



FUNDRAISING REPORT Q1 2021

PERE's interactive and downloadable review of the Q1 2021 fundraising environment

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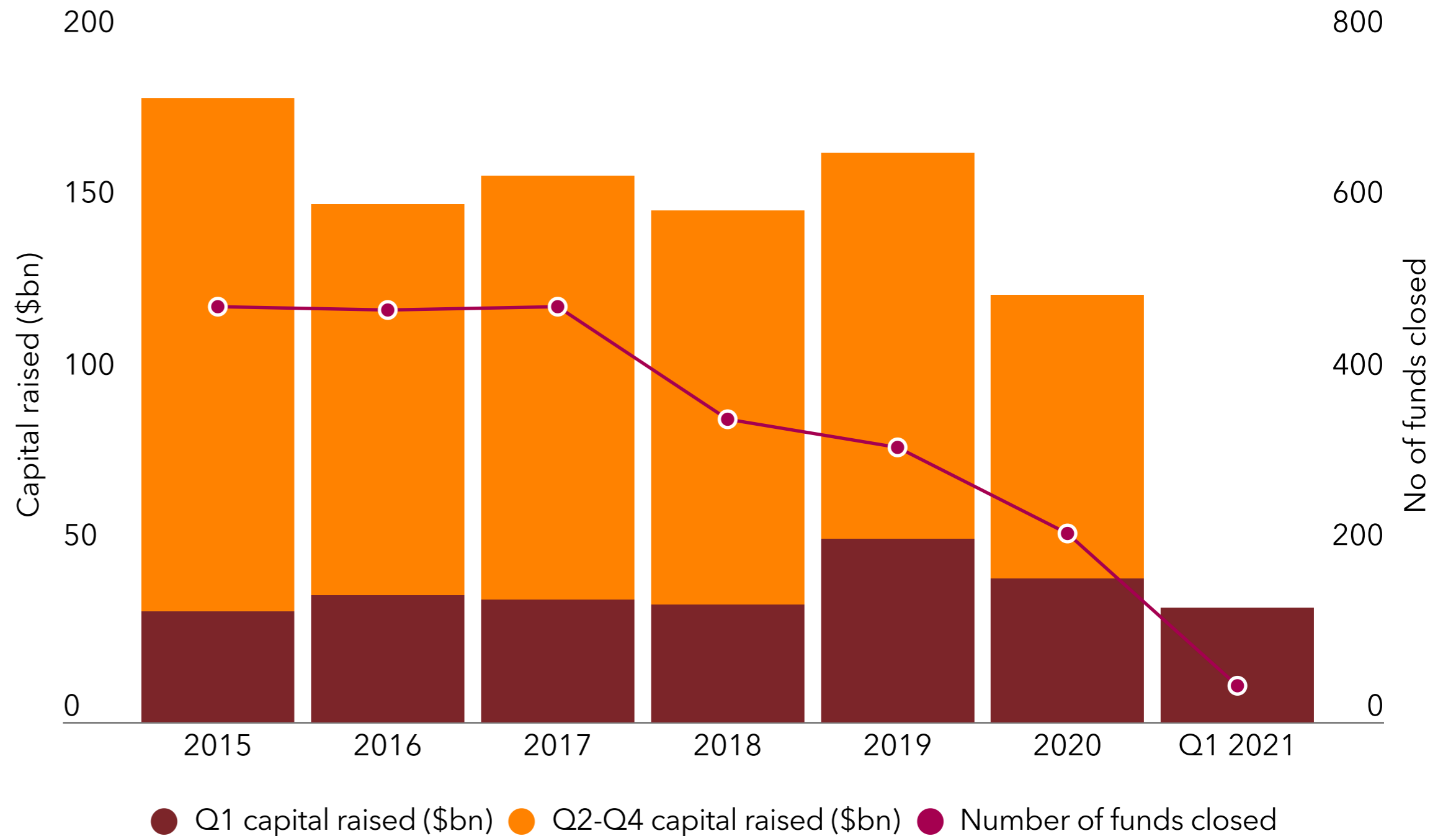
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Fundraising overview

Overall real estate fundraising volume for Q1 2021 came in at \$33.2 billion. While this total fell below the \$53.7 billion and \$41.9 billion tallies for the first quarters of 2019 and 2020, respectively, it remained consistent with the Q1 fundraising levels from the previous four years. Meanwhile, although the number of fund closes will increase over the course of 2021, the numbers have declined precipitously in recent years - from 486 in 2017 to 220 in 2020.

