

FUNDTRACKER TRENDWATCH

Mega-funds continue to dominate

Infrastructure mega-funds account for 67% of capital raised since 2013

Infrastructure mega-funds — those funds raising \$2 billion or more — have been responsible for approximately two-thirds of the capital raised by funds closing since 2013. In the past three years, 95 funds have closed

with an aggregate total of \$163 billion raised. Of that total, 29 mega-funds, or 31 percent of the total number of closed funds, have raised \$110 billion, or 67 percent of the capital.

When looking at the average size of infrastructure funds, it is no surprise that so few vehicles are responsible for raising so much capital. The size of the average mega-fund over the past three years was nearly \$3.8 billion, while the size of non-mega-funds comes

in at about \$802 million.

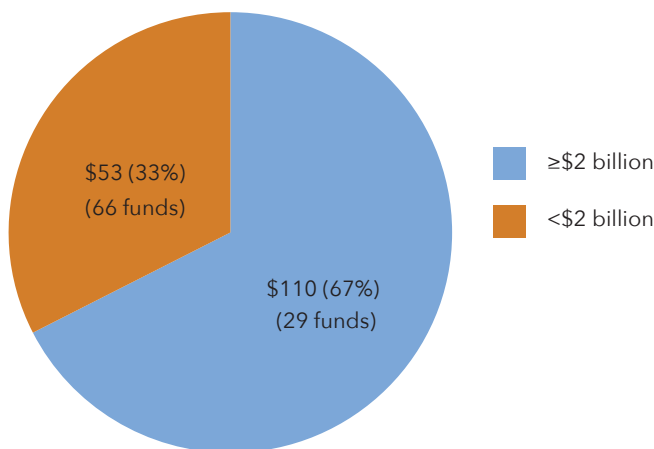
Looking at the capital raised by year, the amount of capital controlled by mega-funds has remained relatively steady, ranging from about \$30 billion to \$34 billion. What has changed, however, is the percentage of total capital controlled by the mega-funds. In 2013, mega-funds accounted for 61 percent

of all capital raised. In 2014, that percentage grew slightly to 62 percent, while 2015 saw 72 percent of total capital raised by mega-funds. Although still early in the year, 2016 looks to be following the same pattern, with nearly all funds closed year-to-date being mega-funds. Five funds have closed so far in 2016 — four of them raised more than \$2 billion each.

Since 2013, nearly half of these mega-funds have had a global focus, which is not surprising. Infrastructure has been a global asset class since its very beginning. Another 30 percent of closed-end infrastructure funds were raised to invest in North American (primarily) energy assets. In 2015, the three mega-funds focused on North America had each raised more than \$5 billion by the time they held a final closing. Europe is the focus of 20 percent of closed funds. These funds tend to be on the lower end of the mega-fund spectrum and have a broader focus. Europe is where you will find funds focused on social infrastructure, utilities, transportation and communications. In the past three years, only one fund had an Asian focus, though much of the global investment is geared toward Asia, so there is much more Asian investment than is evident at first glance.

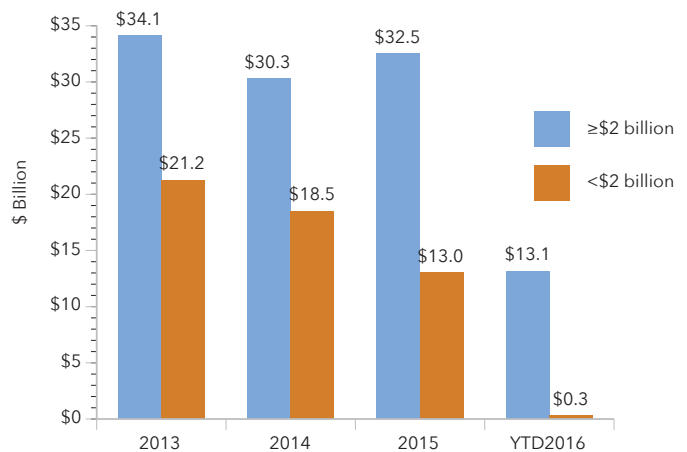
- Mega-funds accounted for 72 percent of capital raised in 2015
- Mega-funds lean toward North America and global strategies
- Mega-fund average size at \$4 billion in 2015

