

# FUNDTRACKER TRENDWATCH

## Infrastructure marketing times increase

Infrastructure investors are taking their time before committing to funds

As the world has bounced back from the recession, most asset classes have seen their fundraising times steadily decline. Infrastructure, however, is living a different story. A graph showing the average time infrastructure funds have taken to close each year since 2012 looks something like the mouth of the bear in "The Revenant." The average marketing time is up one year, down the next, up again, down again and so on.

- Fundraising times creep up in 2015
- North American-focused funds closed in shortest amount of time
- Diversified funds took the longest amount of time to close

Overall, the mean time in the market for all funds that closed between 2013 and 2016 was 16.3 months. Funds that closed in 2013 had been in the market an average of 17 months before closing. Those that held a final closing in 2014 were only open for 15.9 months, on average. It took a little longer for those closing last year — 16.2 months, on average. Only two funds have closed so far in 2016. One took six months; the other took 12 months.

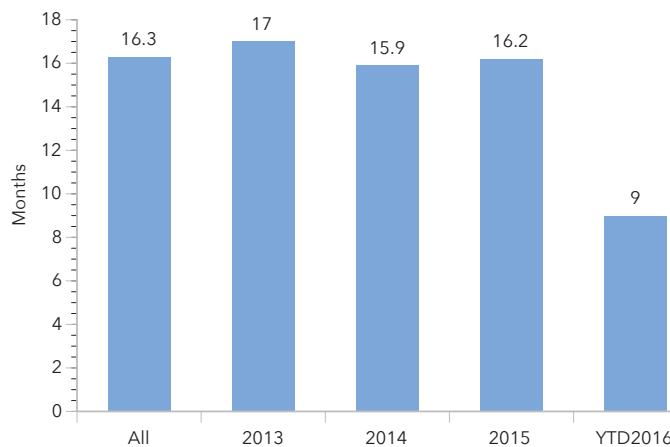
Although it appears that an infrastructure manager can expect to take fewer than 17 months to reach its maximum fund target, it should be noted that this average only

includes funds that have actually reached a final closing. When looking back at funds launched in 2011, only 30 have closed while 39 remain open. Funds first offered in 2012 see a similar pattern — of the 61 launched, only 30 have closed. Forty of the 70 funds launched in 2013 are still open. So although the time in the market does not seem excessive for those funds closing in the past few years, it appears that fewer than half the funds launched since 2011 have actually been able to close.

Closing times vary greatly depending on the region being targeted. Those funds targeting North America in 2015 closed in 8.7 months, on average. On the other end of the spectrum, it took an average of 39.3 months for funds targeting Europe to close.

Being sector-specific also appears to be more attractive to investors than being diversified. Diversified or multi-sector funds that have closed since 2013 took about 21.6 months from start to finish. Energy/power funds took about 12.3 months, social infrastructure funds closed in 19 months, and the one water-focused fund was only in the market for four months. The one exception was transportation-focused funds. They took 27 months to close.

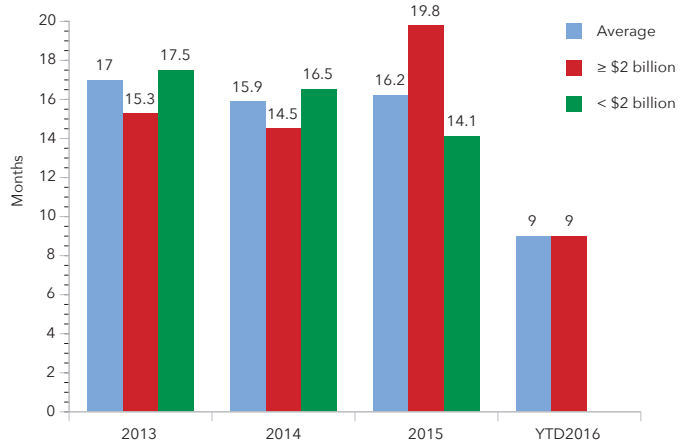
Average time in the market for funds closed by year



Source: IREI FundTracker

Funds closed as of Feb. 20, 2016

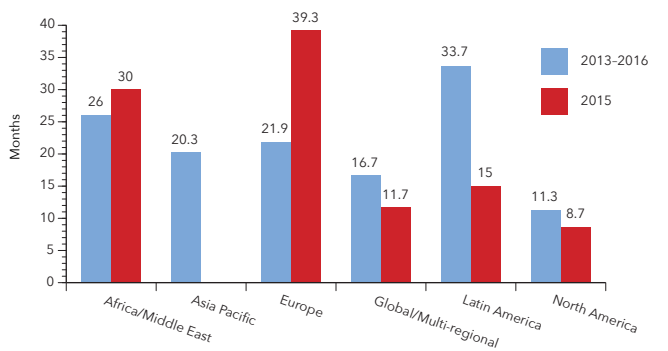
Average time in the market for funds closed by size



Source: IREI FundTracker

Funds closed as of Feb. 20, 2016

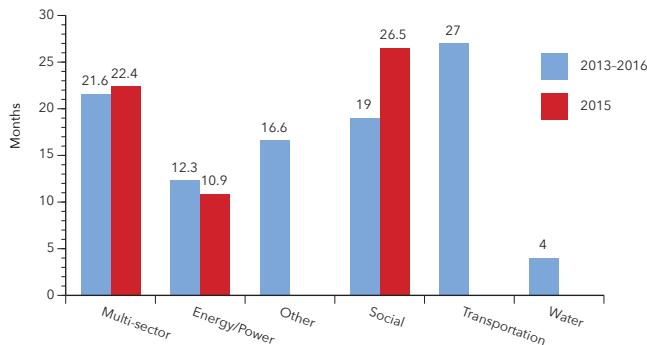
## Average time in market by region



Source: IREI FundTracker

Funds closed as of Feb. 20, 2016

## Average time in market by sector



Source: IREI FundTracker

Funds closed as of Feb. 20, 2016

## Average time in market: debt vs. equity



Source: IREI FundTracker

Funds closed Jan. 1, 2013 – Feb. 20, 2016

Information in this report has been drawn from IREI's proprietary FundTracker database. Online subscriptions are available. Click [here](#) for more information.

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A report by Institutional Real Estate, Inc.

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- The \$14.3 billion [Arkansas Teacher Retirement System](#) has committed \$50 million to Global Infrastructure Partners III.
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