Year-on-year fundraising





Fundraising overview

As the number of funds closed has been steadily declining in recent years, conversely the average real estate fund size has been increasing. The average fund size has been ticking up since 2017, with the 2019 average of \$517.7 million exceeding the previous peak of \$470.1 million in 2008. In 2020, the average size reached \$578.7 million, its largest number in the past 13 years. That is on track to continue to grow with the Q1 2021 average at \$791.2 million.

\$33bn

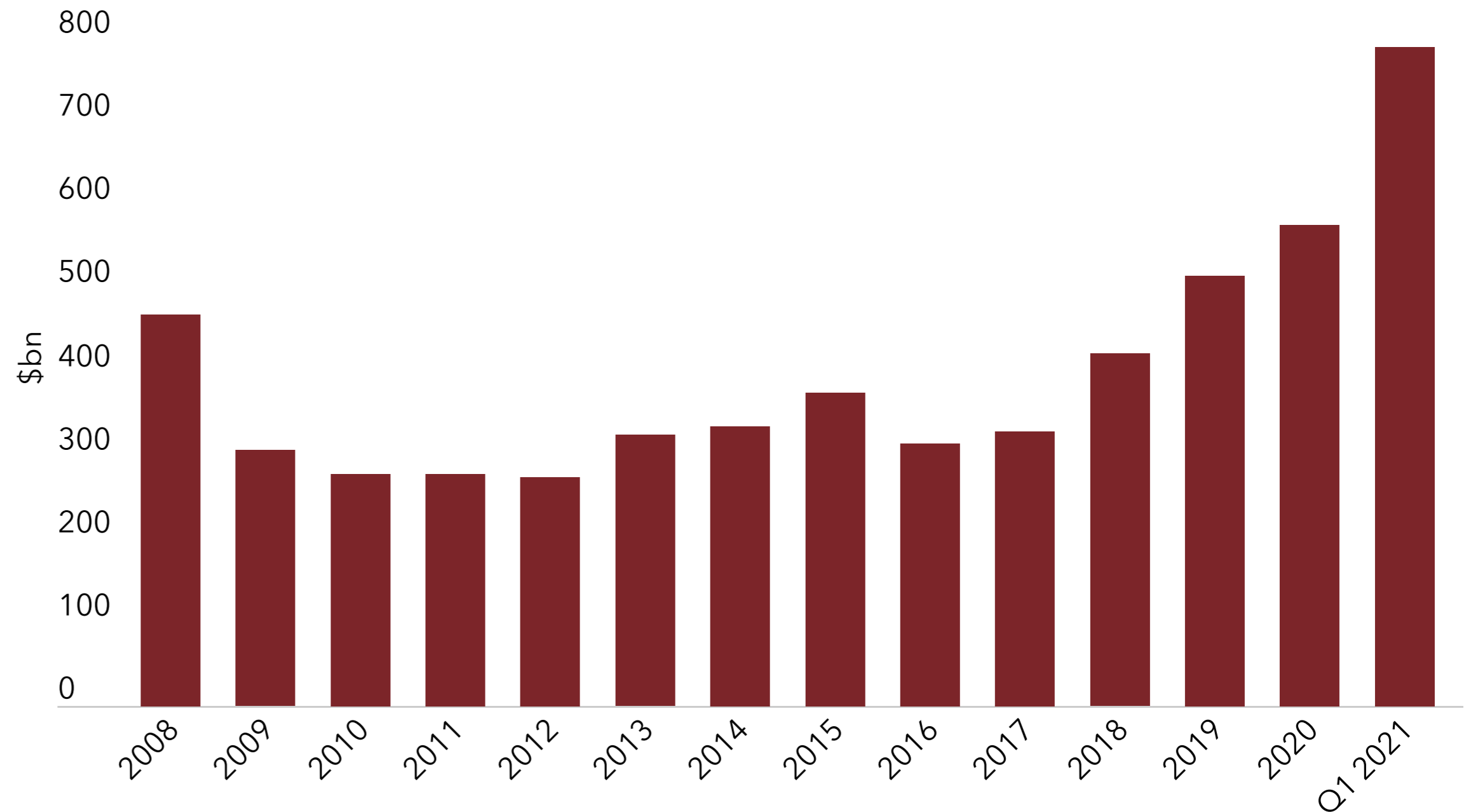
Capital raised by
real estate funds in
Q1 2021