Total capital raised 2013–2016 by fund size (\$B)



Source: IREI FundTracker

Capital raised per year by fund size (\$B)

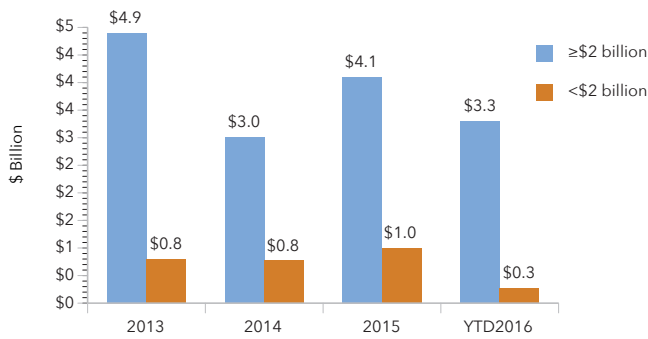


Funds closed Jan. 1, 2013 – Mar. 18, 2016

Source: IREI FundTracker

Funds closed Jan. 1, 2013 – Mar. 18, 2016

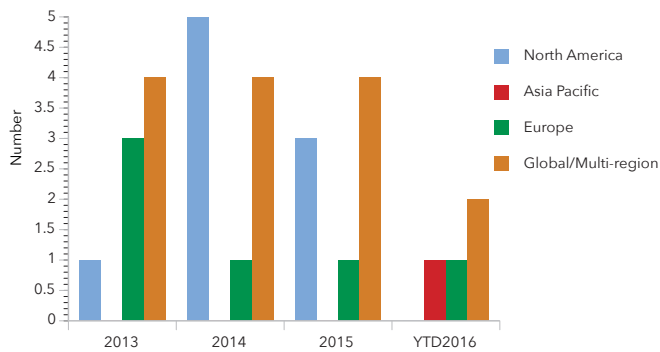
Average fund size — mega vs. non-mega (\$B)



Source: IREI FundTracker

Funds closed Jan. 1, 2013 – Mar. 18, 2016

Number of mega-funds closed per region



Source: IREI FundTracker

Funds closed Jan. 1, 2013 – Mar. 18, 2016

Largest funds closed in 2016

Fund Name	Total Raised	Region
North Haven Infrastructure Partners II	\$3.6 billion	Global
Stonepeak Infrastructure Fund II	\$3.5 billion	Global
Macquarie Asia Infrastructure Fund	\$3.1 billion	Asia
Ardian Infrastructure Fund IV	\$2.9 billion	Europe
NTR Wind Fund I	\$272.2 million	Europe

Source: IREI FundTracker

Funds closed Jan. 1 – Mar. 18, 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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- [BNP Paribas Investment Partners](#) launches £1 billion (\$1.45 billion) water fund into the United Kingdom.
- [Morgan Stanley Infrastructure](#) has raised \$3.6 billion for North Haven Infrastructure Partners II, as well as a co-investment club vehicle for a total of \$5.8 billion of available capital to invest in the infrastructure sector.
- [Aquila Capital](#) has launched a €500 million (\$542 million) vehicle to invest in infrastructure assets and funds.
- [AMP Capital's](#) global infrastructure platform has raised more than \$1 billion in new commitments as it nears its final close of \$2 billion.
- [Macquarie Infrastructure and Real Assets](#) has raised \$3.1 billion in equity commitments for its Asian regional infrastructure platform.
- The \$16 billion [Teachers' Retirement System of Louisiana](#) has committed \$50 million to Global Infrastructure Partners III.
- The \$69.7 billion [Oregon Public Employees Retirement Fund](#) has committed \$400 million to Brookfield Infrastructure Fund III.
- The \$12 billion [Maine Public Employees' Retirement System](#) has committed \$110 million to Meridiam Infrastructure European III.

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