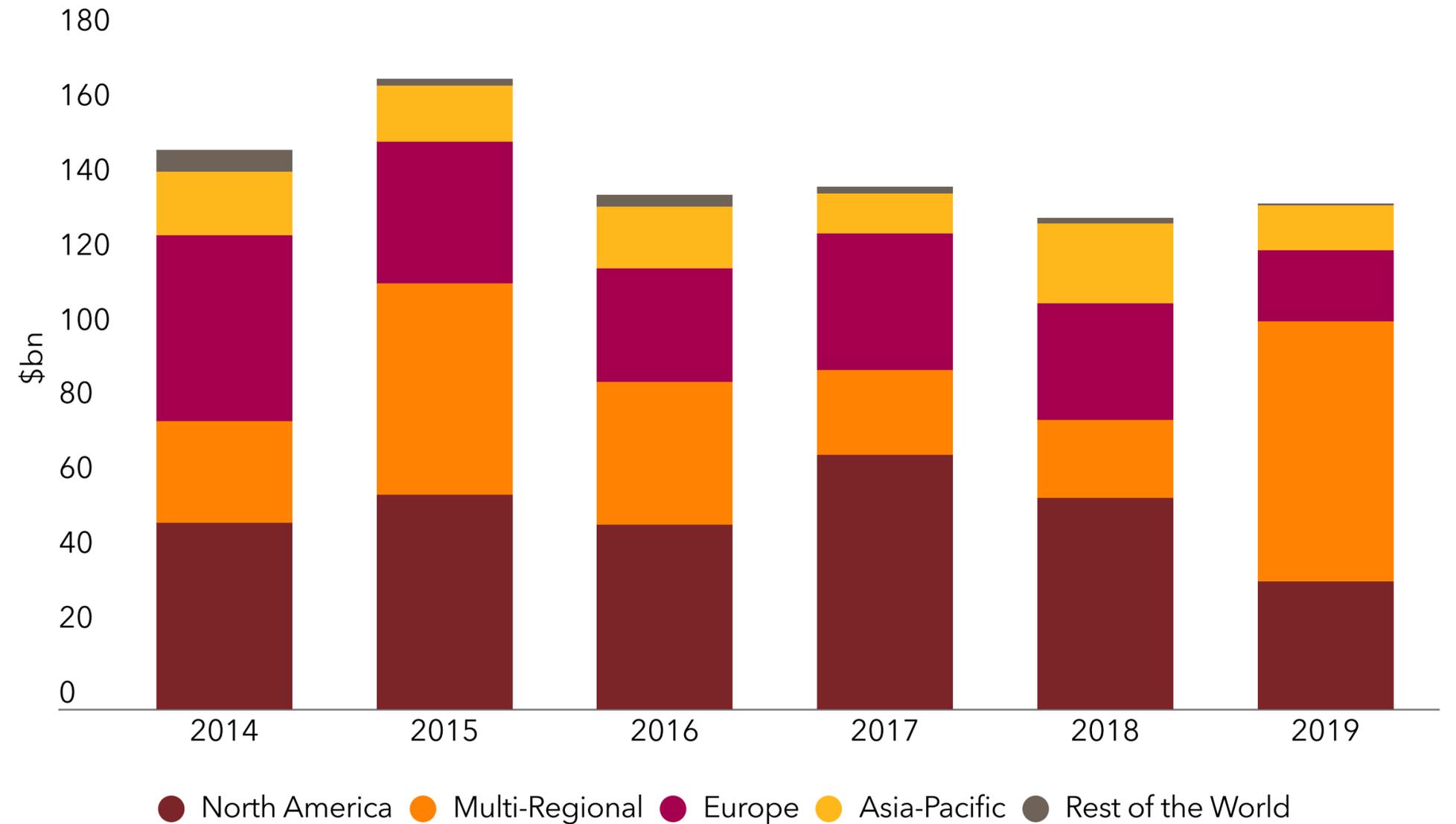


 Download data

# Geography

The regional focus among private real estate funds reshuffled considerably between 2018 and 2019. The biggest change was the tripling of multi-regional capital raised over the period, from \$20.96 billion to nearly \$70 billion - the largest amount of capital raised for the multi-regional funds over the past six years. Conversely, fundraising for vehicles targeting North America, Europe and rest of the world fell to their lowest levels - and Asia-Pacific funds to their second-lowest - over the same period. North America, Europe and Asia-Pacific funds all dropped by 40 percent or more.