\$791m

Average
fund size in
Q1 2021

FUNDRAISING REPORT
Q1 2021

Average real estate fund size



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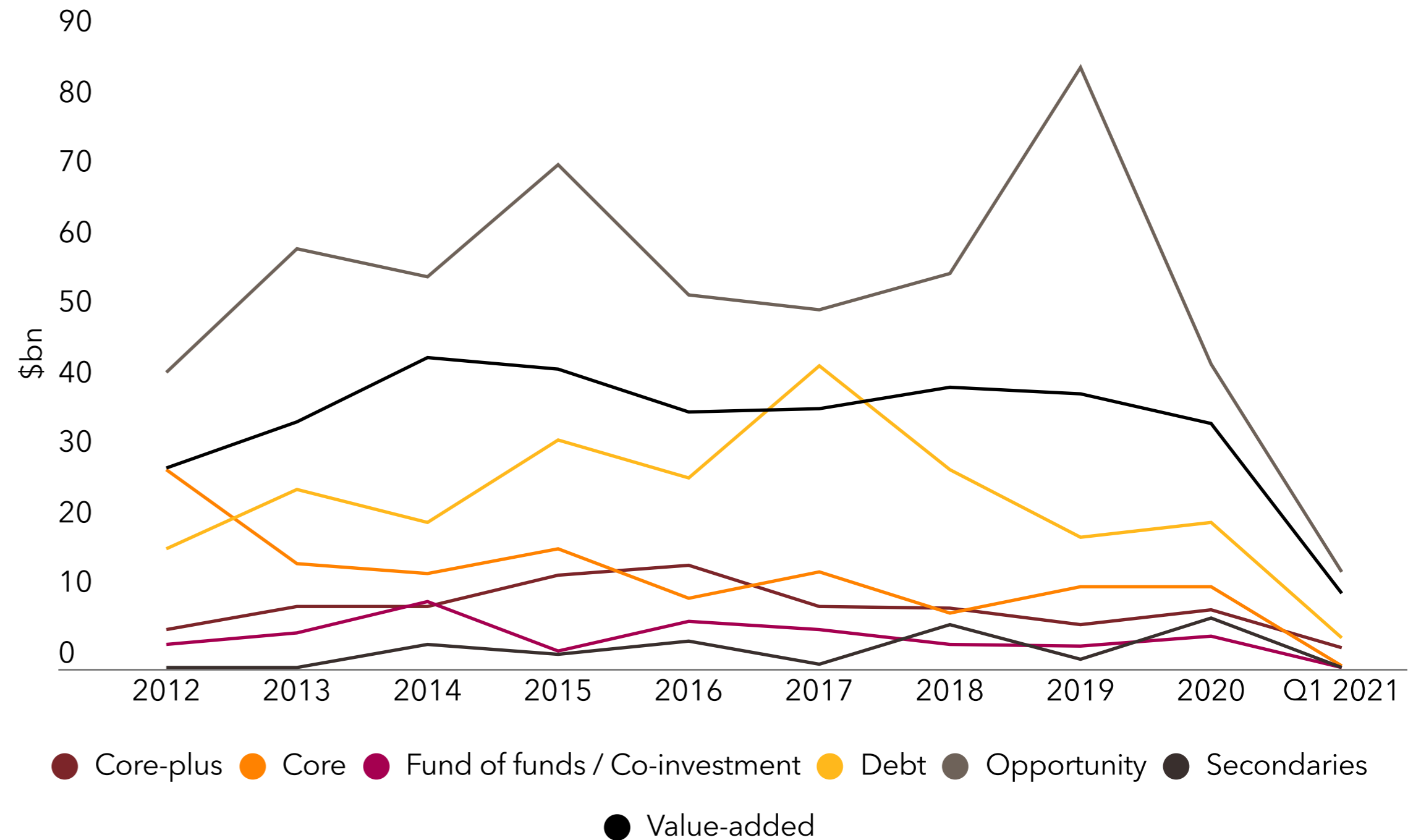
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Fundraising overview

Opportunistic continued to be the most popular fundraising strategy, ending the quarter with \$13.8 billion raised, even though capital raising for the risk-return profile plummeted from \$85.8 billion in 2019 to \$43.6 billion in 2020. Value-add was the next most popular at \$10.7 billion collected during the quarter. While slightly less attractive than opportunistic, the strategy has been less volatile on the capital-raising front during the pandemic, with the total equity haul slipping modestly from \$39.2 billion in 2019 to \$34.9 billion in 2020. In fact, value-add totals have not exceeded \$44.5 billion during the past decade.

Year-on-year fundraising by strategy



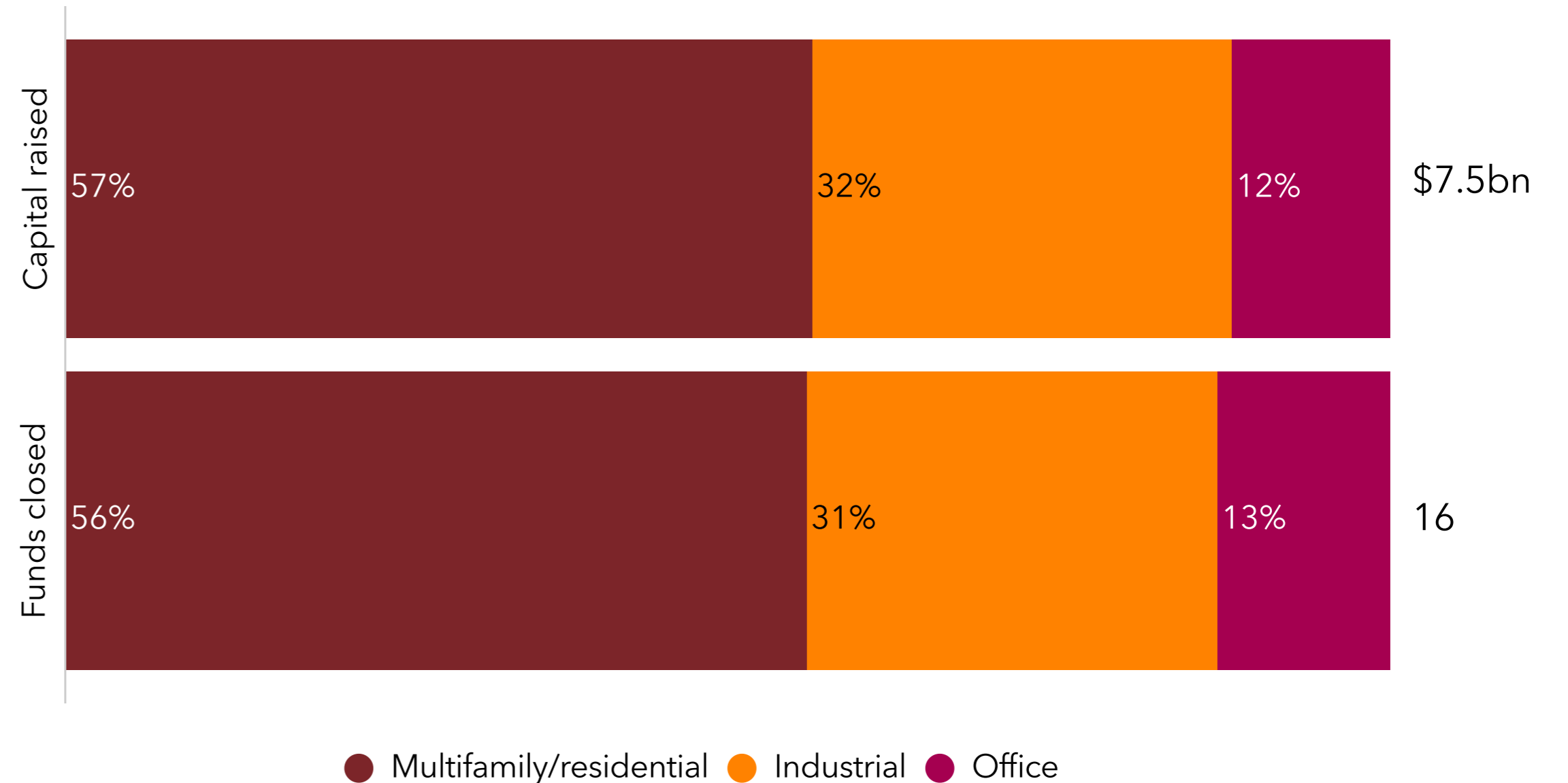
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Fundraising overview