## Regional focus of capital



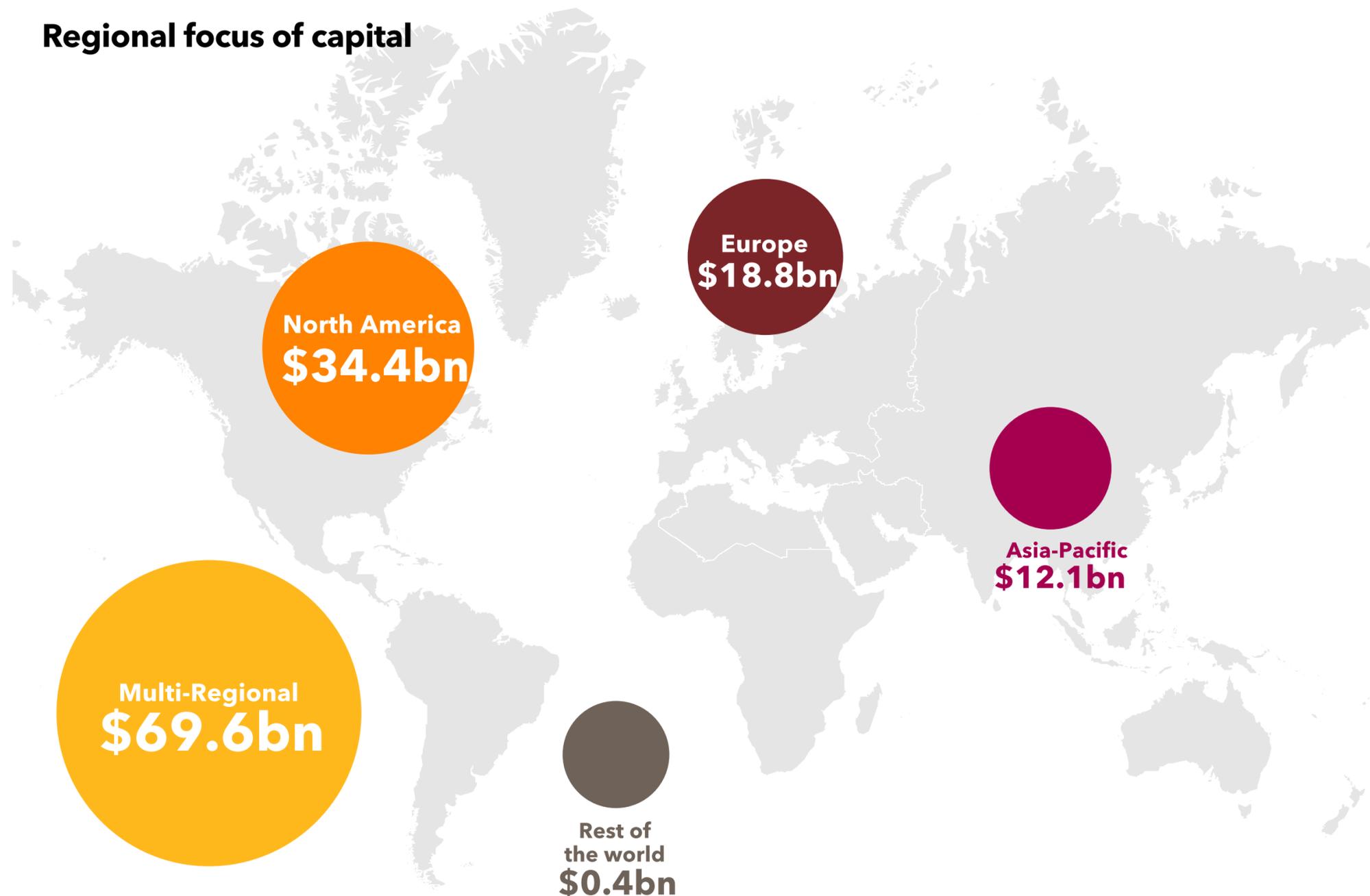
[Download data](#)



## Geography

From a geographical standpoint, 2019 was the year of the multi-regional fund. It was by far the most dominant regional strategy in 2019 - a stark reversal from the previous year, when it lagged all three major regions on fundraising. Notably, multi-regional overtook North America, which had prevailed as the biggest capital raiser for the previous five years. While North America capital amassed more than double the amount raised for multi-regional funds in 2018, it was nearly the reverse last year, with the latter raking in twice as much equity as the former.

### Regional focus of capital



 Download data

# Funds in market, Jan 1 2020

## Largest funds in market as of Jan 1 2020

Fund Name	Fund Manager	Target Size (\$bn)	Region
Blackstone Real Estate Partners Europe VI	Blackstone	11.20	Europe
CIM Opportunity Zone Fund	CIM Group	5.00	North America
Nuveen Global Cities	Nuveen Real Estate	5.00	Multi-regional
Oaktree Real Estate Opportunities Fund VIII	Oaktree Capital Management	3.50	North America
Generali Real Estate Debt Investment Fund (GREDIF)	Generali Real Estate	3.36	Europe
Rockpoint Real Estate Fund VI	Rockpoint Group	3.25	North America
Partners Group Real Estate Opportunities 2019 (USD) A	Partners Group	3.00	Multi-regional
FS Credit Real Estate Income Trust	FS Investments	2.75	North America
CIM Fund IX	CIM Group	2.50	North America
AIG U.S. Real Estate Fund III	AIG Global Real Estate	2.00	North America

# How can we help you?

## How can PEI Media's Research and Analytics team help you?

### Sample client case study

This quarter, we helped a capital advisory firm looking to increase its client base by providing a list of funds in the early stages of fundraising. Alongside this, we also included a list of investors interested in the placement agent's markets of focus.

Please get in touch with us if you would like to see a sample of this data.

PEI's Research and Analytics team is made up of researchers and analysts in London, New York and Hong Kong, working on a 24/5 cycle to perform bespoke research requests for you. We track the investment appetite and contact details of LPs and GPs within our fundraising data platform, to help bring together fund investors and managers with matching interests.

Platinum subscribers should email [daniel.r@peimedia.com](mailto:daniel.r@peimedia.com) for more information on the research services available.

---

### For more information on becoming a Platinum level subscriber please contact:

**Avinash Mair** in London  
on +44 (0) 207 566 5428  
or [avinash.m@peimedia.com](mailto:avinash.m@peimedia.com)

**Sigi Fung** in Hong Kong  
on +852 2153 3140  
or [sigi.f@peimedia.com](mailto:sigi.f@peimedia.com)

**Andre Anderson** in New York  
on +1 646 545 6296  
or [andre.a@peimedia.com](mailto:andre.a@peimedia.com)

Other questions to which we also provided solutions:

**"I would like a list of all LPs in New York that would be interested in committing to Europe-focused funds"**

**"What fund management firms are the most active in the African investment space?"**

**"Could you please send me a list of all North American buyout funds that have launched in the past year?"**

**|PERE**