Of the 42 funds closed during the first quarter, 16, or 38 percent, were dedicated to a specific sector. And among sector-specific funds, there was no contest as to which strategy was king. Multifamily took home nearly 60 percent of the capital raised among sector-focused vehicles during Q1 2021. The other industry sector favorite, industrial, attracted a considerably lower percentage (32 percent) of the aggregate equity collected for sector-specific funds. The only other property type represented among sector-focused fund closes during the quarter was office.

Q1 2021 sector-specific fundraising strategy breakdown*



*Figures have been rounded

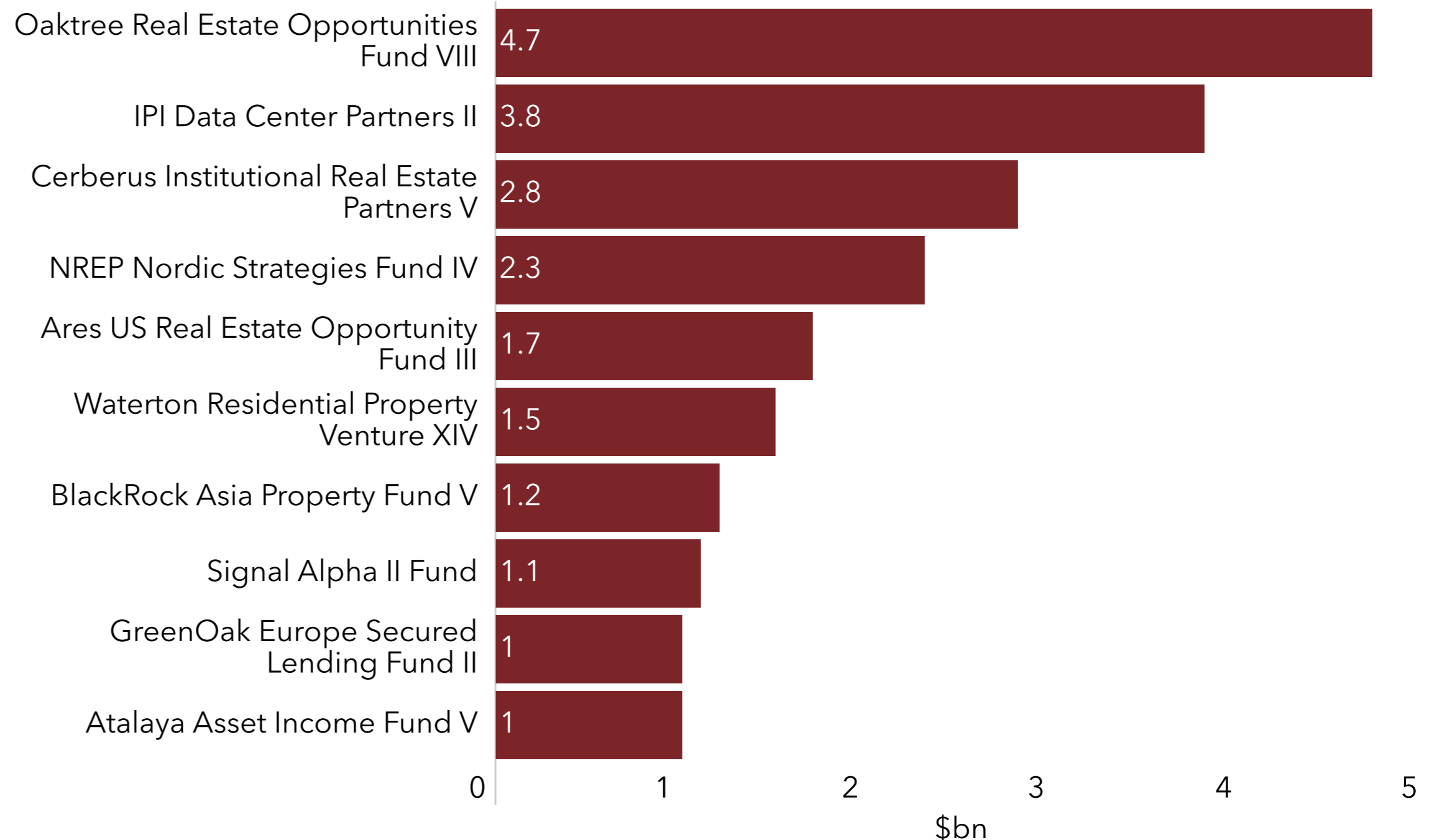
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Top 10 largest capital raisers

No mega-funds featured in this quarter's list of top fundraisers, with Oaktree Capital Management's \$4.7 billion Oaktree Real Estate Opportunities Fund VIII just missing the \$5 billion threshold. Only four of the top 10 largest fund closes during the first quarter broke the \$2 billion mark.

Notably, the five largest fund closes included a mix of the typical global diversified vehicles and sector- and market-specific funds. IPI Partners' IPI Data Center Partners II, for example, targets one of the most in-demand niche real estate sectors, while NREP's Nordic Strategies Fund IV focuses on the 'safe-haven' Nordics region.

Q1 2021 largest fundraisers by capital raised

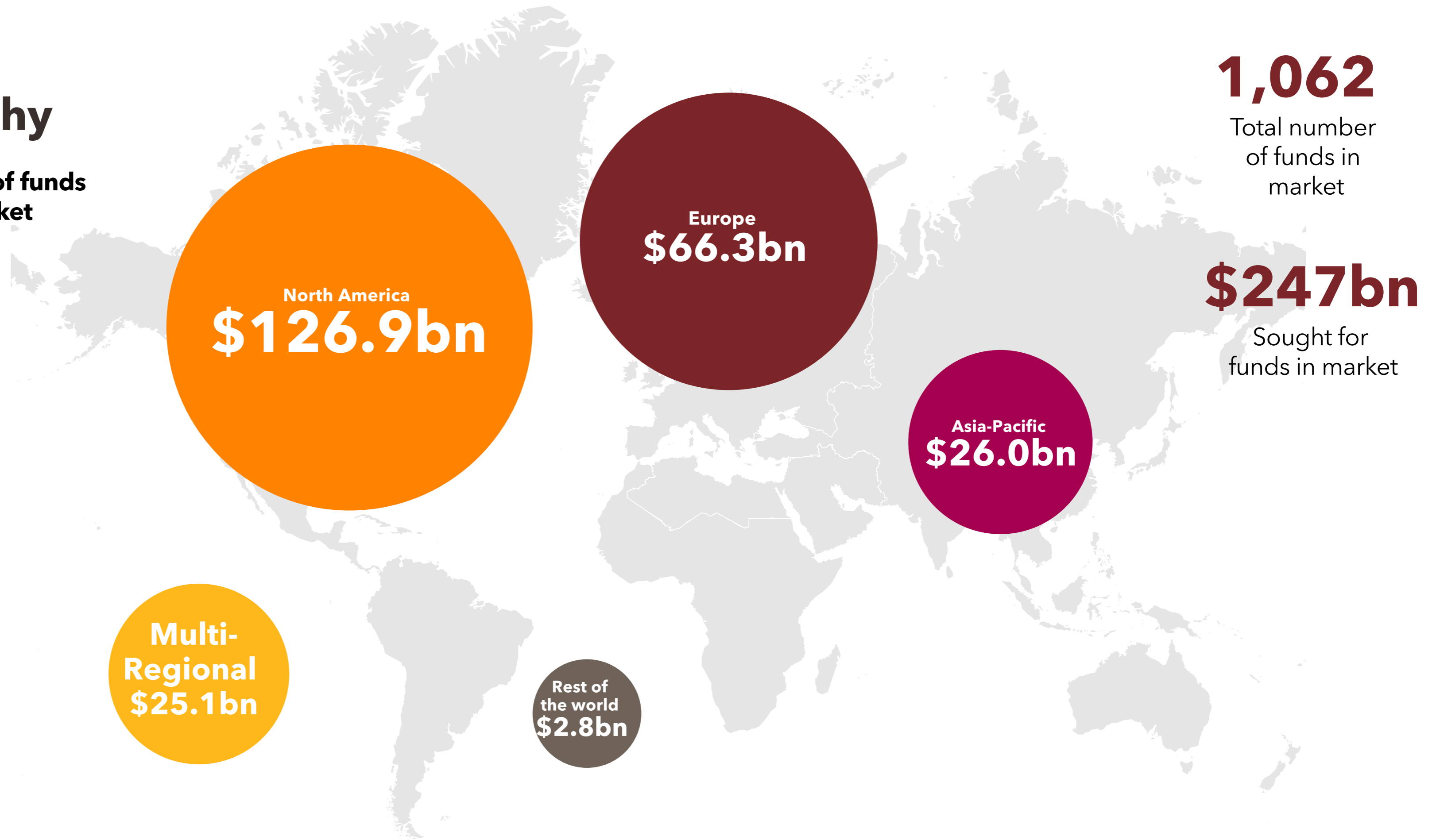


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Geography

Regional focus of funds currently in market



Funds in market

Largest funds in market as of April 1, 2021

Fund Name	Fund Manager	Target Size (\$bn)	Region
Starwood Global Opportunity Fund XII	Starwood Capital Group	7.5	Multi-regional
Carlyle Realty Partners IX	The Carlyle Group	6	North America
KKR Real Estate Partners Americas III	KKR	3	North America
PIMCO Corporate Opportunities Fund III	Pacific Investment Management Co (PIMCO)	3	North America
Oaktree Real Estate Debt Fund III	Oaktree Capital Management	2.75	Multi-regional
AIG U.S. Real Estate Fund III	AIG Global Real Estate	2	North America
AllianceBernstein Commercial Real Estate Debt Fund IV	AllianceBernstein	2	North America
Bridge Debt Strategies Fund IV	Bridge Investment Group	2	North America
CBRE Strategic Partners U.S. Value 9	CBRE Global Investors	2	North America
Davidson Kempner Long-Term Distressed Opportunities Fund V	Davidson Kempner Capital Management	2	Multi-regional
Kildare European Partners III	Kildare Partners	2	Multi-regional
Partners Group Real Estate Opportunities 2019	Partners Group	2	Multi-regional

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